REPUBLIC OF GHANA

MINISTRY OF FINANCE

2018 STATE OWNERSHIP REPORT

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AAC	Accra Abattoir Company Limited
ABFA	Annual Budget Funding Amount
ACET	Africa Commission for Economic Transformation
ADB	Agricultural Development Bank
AESL	Architectural & Engineering Services Limited
AGA	AngloGold Ashanti Limited
AGI	AngloGold Ashanti Iduapriem
AGM	Annual General Meeting
AGL	Abosso Goldfields Ghana Limited
AGGL	Asanko Gold Ghana Limited
ARL	Adamus Resources Limited
BDCs	Bulk Distribution Companies
BoG	Bank of Ghana
BOPP	Benso Oil Palm Plantation
BOST	Bulk Oil Storage and Transport Company Limited
BPA	Bui Power Authority
BRVs	Bulk Road Vehicles
BSA	Bulk Supply Agreement
CAGD	Controller and Accountant-General's Department
CAPEX	Capital Expenditure
CBG	Consolidated Bank Ghana Ltd
CBM	Conventional Buoy Mooring
CDU	Central Distillation Unit
CGM	Chirano Gold Mines
CEO	Chief Executive Officer
CIE	Compagnie Ivoirienne d' Electricite (Cote d' Ivoire)
COCOBOD	Ghana Cocoa Board
CPC	Cocoa Processing Company Limited
CPESDP	Coordinated Program of Economic and Social Development Policies
CRAF	Credit Risk Assessment Framework
CSOs	Civil Society Organizations
CWSA	Community Water and Sanitation Agency
DG	Director-General
DIC	Divestiture Implementation Committee
DSA	Debt Sustainability Analysis
DVLA	Driver and Vehicle Licensing Authority
DWCTP	Deepwater Cape Three Point
EC	Energy Commission
ECG	Electricity Company of Ghana
EDRL	Energy Debt Recovery Levy

EDSA	Energy Debt Service Account
EMOP	Electricity Market Oversight Panel
EMT	Economic Management Team
EPA	Environmental Protection Agency
EPC	Enclave Power Company
ERMD	External Resource Mobilization Division
ESLA	Energy Sector Levies Act
E.S.L.A PLC.	E.S.L.A. PLC.
EXIM	Ghana Exports and Imports Bank
FC	Forestry Commission
FGSL	First Ghana Savings and Loans
FURL	Forex Under-Recoveries Levy
FY	Financial Year
GACL	Ghana Airports Company Limited
GAT	Ghana Amalgamated Trust PLC
GBC	Ghana Broadcasting Corporation
GBCL	Ghana Bauxite Company Limited
GCAA	Ghana Civil Aviation Authority
GCB	GCB Bank Limited
GCDL	Great Consolidated Diamonds Limited
GCGL	Graphic Communication Group Limited
GCMC	Ghana Cylinder Manufacturing Company
GCX	Ghana Commodity Exchange Ltd
GDP	Gross Domestic Product
GEDAP	Ghana Energy Development and Access Project
GEMS-TA	Ghana Economic Management Strengthening-Technical Assistance
GFSM	Government Finance Statistics Manual
GGL	Goldfields Ghana Limited
GHA	Ghana Highways Authority
GHAIP	Ghana Italian Petroleum Company Limited
Ghana Post	Ghana Post Company Limited
Ghana RE	Ghana Reinsurance Company
GIADEC	Ghana Integrated Aluminium Development Corporation
GIDA	Ghana Irrigation Development Authority
GIFMIS	Ghana Integrated Financial Management Information System
GIHOC	GIHOC Distilleries Company Limited
GIIF	Ghana Infrastructure Investment Fund
GLACHO	Ghana Libya Arab Holding Company
GLDB	Grains and Legumes Development Board
GMA	Ghana Maritime Authority
GMCL	Ghana Manganese Company

GNA	Ghana News Agency
GNGC	Ghana National Gas Company
GNPC	Ghana National Petroleum Corporation
GoG	Government of Ghana
GOIL	GOIL Company Limited
GPCL	Ghana Publishing Company Limited
GPHA	Ghana Ports and Harbours Authority
GREL	Ghana Rubber Estates Limited
GRIDCo	Ghana Grid Company Limited
"GSA"	Government Support Agreement
GSA	Ghana Shippers Authority
GSBL	Golden Star Bogoso/Tarkwa Limited
GSCL	Ghana Supply Company Limited
GSE	Ghana Stock Exchange
GSWL	Golden Star Wassa Limited
GTFCL	Ghana Trade Fair Company Limited
GWCL	Ghana Water Company Limited
GWF	Ghana Women's Fund
ICOUR	Irrigation Company of the Upper Regions
IMF	International Monetary Fund
Intercity STC	Intercity STC Company Limited
IPPs	Independent Power Producers
ISO	Independent System Operator (ISO)
ISSER	Institute of Statistical, Social and Economic Research
ITLOS	International Tribunal for the Law of the Sea
JVCs	Joint Venture Companies
KAC	Kumasi Abattoir Company Limited
KPMG	KPMG Charted Accountants
LAA	Lease and Assignment Agreement
L.I.	Legislative Instrument
LLCs	Limited Liabilities Companies
LMIC	Lower Middle-Income Country
LPG	Liquefied Petroleum Gas
MCC	Millennium Challenge Corporation
MDAs	Ministries, Departments and Agencies
M&E	Monitoring and Evaluation
MGBL	Mensin Gold Bibiani Limited
MML	Med Mining Limited
MMT	Metro Mass Transit Company Limited
MOEn	Ministry of Energy
MoF	Ministry of Finance

MTNDPF	Medium-Term National Development Policy Framework
MTEF	Medium Term Expenditure Framework
NAB	National Accreditation Board
NAFTI	National Film and Television Institute
NDPF	National Development Policy Framework
NEDCo	Northern Electricity Development Company
NES	National Electrification Scheme
NEP	National Energy Policy
NIC	National Insurance Commission
NITA	National Information Technology Agency
NMHFL	National Mortgage and Housing Fund Ltd
NPA	National Petroleum Authority
NPRA	National Pensions Regulatory Authority
NTC	New Times Corporation
NTG	National Theatre of Ghana
NIB	National Investment Bank
NITS	National Interconnected Transmission System
NTC	New Times Corporation
NUGs	Non-Utility Generators
OCTP	Offshore Cape Three Points
OMCs	Oil Marketing Companies
OML	Owere Mines Limited
OSEs	Other State Entities
OTCs	Oil Trading Companies
PBC	Produce Buying Company Limited
PC	Public Corporation
PDM	Primary Distribution Margin
PDS	Power Distribution Services Ghana Limited
PetCom	Petroleum Commission
PFM	Public Financial Management
PFMA	Public Financial Management Act
PIAD	Public Investment and Assets Division
PID	Public Investment Division
PIM	Public Investment Management
PIP	Public Investment Program
PIT	Project Implementation Team
PGISsA	Power Generation Infrastructure Support Sub-Account
PMGL	Perseus Mining (Ghana) Limited
PMMC	Precious Minerals Marketing Company
PNDCL	Provisional National Defence Council Law
POD	Plan of Development

PPAs	Power Purchase Agreements
PSP	Private Sector Participation
PSPEI	Plant Stabilization and Profitability Enhancement Initiative
PTS	PSC Tema Shipyard
PURC	Public Utilities Regulatory Commission
REMP	Ghana Renewable Energy Master Plan
REPO	Renewable Energy Purchase Obligation
RFCC	Residue Fuel Catalytic Cracker
RfP	Request for Proposal
RfQ	Request for Qualification
SCGL	Smart City Ghana Limited
SEC	Securities and Exchange Commission
SEC*	State Enterprises Commission
SHC	State Housing Company
SHEP	Self-Help Electrification Scheme
SIC	SIC Insurance Company Limited
SIC-Life	SIC Life Company Limited
SIGA	State Interests and Governance Authority
SNEP	Strategic National Energy Policy
SOEs	State Owned Enterprises
SOP	State Ownership Policy
SOR	State Ownership Report
SPM	Single Point Mooring
SPV	Special Purpose Vehicle
SSNIT	Social Security and National Insurance Trust
Stanchart	Standard Charted Bank
TDC	TDC Development Company Limited
TDMD	Treasury and Debt Management Division
TDRL	ToR Debt Recovery Levy
TEN	Tweneboa, Enyenra and Ntomme
TICO	Takoradi International Company Limited
TOPP	Twifo Oil Palm Plantation
TOR	Tema Oil Refinery
PTS	PSC Tema Shipyard
VALCO	Volta Aluminum Company
VCTF	Venture Capital Trust Fund
VLTC	Volta Lake Transport Company Limited
Vodafone	Vodafone Ghana Limited
VRA	Volta River Authority

FOREWORD

It is with pleasure that we present the third State Ownership Report. The publication of this Report forms part of efforts by my Ministry to fulfil its obligations and mandate for overseeing the financial operations of entities in which the State maintains interests. It also demonstrates our enduring commitment to protecting the public purse. This Report helps to shed light on and deepen our understanding of the factors behind the performance of state-owned enterprises (SOEs), other state entities (OSEs), and joint venture companies (JVCs). Not only would the insights gained strengthen partnerships between the state and the private sector, but it will also inform on-going interventions and shape key sector decisions relating to the management of the State's interests in SOEs, OSEs and JVCs.

Elsewhere, this Government, led by President Akufo-Addo, has articulated the vision of Ghana Beyond Aid. A central cog of this vision is the deliberate liberation of the energies of the private sector to serve as the engine of transformation. The pursuit of this Vision requires a dedication to optimizing Government's interest and investments in all entities in a manner that ensures the best returns in terms of dividends/ surplus receipts and /or efficient and effective provision of critical public services. To achieve this, we have revamped the regulatory and legislative environment with a raft of reforms as typified by the recent institutionalization of SIGA. These reforms have been undertaken in the anticipation that existing and future investments of the State in the above-mentioned entities would flourish in a congenial eco-system.

However, as this report illustrates, financial and operational performance of the entities covered, particularly SOEs remain mixed and far from desirable. It is important to highlight the fact that these results, though somewhat disheartening, are not entirely unexpected. Indeed, the sheer scope and scale of the reforms being undertaken suggest that the pace of progress would be slow. But, we will succeed, if only we have the courage to persist.

We must not be daunted. These unexciting results must serve as the board from which our eternal resolve for improving public investments and asset management would spring. The recent tremendous policy and regulatory advances in the Public Financial Management System in Ghana should remain our chief companion and complementing framework. We must be energized to aggressively pursue the agreed reforms that would enhance the processes, systems, practices and procedures by which entities are governed and managed. We must harness digital technology to augment human capacity. Together, these would naturally lead to improved performance of SOEs, OSEs, and JVCs as well as enhance their contribution to our national development process.

Ultimately, Government recognizes that it must confront the challenge of mobilizing more resources for socio-economic transformation. We are cognizant that doing this draws us closer to accomplishing the economic, cultural and social rights enshrined as fundamental rights in the 1992 Constitution. We are determined to take these rights away from the notional and abstract realm and make them real. I am clear in my mind that these aspirations are in line to profit from the lessons we have learnt from the findings of this Report. May God grant us the courage of our conviction in this pursuit of reforming SOEs.

KEN OFORI-ATTA
MINISTER FOR FINANCE

STATEMENT BY AG. DIRECTOR-GENERAL, STATE INTERESTS & GOVERNANCE AUTHORITY

"LEAVE NO STONE UNTURNED"

The Akufo-Addo Administration's change process is being felt in every sector of Ghana's economy and the State-Owned Enterprises (SOEs), other State Entities and the State Interests in other entities are not being left behind. On 30th May, 2019, Parliament passed the State Interests and Governance Authority (SIGA) Bill and the President assented on 7th June, 2019, paving the way for it to be gazetted on 10th June 2019. Following a launching ceremony headlined by H.E. the President who also out-doored the Minister responsible for SIGA (Hon. Kwaku Afriyie) on August 19, 2019, there is now established, the State Interests and Governance Authority Act 2019 (Act 990) to have ownership and Governance responsibilities in SOEs, Joint Venture Companies (JVCs) and other State Entities.

SIGA has replaced State Enterprises Commission (SEC) and Divestiture Implementation Committee (DIC), which respective laws of State Enterprises Commission Act 1987 (PNDCL 170) and the Divestiture of State Interests (Implementation) Act 1993 (PNDCL 326) have now been repealed. SIGA presents us with a great opportunity to rethink about the old ways in which State-Owned Enterprises and other State Entities have been managed to date. SIGA is a game changer by which State businesses and service delivery will henceforth become creative, innovative, competitive and to be comparable to international best practices. SIGA will vigorously utilize and adapt to modern technology to create smart workplace environment that will enhance efficiency of operations in our SOEs and other Entities. There will be real-time performance monitoring and reporting to provide openness, transparency and accountability to assist in decision-making and shareholder value as well as serve stakeholder interests.

SIGA has been designed to ensure a centralized ownership structure that has, amongst its objects, to acquire, receive, hold and administer or dispose of shares in SOEs and JVCs; to oversee and administer the interests of the state in specified Entities; promote within the framework of government policy, the efficient or where applicable profitable operations of specified entities; ensure that specified entities introduce measures for efficient regulation and higher standard of excellence.

SIGA will build an efficient, effective and robust internal capacity with credible experts to support the entities. I have to state that, a few years back SEC's impact on the performance of SOEs had not been well felt within the sector due to its sole advisory role. This unfortunately resulted in its diminished importance over the years with the result that some SOEs unilaterally refused to participate in the Performance Contracting process with Government. Nonetheless our commitment and resolve drastically changed the status quo.

In 2018 forty (40) SOEs and seven (7) subvented agencies participated in the 2019 performance contracting process. This compares favourably to thirty-five (35) SOEs and five (5) subvented agencies and twenty-five (25) SOEs and five (5) subvented agencies for the 2018 and 2017 respective contract periods. My expectation for 2020 contracting period and beyond is that SIGA will put in place a roadmap to ensure that SOEs, JVCs and other state entities partake in the performance contracting system.

My role as the Director-General of SIGA is to serve the specified entities and be the conduit to impart and share knowledge amongst us while realizing the object of SIGA. I have also indicated my readiness to be sensitive to the challenges of the specified entities and remedy them with speed and facilitate their smooth operations. I believe the year 2018 has seen some positive achievements in this regard.

SIGA is in the process of reviewing and modifying the Performance Contracting system to make it more responsive to suit current technological needs of the specified entities. We are also exploring opportunities within our legal framework and working with all stakeholders to design an appropriate mechanism of ensuring Government's interests in the mining companies is enhanced to appropriately benefit Ghanaians. Again, the proposal for a unified, centralized and digitized Performance Monitoring and Evaluation Framework for the effective, real-time monitoring of the operations of specified entities is to be implemented.

We shall also increase our physical monitoring visits to enhance our appreciation of the operations of the specified entities and improve on our monitoring and evaluation reporting. Working within our mandate, we have instituted a bi-annual reporting on 31st July and 31st January each year to let the Ghanaian public know and appreciate the performance of each specified entity and contribution to the economy. The maiden edition comes off in the latter part of 2019 on the 2018 performance of the specified entities. A league table will be published as part of this reporting.

One of the critical ingredients in the performance of an organization is good corporate governance. SIGA intends to continue with the organization of the corporate governance training workshops for Boards and Management of State Entities to deepen and sharpen their skills on corporate governance, enhance effective accountability and transparency, which is expected to lead to prudent management of State Entities. A detailed programme of the training will be rolled out to take advantage of opportunities in Ghana's Tertiary Institutions and other training Institutions. My humble appeal is for all of us to work as team players towards the success of the government's agenda in the SOE sector and to efficiently manage our Institutions.

For some time now, the erstwhile SEC had been working with the CEOs of SOEs and facilitated the formation of a Chamber of CEOs of SOEs to promote inter-trading activities that will enhance growth and create more jobs; encourage each other to attain best international practices through peer review mechanism; and promote knowledge sharing so as to maximize operational and financial opportunities to challenge, assist and guide the SOEs to become top-notch companies. Some of the SOEs are inter-trading in goods and services. Typical example is National Theatre of Ghana buying bottled water from Ghana Water Company Limited.

Some difficulties in the sector include debt overhang and liquidity challenges posing fiscal risks to the economy. SIGA will continue working with the Ministry of Finance to address these issues. SEC assisted some SOEs in retrieving their funds locked up with various State Institutions, including some MMDAs. Government is making efforts in resolving the legacy debt within the energy sector. After this exercise the Government should not be expected to continue to provide financial support to keep the SOEs running. Therefore, the support that has been received and/or being worked on so far is expected to significantly enhance the financial health of SOEs so that they can borrow on the strength of their financial positions.

SIGA will be ensuring that basic fundamental business disciplines are strictly applied in our day-to-day operations of all entities. These will include but not limited to:

(a) revenue being boosted significantly;

(b) cost being massively reduced; and

(c) Wastages and leakages being blocked.

There are concerns that most of the SOEs are not engaging the public proactively until an issue is raised in the media before they react. This approach is not the best and we must all work out a system of communication that is positive and tells the good stories to raise the image of the SOE sector and the other State Institutions in a positive way.

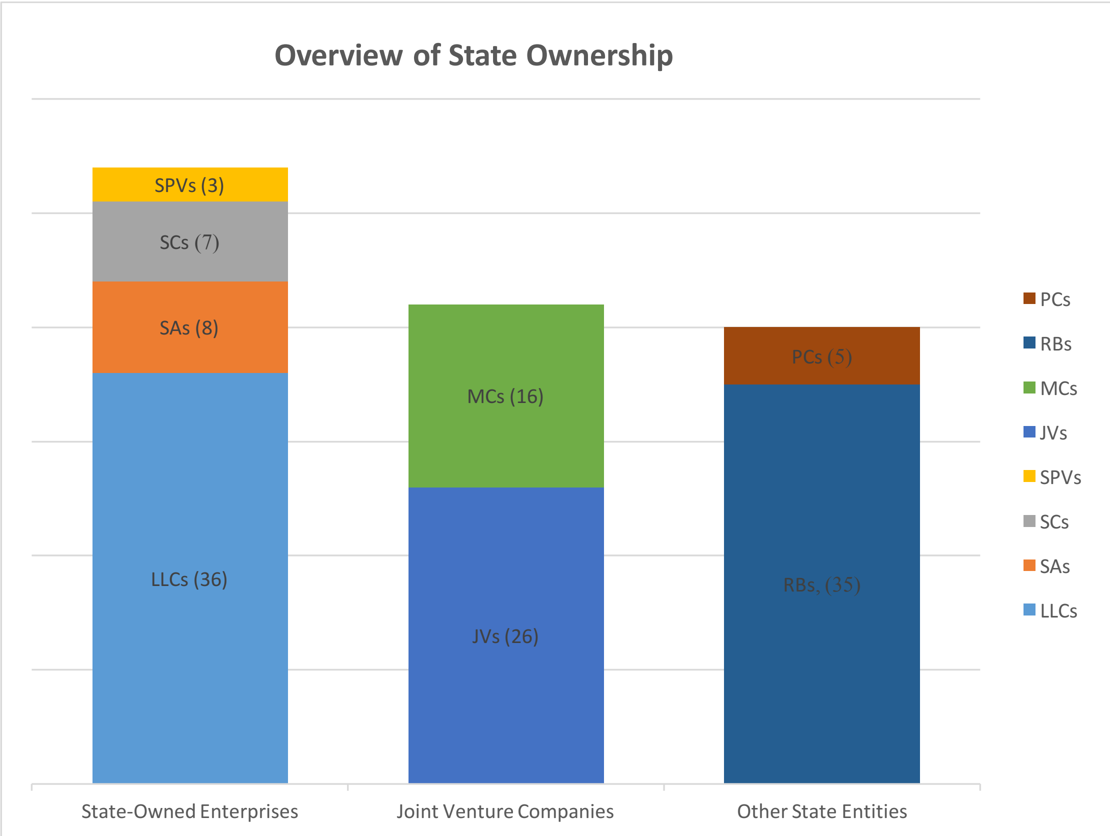
In conclusion, the strategic importance of this sector to the economic transformation agenda of the Government is in no doubt. That is why the Government intends to bring the sector to the fore of its economic growth, industrialization and job creation agenda; and has taken steps to holistically deal with structural and fiscal challenges of the SOEs. The Government support and efforts alone will not bring the desired outturn unless each one of us in the ship paddles in the direction of the dream of the President, Nana Addo Dankwa Akufo-Addo to its successful destination.

STEPHEN ASAMOAH BOATENG

EXECUTIVE SUMMARY

Executive Summary | Overview of State Ownership

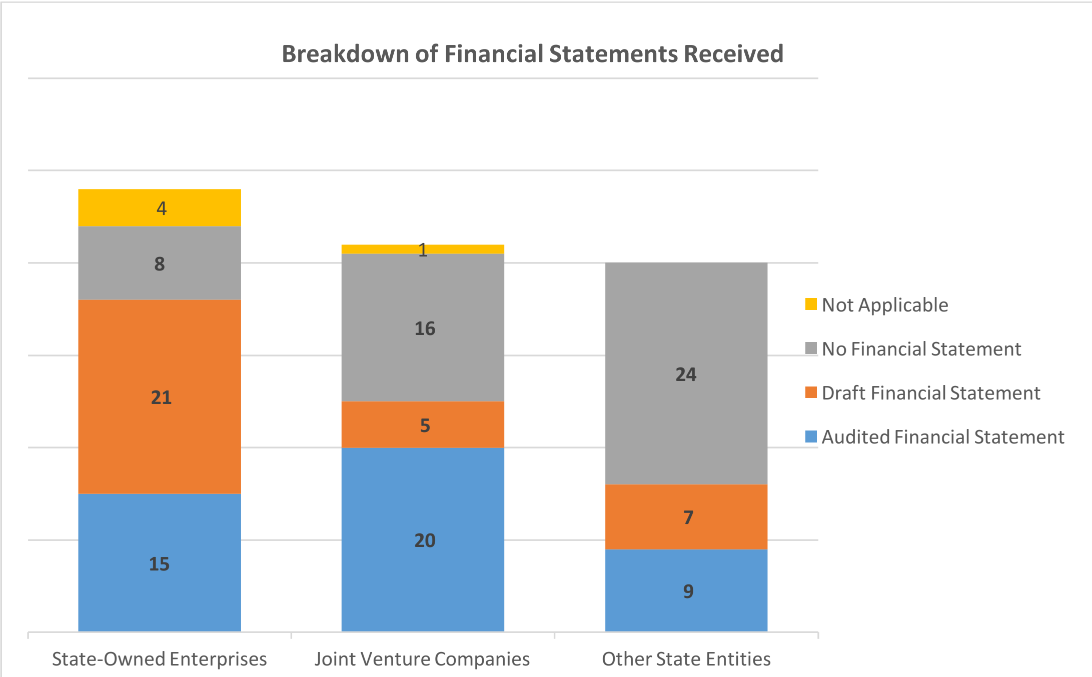
1. By end-2018, records of the Ministry of Finance (MoF) indicate that Government of Ghana (GoG) held equity interests in 130 entities operating in various sectors of the economy. These are made up of 48 State-Owned Enterprises (SOEs), 40 Other State Entities (OSEs) and 42 Joint Venture Companies (JVCs). 7 new entities were created in 2018.



2. 48 belong to the SOEs group with 40 and 42 being OSEs and JVCs respectively. The 48 SOEs are made up of 30 Limited Liability Companies (LLCs), which operate under the Companies Code; 7 Statutory Corporations established by Acts of Parliament; 8 subvented agencies; and 3 Special Purpose Vehicles. Out of the 40 JVCs, 26 are joint ventures, with 16 being mining companies. 9 of the JVCs are publicly traded. The 40 OSEs category is made up of 35 regulatory bodies and 5 other public corporations.

Executive Summary | Submission of 2018 Financial Statements

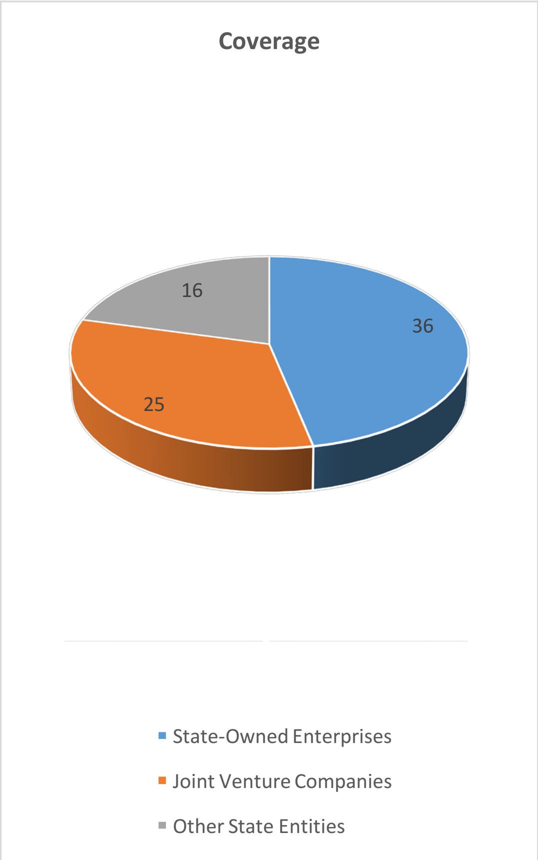
3. By end-2019, MoF had received 2018 financial statements from 77 entities out of the 130 entities on the books of GoG. These were made up of 36 SOEs, 16 OSEs and 25 JVCs. 5 entities were not expected to submit any financial statement since they began operations in 2018. The analyses in this report are based on the 77 financial statements received from the entities, both audited and unaudited.

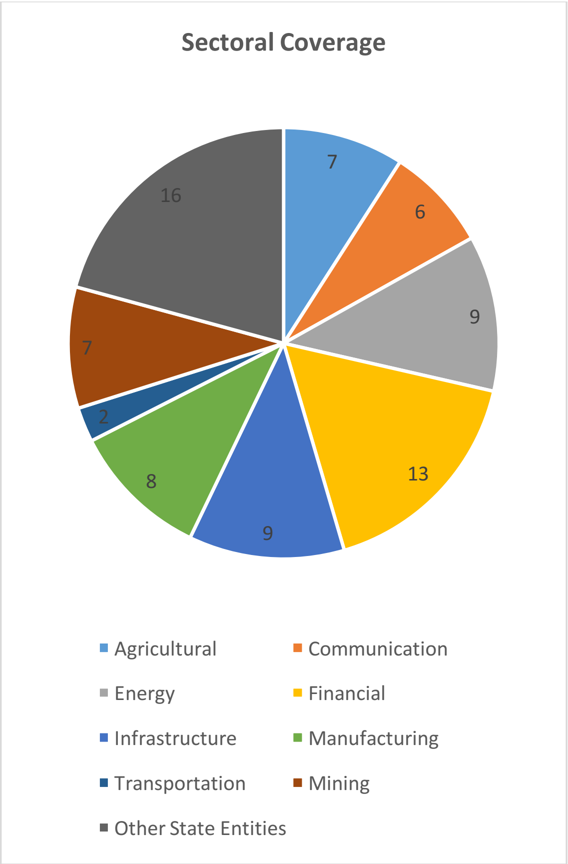


4. 36 out of the 48 SOEs (75 percent) submitted financial statement for 2018, with 15 of them (41.67 percent) being audited financial statements. 25 out of 42 JVCs (59.59 percent) submitted their 2018 financial statements. 20 of them, representing 80 percent were audited financial statements. Out of the 40 OSEs, 16 of them (40 percent) submitted financial statements for 2018, with 9 of them (56.25 percent) being audited financial statements. 48 entities did not submit any financial statement for 2018. These include 8 SOEs, 24 OSEs, and 16 JVCs.

Executive Summary | Coverage (Number, Categories & Sectors)

5. The 2018 State Ownership Report covers a total of 77 entities. These are made up of 36 SOEs, 16 OSEs and 25 JVCs. 7 new entities were created in 2018. For the purpose of financial analysis, the 77 entities were grouped into nine (9) main sectors.





6. The nine (9) sectors are Agricultural (7), Communication (6), Energy (9), Financial (13), Infrastructure (9), Manufacturing (8), Transportation (2), Mining (7), and Other State Entities (16).

Executive Summary | Contribution to Employment (2018)

7. By end-December 2018, forty-eight (48)[1] out of 130 entities had a total of 44,747 employees, with an average employment of 932 people. The three (3) biggest employers among the 48 entities were COCOBOD (8,145), ECG (6,491), and GWCL (4,809). MMT was the biggest employer among JVCs with 3,135 employees. On average, OSEs employed the most people (1,3422[2]), followed by SOEs (1,013 persons) and JVCs (649 persons).

SOEs		JVCs		OSEs	
Name	Employees	Name	Employees	Name	Employees
ECG	6,491	MMT	3,135	COCOBOD	8,145
GWCL	4,809	CGM	1,035	GCAA	438
GPHA	2,789	GMCL	898	NPA	284
CBG	2,582	GGL	678	GIDA	207
Ghana Post	1,466	GSWL	630	GSA	126

8. Out of the 48 entities, twenty-four (24) were SOEs and employed a total of 24,310 persons with an average employment of 1,013 persons. Seventeen (17) JVCs employed 11,041 people, with an average employment of 649 persons. Seven (7) OSEs employed 9,396 people with average employment of 1,342 persons.

1 *These are the entities that responded to the Ministry's request for their employee data. Also, the 7 entities that were created in FY2018 were excluded from the analysis.*

2 *This figure is significantly skewed by COCOBOD's huge employment and the limited number of OSEs used in the analysis due to lack of employment data for most OSEs.*

Executive Summary | GoG's On-Lending to SOEs Sector

9. By end-2018, total on-lent loans outstanding to various SOEs amounted to **GH¢14,867.4 million**. Out of this amount, **GH¢4.4 million** had been recovered under existing on-lent facilities. Recoveries on significant portions of signed on-lent agreements are yet to kick in. The total outstanding stock of GoG guarantees amounted to **GH¢2,348.9 million (US$ 487.1 million)**.

Government On-lent Loans and Recoveries

Description	Outstanding Debt (GH¢'M)	o/w Arrears (GH¢'M)	Recoveries in 2018 (GH¢'M)
ECGD Facilities	490.5	490.5	-
Recoverable Loans	132.4	112.1	4.4
Newer On-lent Loans and Other Facilities	14,244.5	1,967.6	-
Total	**14,867.4**	**2,570.2**	**4.4**

List of Outstanding Guarantees

S/N	Beneficiary	Project Title	Original Currency	Disbursed Outstanding Debt	US$ Equivalent	GH¢ Equivalent
1	BOST	Supply of Equipment - BOST	USD	41.0	41.0	197.7
2	GPHA	Design, Civil and Dredging Works in the Ports of Takoradi, Ghana	XEU	187.2	214.1	1,032.5
3	GPHA	Design, Civil and Dredging Works in the Ports of Takoradi, Ghana II	XEU	134.5	153.9	742.2
4	VRA	Kuwait Fund Debt Relief Loan	KWD	6.2	20.2	97.4
5	VRA	Aboadze-Volta Transmission Line Project	KWD	1.4	4.5	21.7
6	GRIDCo	Financing of the Tumu-Han-Wa Transmission Project	XEU	26.4	30.1	145.4
7	GRIDCo	Financing of Sub-stations Reliability Enhancement Project (SREP)	XEU	20.3	23.2	112.0
Total				**417.60**	**487.10**	**2,348.9**

Executive Summary | GoG transfers to Subvented Agencies

10. In 2018, an amount of **GH¢519.00 million** transferred to 8 Subvented Agencies, namely GBC, GHA, GmetA, GNA, CWSA, GLDB, ICOUR, GIDA. This represents **131.17 percent** of the budgeted amount (GH¢395.64 million).

11. The 2018 outturn **(GH¢392.97 million)** represents a significant increase of **106.50 percent** and 182.88 percent over 2017 and 2016 figures of **GH¢190.30 million** and **GH¢138.92 million** respectively.

Aggregate Details of Subvention for Selected Agencies (2016 – 2018)

S/N	Details	2016 (GH¢'M)	2017 (GH¢'M)	2018 (GH¢'M)
1	Budget	235.19	390.36	395.64
2	Amount Released	441.80	223.18	519.00
3	Actual Expenditure	138.92	190.30	392.97

Details of Subvention for Selected Agencies (2016 – 2018)

S/N	INSTITUTION	2016			2017			2018		
		BUDGET (GH¢'M)	AMOUNT RELEASED (GH¢'M)	ACTUAL EXPENDITURE (GH¢'M)	BUDGET (GH¢'M)	AMOUNT RELEASED (GH¢'M)	ACTUAL EXPENDITURE (GH¢'M)	BUDGET (GH¢'M)	AMOUNT RELEASED (GH¢'M)	ACTUAL EXPENDITURE (GH¢'M)
1	Ghana Highway Authority	119.21	377.99	355.39	198.53	127.4	117.38	116.1	358.8	262.86
	O/W GoG	22.59	320.93	298.33	102.03	107.25	97.23	26.23	244.02	148.08
	O/W ABFA (CAPEX)	96.62	57.06	57.06	96.5	20.15	20.15	89.84	114.78	114.78
2	Ghana Broadcasting Corporation	35.42	3.45	5.12	56.06	32.98	36.28	43.09	25.61	40.11
3	Ghana News Agency	4.42	23.12	33.59	6.59	1.36	0.87	6.32	5.03	4.75
4	Ghana Meteorological Agency	7.81	4.3	6.25	19.79	6.9	6.88	19.9	11.68	9.67
5	Comunity Water and Sanitation Agency	0	0	0	12.42	4.24	4.59	36.53	5.3	4.64
6	Grains & Legumes Development Board	1.56	0,95	1.43	2.27	1.6	1.68	2.27	1.62	1.77
7	Immigration Company of the Upper Regions (ICOUR)	1.52	0.26	0.38	0.52	0.38	0.42	0.57	0.36	0
8	Ghana Irrigation Development Authority	65.25	31.11	46.89	94.18	48.32	22.2	170.86	110.6	69.17
	O/W GoG	4.55	2.22	18.01	4.37	3.4	3.6	5.04	3.21	4.33
	O/W ABFA (CAPEX)	60.7	28.89	28.88	89.81	44.92	18.6	165.82	107.39	64.
Total		235.19	441.18	449.05	390.36	223.18	190.3	395.64	519	392.97

Executive Summary | Dividend Receipts

12. GoG received an amount of **GH¢139.18 million** as dividends against projected amount of **GH¢275.50 million**. The significant adverse variance (49.48 percent) was due to the non-payment of dividend by BoG, which was projected to pay an amount of **GH¢200.00 million**.

13. SOEs contributed a total amount of **GH¢8.52 million** representing 6 percent of total dividend received. JVCs and mining companies contributed **GH¢18.58 million** (13 percent) and **GH¢112.07 million** (81 percent) respectively.

Details of Dividend Payments (2018)

No.	Companies	Amounts Paid (GH¢)
	State Owned Enterprises	
1.	Ghana Ports and Harbours Authority	3,000,000.00
2.	Ghana Reinsurance Limited	5,520,000.00
	Sub Total	**8,520,000.00**
	Joint Ventures	
1.	Africa Finance Corporation	1,486,760.00
2.	African Reinsurance Corporation	1,171,130.00
3.	GCNET	8,000,000.00
4.	GHACEM	1,750,000.00
5.	GCB Bank	5,660,860.00
6.	Ghana Women Fund Company Limited	8,550.00
7.	Savana Cement Co. Ltd	511,110.00
	Sub Total	**18,588,410.00**
Mining Companies		
1.	AngloGold Ashanti Limited	1,416,420.00
2.	Chirano Gold Mines	61,887,800.00
3.	Goldfields Abosso	4,888,400.00
4.	Goldfields Tarkwa	43,878,340.00
	Sub Total	**112,070,960.00**
	Grand Total	**139,179,370.00**

Executive Summary | Financial Reporting and Compliance

14. There was low compliance by entities to reporting & disclosure provisions in legislative and regulatory requirements governing their operations including Companies Act, 2019 (Act 992), Public Financial Management Act, 2016 (Act 921) and its associated Regulations (L.I. 2378).

15. No SOE including the 36 covered in this report had submitted 2018 audited financials by end of April, 2018 in breach of sections 80 and 95 of PFM Act, 2016 (Act 921). Two (2) publicly traded companies, CPC and PBC, had not completed the auditing of their 2018 financial statements by end-October, 2019 in breach of the regulations of the Ghana Stock Exchange (GSE).

16. 6 SOEs and 22 OSEs have not submitted any financial statement for the FYs 2016, 2017 and 2018. Also, only 20 out of 42 JVCs submitted audited financial statements. Besides, 11 JVCs have not submitted any financial statement for the FYs 2016, 2017 and 2018.

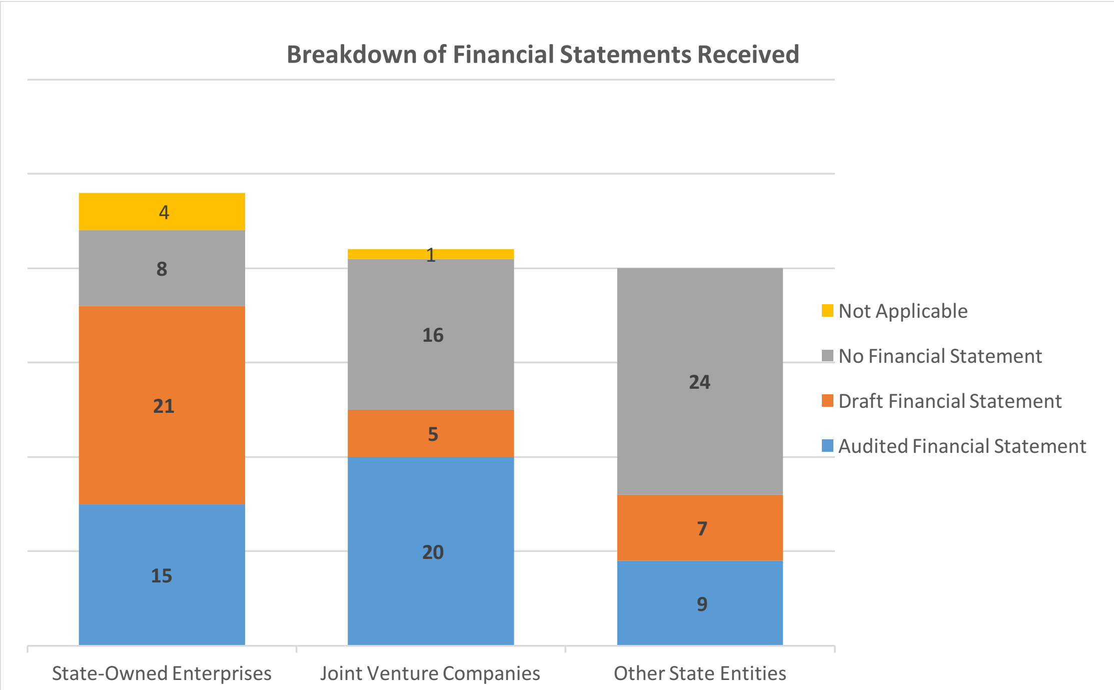
17. On a positive note, there was improvement in responsiveness of entities to financial auditing and reporting obligations. 44 out of the 77 entities (57 percent) covered in 2018 report submitted audited financial statements as against 5 out of the 49 entities (10 percent) in 2017. Also, some entities have made significant progress in clearing their arrears of unaudited financial statement including CPC, ECG, GCMC, GTFCL, GWCL, PTS, TOR, and VLTC.

18. Only 8 out of the 87 SOEs and OSEs (namely CPC, GCAA, GPHA, GSA, KACL, NTC, SHC, and VRA) submitted quarterly reports on their operations in relation to their 2018 approved business plan to the Minister as required by section 93 of the PFM Act. Also, only the seven (7) SOEs in the energy sector fully complied with section 77 of the PFM Act which requires SOEs to submit to the Minister on a quarterly basis, a record of their outstanding debt and new borrowings including overdrafts and corporate debt securities issued.

Executive Summary | Submission of 2018 Financial Statements

19. By end-2019, MoF had received 2018 financial statements from 77 entities out of the 130 entities on the books of GoG. These were made up of 36 SOEs, 16 OSEs and JVCs. 5 entities were not expected to submit any financial statement since they began operations in 2018. The analyses in this report are based on the 77 financial statements received from the entities, both audited and unaudited.

20. 36 out of the 48 SOEs (75 percent) submitted financial statement for 2018, with 15 of them (41.67 percent) being audited financial statements. 25 out of 42 JVCs (59.59 percent) submitted their 2018 financial statements. 20 of them, representing 80 percent were audited financial statements. Out of the 40 OSEs, 16 of them (40 percent) submitted financial statements for 2018, with 9 of them (56.25 percent) being audited financial statements. 48 entities did not submit any financial statement for 2018. These include 8 SOEs, 24 OSEs, and 16 JVCs.



Executive Summary | Financial Performance - Revenue

21. SOEs' combined revenue increased by 7.35 percent **(GH¢1,389.17 million)** from **GH¢18,903.09** million in 2017 to **GH¢20,292.26 million** in 2018. All sectors, except transportation, recorded improved revenue for 2018 in comparison to their 2017 performance.

22. Similarly, JVCs recorded a 2.48 percent increase **(GH¢1,012.08 million)** in revenue from **GH¢40,750.86 million** in 2017 to **GH¢41,762.94 million** in 2018. All the sectors, except agricultural and transportation, recorded improved revenue performance in 2018.

REVENUE/SALES- SOEs		**REVENUE/SALES- JVCs**	
Top 3 Sectors in 2018	**GH¢'M**	**Top 3 Sectors in 2018**	**GH¢'M**
Energy	14,550.67	Mining	28,274.25
Infrastructure	3,448.63	Energy	5,091.62
Manufacturing	1,499.73	Financial	3,419.64
Bottom 3 Sectors(2018)	**GH¢'M**	**Bottom 3 Sectors in 2018**	**GH¢'M**
Transportation	9.51	Transportation	133.32
Communication	225.52	Communication	1,248.78
Financial	558.19	Manufacturing	1,267.17
Top 5 Entities in 2018	**GH¢'M**	**Top 5 Entities in 2018**	**GH¢'M**
ECG	6,037.92	AGA	19,014.72
VRA	3,173.79	GOIL	5,091.62
GNPC	2,285.62	GGL	3,050.22
GHA	1,491.02	PBC	1,805.72
GPHA	1,212.23	GCB	1,603.64
Bottom 5 Entities in 2018	**GH¢'M**	**Bottom 5 Entities in 2018**	**GH¢'M**
GSCL	1.74	GWF	0.58
VCTF	2.31	AAC	2.22
NTG	3.73	KAC	6.07
GTFCL	3.76	FGSL	6.42
GCMC	6.89	TOPP	54.12

23. SOEs in the energy **(GH¢13,986.77 million** to **GH¢14,550.67 million)**; manufacturing **(GH¢1,326.42 million to GH¢1,499.73 million);** infrastructure **(GH¢2,966.34 to GH¢3,448.63 million)**; and financial sectors **(GH¢385.93 million to GH¢558.19 million)** recorded the most significant increases of 4.03 percent, 13.07 percent, 16.26 percent and 44.64 percent respectively. For JVCs, the mining sector, which reported a revenue figure of **GH¢28,274.25 million**, was the biggest contributor to their combined revenue with a 67.70 percent share.

Executive Summary | Financial Performance – Direct Cost

24. Total direct cost of SOEs amounted to **GH¢17,877.92 million** in 2018, representing an increase of **18.06 percent (GH¢2,735.33 million)** over 2017 figure **(GH¢15,142.59 million)**. The energy sector made the biggest contribution **(GH¢13,727.61 million)**, which constituted 76.79 percent of combined direct cost.

25. For SOEs, all sectors except the transportation sector recorded increases in direct cost as follows: infrastructure **(GH¢2,254.51 million** to **GH¢2,595.25 million)**; manufacturing **(GH¢1,143.62 million** to **GH¢1,282.91 million)**; financial **(GH¢129.20 million** to **GH¢160.68 million)**; and communications (G**H¢99.00 million** to **GH¢102.46 million)**.

26. JVCs' combined direct cost increased slightly (0.44 percent) from **GH¢32,178.06 million** in 2017 to **GH¢32,319.49 million** in 2018. The mining sector contributed the biggest share (69.05 percent) of the combined direct cost for JVCs in 2018.

DIRECT COST- SOEs		**DIRECT COST- JVCs**	
Top 3 Sectors in 2018	**in GH¢'M**	**Top 3 Sectors in 2018**	**in GH¢'M**
Energy	13,727.61	Mining	22,315.06
Infrastructure	2,595.25	Energy	4,804.49
Manufacturing	1,282.91	Agricultural	2,066.62
Bottom 3 Sectors in 2018	**in GH¢'M**	**Bottom 3 Sectors in 2018**	**in GH¢'M**
Transportation	9.00	Transportation	153.74
Communication	102.46	Communication	603.44
Financial	160.68	Manufacturing	978.38
Top 5 Entities in 2018	**in GH¢'M**	**Top 5 Entities in 2018**	**in GH¢'M**
ECG	8,286.43	AGA	15,301.48
VRA	3,047.63	GOIL	4,804.49
GHA	1,488.90	GGL	2,261.04
GNPC	1,137.12	PBC	1,617.17
GPHA	889.75	CGM	1,221.85
Bottom 5 Entities in 2018	**in GH¢'M**	**Bottom 5 Entities in 2018**	**in GH¢'M**
PMMC	0.78	GWF	0.00
SHC	3.57	FGSL	0.64
NTG	3.77	AAC	2.08
GPCL	4.87	KAC	4.39
GCMC	4.88	SIC	124.60

Executive Summary | Financial Performance – Operating Income

27. SOEs' combined operating income in 2018 was **GH¢-1,761.53 million**, which was significantly worse than their performance in 2017 **(GH¢-335,30 million).** The energy **(GH¢-45.30 million to GH¢-1,768.43 million)** and manufacturing **(GH¢-787.40 million to GH¢-808.03 million)** sectors were the biggest contributors to the abysmal performance. SOEs in the infrastructure **(GH¢127.72 million to GH¢209.33 million)** and financial **(GH¢364.11 million to GH¢624.34 million)** sectors recorded improved performance. ECG recorded the most significant decline in its performance from **GH¢-58.98 million to GH¢-2,773.05 million** representing a fall of **4,601.68 percent (GH¢-2,714.07 million)**.

28. JVCs posted a slight decline (1.26 percent) in their operating income from **GH¢6,581.47 million** in 2017 to **GH¢6,498.81 million** in 2018. JVCs in the mining and financial sectors posted the highest operating incomes of **GH¢4,010.28 million** and **GH¢2,516.90 million**.

OPERATING INCOME- SOEs		OPERATING INCOME - JVCs	
Top 3 Sectors in 2018	**in GH¢'M**	**Top 3 Sectors in 2018**	**in GH¢'M**
Financial	624.34	Mining	4,010.28
Infrastructure	209.33	Financial	2,516.90
Communication	6.16	Manufacturing	178.01
Bottom 3 Sectors in 2018	**in GH¢'M**	**Bottom 3 Sectors in 2018**	**in GH¢'M**
Energy	-1,768.43	Communication	-327.85
Manufacturing	-808.03	Transportation	-25.62
Transportation	-24.90	Agricultural	-17.21
Top 5 Entities in 2018	**in GH¢'M**	**Top 5 Entities in 2018**	**in GH¢'M**
GNGC	632.73	AGA	3,346.75
GNPC	458.27	GCB	1,260.56
BPA	378.70	STANCHART	712.92
GHANA RE	190.40	ADB	387.48
GIIF	154.32	AGI	288.00
Bottom 5 Entities in 2018	**in GH¢'M**	**Bottom 5 Entities in 2018**	**in GH¢'M**
ECG	-2,773.05	VODAFONE	-327.85
GWCL	-668.33	AGL	-91.88
VRA	-434.58	SIC	-44.58
VALCO	-155.57	PMGL	-31.10
TOR	-30.75	MMT	-25.62

Executive Summary | Financial Performance – General & Admin. Expenses

29. SOEs posted an aggregate general and administrative expense of **GH¢3,292.48 million** in 2018, representing an increase of 26.18 percent over the 2017 figure **(GH¢2,609.33 million).** The share of the energy sector to the total general and administrative expenses for SOEs was **70.61 percent (GH¢2,324.78 million)**. The biggest individual SOE contributors were **VRA (GH¢560.74 million), ECG (GH¢524.54 million)** and **GWCL (GH¢195.72 million)**.

30. Similarly, total general and administrative expenses for JVCs increased by **37.17 percent (GH¢1,026.30 million)** from **GH¢2,761.27 million** in 2017 to GH¢3,787.57 million in 2018. The mining sector was the biggest contributor to the JVCs' aggregate general and administrative expenses with a share of 37.87 percent **(GH¢1,434.26 million).**

GENERAL &ADMINISTRATIVE EXPENSES-SOEs		GENERAL & ADMINISTRATIVE EXPENSES- JVCs	
Top 3 Sectors in 2018	**in GH¢'M**	**Top 3 Sectors in 2018**	**in GH¢'M**
Energy	2,324.78	Mining	1,434.26
Infrastructure	430.20	Financial	1,100.56
Manufacturing	237.38	Communication	791.18
Bottom 3 Sectors in 2018	**in GH¢'M**	**Bottom 3 Sectors in 2018**	**in GH¢'M**
Transportation	4.32	Transportation	5.20
Communication	108.40	Manufacturing	110.78
Financial	187.40	Energy	122.84
Top 5 Entities in 2018	**in GH¢'M**	**Top 5 Entities in 2018**	**in GH¢'M**
GNPC	690.23	VODAFONE	791.18
VRA	560.74	GGL	630.88
ECG	524.54	GCB	425.96
BOST	214.53	AGA	366.50
GACL	204.55	ADB	343.23
Bottom 5 Entities in 2018	**in GH¢'M**	**Bottom 5 Entities in 2018**	**in GH¢'M**
NTG	0.00	AAC	0.20
GTFCL	2.10	GWF	0.61
GSCL	3.13	KAC	1.80
GCMC	3.51	AGI	4.34
VCTF	3.74	TOPP	5.76

Executive Summary | Financial Performance – Gross Profit/Loss

31. SOEs' combined gross profit declined by 35.79 percent from **GH¢3,791.44 million** in 2017 to **GH¢2,434.53 million** in 2018. The decline in gross profit was due to significant increase in the direct cost as well as general and administrative expenses of SOEs. Despite the decline in the combined gross profit of SOEs, all sectors except two (2) posted improved gross profit. The exceptions were communications and energy sectors, which posted decreases of 67.02 percent **(GH¢1,672.86 million)** and 1.59 percent **(GH¢1.99 million)** respectively.

32. JVCs' total gross profit saw an improvement of **10.23 percent (GH¢877.36 million)** from **GH¢8,575.94 million** in 2017 to **GH¢9,453.30 million** in 2018. For JVCs, the increases in gross profits for mining **(GH¢5,243.29 million to GH¢5,959.19 million)**; financial (**GH¢1,840.85 million to GH¢2,031.15 million)**; and manufacturing **(GH¢247.10 million to GH¢288.79 million)** sectors compensated for the decreases suffered by the agriculture (**GH¢354.03 million to GH¢262.12 million)** and communications (**GH¢688.56 million to GH¢645.34 million)** sectors.

GROSS PROFIT- SOEs		**GROSS PROFIT- JVCs**	
Top 3 Sectors in 2018	**in GH¢'M**	**Top 3 Sectors in 2018**	**in GH¢'M**
Infrastructure	853.38	Mining	5,959.19
Energy	823.06	Financial	2,031.15
Financial	417.75	Communication	645.34
Bottom 3 Sectors in 2018	**in GH¢'M**	**Bottom 3 Sectors in 2018**	**in GH¢'M**
Transportation	0.51	Transportation	-20.42
Communication	123.06	Agricultural	262.12
Manufacturing	216.77	Energy	287.13
Top 5 Entities in 2018	**in GH¢'M**	**Top 5 Entities in 2018**	**in GH¢'M**
GNPC	1,148.50	AGA	3,713.25
GNGC	899.98	GCB	905.06
BPA	426.44	GGL	789.18
GACL	352.92	VODAFONE	645.34
GPHA	322.48	STANCHART	587.40
Bottom 5 Entities in 2018	**in GH¢'M**	**Bottom 5 Entities in 2018**	**in GH¢'M**
ECG	-2,248.51	MMT	-20.42
VALCO	-141.06	AAC	0.14
NTG	-0.04	GWF	0.58
VLTC	0.51	KAC	1.68
GSCL	1.74	FGSL	5.78

Executive Summary | Financial Performance – Operating Profit/Loss

33. SOEs' combined operating loss in 2018 was **GH¢-2,412.01 million**, which was abysmally worse than their performance in 2017 **(GH¢-840.63 million)**. The energy **(GH¢-1,463.76 million to GH¢-3,121.28 million)**, manufacturing **(GH¢-3.39 million to GH¢-24.14 million)** and communication (**GH¢7.56 million to GH¢-1.36 million**) sectors were the biggest contributors to the worsening performance. SOEs in the infrastructure (**GH¢457.97 million to GH¢494.08 million)** and financial **(GH¢175.45 million to GH¢244.49 million)** sectors recorded improved performance. The transportation improved its operating loss position from **GH¢-14.45 million** in 2017 to **GH¢-3.81 million** in 2018.

34. ECG recorded the most significant decline in its performance from **GH¢-323.43 million** to **GH¢-3,028.98 million** representing a fall of 836.52 percent **(GH¢-2,705.55 million)**. BOST, on the other hand, posted the most improvement (130.26 percent) from an operating loss position of **GH¢-255.58 million** in 2017 to an operating profit position of **GH¢77.33 million**.

35. In contrast, JVCs posted a substantial increase (202.10 percent) in their operating profit from **GH¢1,139.44 million** in 2017 to **GH¢3,442.23 million** in 2018. JVCs in the mining and financial sectors posted the highest operating profits of **GH¢3,108.35 million** and **GH¢1,016.80 million** respectively.

OPERATING PROFIT- SOEs		OPERATING PROFIT - JVCs	
Top 3 Sectors in 2018	**in GH¢'M**	**Top 3 Sectors in 2018**	**in GH¢'M**
Infrastructure	494.08	Mining	3,108.35
Financial	244.49	Financial	1,016.85
Communication	-1.36	Manufacturing	184.49
Bottom 3 Sectors in 2018	**in GH¢'M**	**Bottom 3 Sectors in 2018**	**in GH¢'M**
Energy	-3,121.28	Communication	-899.41
Manufacturing	-24.14	Agricultural	-52.83
Transportation	-3.81	Transportation	-25.62
Top 5 Entities in 2018	**in GH¢'M**	**Top 5 Entities in 2018**	**in GH¢'M**
GNGC	591.59	AGA	1,567.28
BPA	377.45	GCB	629.66
GPHA	303.27	STANCHART	446.38
GNPC	220.19	ADB	428.90
GIIF	167.07	AGI	325.82
Bottom 5 Entities in 2018	**in GH¢'M**	**Bottom 5 Entities in 2018**	**in GH¢'M**
ECG	-3,028.98	VODAFONE	-899.41
VRA	-862.13	AGL	-91.88
TOR	-316.12	PBC	-36.14
GRIDCo	-180.61	CPC	-27.31
VALCO	-155.57	MMT	-25.62

Executive Summary | Financial Performance – Net Profit/Loss

36. SOEs posted an aggregate net loss of **GH¢-3,120.13 million** in 2018, which was a significantly worse performance over the net loss of **GH¢-1,245.61 million** recorded in 2017. It represents a 150.49 percent **(GH¢-1,874.52 million)** deterioration in the net loss posted by SOEs from 2017 to 2018.2018.

37. For SOEs, net losses recorded by the transportation **(GH¢-11.60 million to GH¢-21.27 million)**; manufacturing **(GH¢-806.59 million to GH¢-820.33 million)**; and energy **(GH¢-742.46 million to GH¢-2,752.01 million)** sectors largely accounted for the huge aggregate net loss registered by SOEs in 2018. ECG did not only register the biggest net loss **(GH¢-3,172.53 million)** but even more worryingly, posted the biggest deterioration (537. 80 percent) in its net loss position from 2017 **(GH¢-497.42 million)** to 2018.

38. In sharp contrast, JVCs posted an aggregate net profit of **GH¢1,356.75 million** in 2018. This represents a 598.40 percent improvement from the combined net loss of **GH¢-272.22 million** posted in 2017. For JVCs, net losses posted by the agricultural **(GH¢-198.50 million)** and communications **(GH¢-717.40 million)** sector were adequately offset by the significantly high net profit recorded by the mining sector **(GH¢1,348.21 million)**.

NET PROFIT- SOEs		NET PROFIT- JVCs	
Top 3 Sectors in 2018	**in GH¢'M**	**Top 3 Sectors in 2018**	**in GH¢'M**
Infrastructure	248.44	Mining	1,348.21
Financial	235.09	Financial	725.77
Communication	-10.05	Manufacturing	141.47
Bottom 3 Sectors in 2018	**in GH¢'M**	**Bottom 3 Sectors in 2018**	**in GH¢'M**
Energy	-2,752.01	Communication	-717.40
Manufacturing	-820.33	Agricultural	-198.50
Transportation	-21.27	Transportation	-24.75
Top 5 Entities in 2018	**in GH¢'M**	**Top 5 Entities in 2018**	**in GH¢'M**
GNPC	526.12	AGA	723.36
GNGC	383.26	GCB	323.13
BPA	287.27	AGI	252.31
GPHA	194.68	STANCHART	210.65
GIIF	167.07	GGL	183.47
Bottom 5 Entities in 2018	**in GH¢'M**	**Bottom 5 Entities in 2018**	**in GH¢'M**
ECG	-3,172.53	VODAFONE	-717.40
VRA	-668.33	PBC	-187.12
GWCL	-382.73	AGL	-38.30
TOR	-220.10	CPC	-25.56
VALCO	-153.64	MMT	-24.75

Executive Summary | Financial Performance – Total Assets

39. The combined total assets for SOEs increased by **13.59 percent (GH¢13,726.13 million)** from **GH¢100,975.68 million** in 2017 to **GH¢114,701.80 million** in 2018. The energy **(GH¢67,534.78 million)**, infrastructure **(GH¢20,872.13 million)**, and manufacturing **(GH¢15,172.55 million)** sectors contributed the most to the overall total assets of SOEs.

40. JVCs, on the other hand, reported aggregate total assets of **GH¢73,908.24 million** in 2018, which represents an increase of **5.35 percent (GH¢3,753.70 million)** compared to the 2017 figure **(GH¢70,154.54 million)**. The mining sector with total assets of **GH¢46,799.33 million** accounted for 63.32 percent of the aggregate total assets for JVCs in 2018.

TOTAL ASSETS- SOEs		TOTAL ASSETS- JVCs	
Top 3 Sectors in 2018	**in GH¢'M**	**Top 3 Sectors in 2018**	**in GH¢'M**
Energy	67,534.78	Mining	46,799.33
Infrastructure	20,872.13	Financial	21,419.70
Manufacturing	15,172.55	Agricultural	2,215.66
Bottom 3 Sectors in 2018	**in GH¢'M**	**Bottom 3 Sectors in 2018**	**in GH¢'M**
Transportation	148.28	Transportation	210.66
Communication	272.45	Manufacturing	533.74
Financial	10,701.61	Energy	1,345.51
Top 5 Entities in 2018	**in GH¢'M**	**Top 5 Entities in 2018**	**in GH¢'M**
ECG	20,554.26	AGA	32,035.20
VRA	18,787.55	GCB	10,635.05
GWCL	13,635.29	GGL	7,533.74
GPHA	11,042.35	STANCHART	5,961.50
GNGC	7,552.42	ADB	3,597.40
Bottom 5 Entities in 2018	**in GH¢'M**	**Bottom 5 Entities in 2018**	**in GH¢'M**
NTG	1.96	AAC	1.46
GTFCL	4.19	GWF	1.59
GPCL	9.09	KAC	3.12
GSCL	20.72	FGSL	40.81
AESL	30.62	TOPP	69.95

Executive Summary | Financial Performance – Total Liabilities

41. SOEs posted a combined total liability of **GH¢61,994.06 million** in 2018, which represents an increase of 27.85 percent **(GH¢13,504.96 million)** over the 2017 figure of **GH¢48,489.10 million**. With combined total assets of **GH¢114,701.80 million**, SOEs recorded a positive net worth of **GH¢52,707.74 million** in 2018.

42. The energy sector contributed 68.82 percent **(GH¢42,666.73 million)** to the combined total liabilities of SOEs. Individual SOEs with the biggest total liabilities for 2018 were ECG (**GH¢13, 751.21million)**, GPHA **(GH¢4,078.19 million)**, GWCL **(GH¢2,194.38 million)**, GHA **(GH¢2,167.34 million)**, and GACL (**GH¢2,019.63 million).**

43. Similarly, JVCs posted an increase of 5.75 percent **(GH¢2,992.06 million)** in their aggregate total liabilities from **GH¢52,008.20 million** in 2017 to **GH¢55,000.26 million** in 2018. Given that the JVCs posted combined total assets of **GH¢73,908.24 million**, their combined net worth in 2018 was **GH¢18,907.98 million**.

TOTAL LIABILITIES- SOEs		**TOTAL LIABILITIES- JVCs**	
Top 3 Sectors in 2018	**in GH¢'M**	**Top 3 Sectors in 2018**	**in GH¢'M**
Energy	42,666.73	Mining	26,094.35
Infrastructure	8,413.56	Financial	17,979.94
Financial	7,539.28	Communication	7,698.84
Bottom 3 Sectors in 2018	**in GH¢'M**	**Bottom 3 Sectors in 2018**	**in GH¢'M**
Transportation	49.30	Manufacturing	200.30
Communication	169.26	Transportation	204.76
Manufacturing	1,539.01	Energy	906.86
Top 5 Entities in 2018	**in GH¢'M**	**Top 5 Entities in 2018**	**in GH¢'M**
ECG	13,751.21	AGA	19,043.66
VRA	9,417.72	GCB	9,309.63
CBG	7,061.57	VODAFONE	7,698.84
GNGC	5,264.61	STANCHART	4,913.68
GPHA	4,078.19	ADB	2,957.68
Bottom 5 Entities in 2018	**in GH¢'M**	**Bottom 5 Entities in 2018**	**in GH¢'M**
VCTF	0.28	AAC	0.13
NTG	0.67	GWF	0.95
GIIF	2.41	KAC	2.53
GPCL	2.69	BOPP	13.05
GSCL	3.45	TOPP	22.43

Executive Summary | Financial Performance – Current Ratio

44. SOEs recorded an average current ratio of 30.06, a decline from the 2017 position of 39.57. Hence, SOEs, on the average, had adequate resources to meet their short-term financial obligations. For SOEs, the financial and transportation sectors posted the highest and lowest current ratios of 153.26 and 0.07 respectively.

45. JVCs, on the other hand, recorded an average current ratio of **1.78**, which was an improvement over the 2017 performance of **1.57**. For JVCs, the financial sector registered the highest performance of 5.36 whereas the communications sector posted the lowest of 0.12.

CURRENT RATIO- SOEs		**CURRENT RATIO- JVCs**	
Top 3 Sectors in 2018		**Top 3 Sectors in 2018**	
Financial	153.26	Financial	5.36
Energy	13.85	Agricultural	2.21
Infrastructure	11.00	Manufacturing	1.66
Bottom 3 Sectors in 2018		**Bottom 3 Sectors in 2018**	
Transportation	0.07	Communication	0.12
Communication	1.00	Transportation	0.67
Manufacturing	1.17	Energy	0.91
Top 5 Entities in 2018		**Top 5 Entities in 2018**	
GIIF	672.29	SIC-LIFE	18.07
BPA	105.30	GWF	15.79
CWSA	85.87	BOPP	6.22
VCTF	57.36	GGL	3.69
EXIM	32.90	AAC	3.36
Bottom 5 Entities in 2018		**Bottom 5 Entities in 2018**	
VLTC	0.07	VODAFONE	0.12
GCMC	0.17	CPC	0.20
TOR	0.36	PMGL	0.46
GPCL	0.40	GSWL	0.46
ECG	0.44	GCB	0.63
EXIM	0.16	GGL	0.25
GWCL	0.19	CGM	0.36
SHC	0.25	SIC	0.50

Executive Summary | Financial Performance – Gearing Ratio

46. The average gearing ratio registered by SOEs in 2018 was **3.13**, representing an improvement over the 2017 figure of **3.96**. For SOEs, the infrastructure and transportation sector recorded the highest and lowest average gearing ratios of 5.52 and 0.49 respectively.

47. In sharp contrast, JVCs recorded an average gearing ratio of **6.26**, which was significantly worse than the 2017 position of **2.16**. For JVCs, the transportation and manufacturing sectors posted the highest and lowest gearing ratios of 34.17 and 0.20 respectively.

GEARING- SOEs		**GEARING- JVCs**	
Top 3 Sectors in 2018		**Top 3 Sectors in 2018**	
Infrastructure	5.52	Transportation	34.17
Financial	4.83	Financial	2.82
Communication	3.85	Mining	2.82
Bottom 3 Sectors in 2018		**Bottom 3 Sectors in 2018**	
Transportation	0.49	Manufacturing	0.20
Energy	2.01	Energy	1.87
Manufacturing	2.10	Agricultural	1.94
Top 5 Entities in 2018		**Top 5 Entities in 2018**	
GHA	39.96	MMT	34.17
CBG	13.91	AGL	5.55
GPCL	9.06	GCB	5.55
VALCO	7.21	GSWL	4.88
GHANA POST	6.84	PMGL	4.88
Bottom 5 Entities in 2018		**Bottom 5 Entities in 2018**	
TDC	0.06	BOPP	0.07
GSCL	0.16	GHACEM	0.20
EXIM	0.16	GGL	0.25
GWCL	0.19	CGM	0.36
SHC	0.25	SIC	0.50

Executive Summary | Financial Performance of Other State Entities

48. The OSEs recorded combined revenues of **GH¢12,157.82 million**, representing an increase of 5.32 percent **(GH¢614.48 million)** and 17.48 percent **(GH¢1,808.63 million)** respectively over the corresponding figure recorded in 2017 **(GH¢11,543.34 million)** and 2016 **(GH¢10,349.19 million)**.

49. IGF, which constituted 81.56 percent of the combined revenue of OSEs in 2018, showed a mixed performance over the last three years. It increased from **GH¢9,767.79 million** in 2016 to **GH¢11,021.14 million**, and then decreased to **GH¢9,916.15 million** in 2018.

50. GoG subventions to OSEs increased consistently from **GH¢78.56 million** in 2016 to **GH¢118.28 million** in 2017, and then to **GH¢177.88 million** in 2018. In a similar fashion, the donor/ grants component showed an increasing trend throughout the last three years. Whilst it increased marginally from **GH¢20.31 million** in 2016 to **GH¢26.64 million** in 2017, it jumped exponentially to **GH¢1,520.27 million** in 2018, representing an increase of 5,606.72 percent.

51. Three (3) OSEs recorded increase in revenue from 2017 to 2018 including NPA (by 26.77 percent from **GH¢166.81 million** to **GH¢211.47 million)**; GMA (by 42.02 percent from **GH¢99.63 million** to **GH¢141.49 million**; and GIDA (by 97.48 percent from against **GH¢51.09 million** to **GH¢100.89 million**).

52. All the other entities recorded a decline in their revenue with COCOBOD, NITA and SEC registering the biggest drop. COCOBOD's revenue declined by 10.54 percent from **GH¢10,542.92 million** in 2017 to **GH¢9,431.11 million** in 2018; NITA's declined by 29.97 percent from **GH¢5.94 million** to **GH¢4.16 million**; and SEC's declined by 18.29 percent from against **GH¢21.81 million to GH¢17.82 million**.

53. In terms of expenditure, the aggregate total expenses of OSEs in 2018 stood at **GH¢10,348.57** million, which represents a reduction of 9.11 percent **(GH¢1,037.08 million)** over the amount reported in 2017 **(GH¢11,385.65 million)**. Personal emoluments increased consistently throughout the last three (3) years, rising from **GH¢749.55 million** in 2016 to GH¢767.14 million in 2017, and then jumping further to **GH¢823.82 million** in 2018. This represents a jump of 9.91 percent from 2016 to 2018.

54. OSEs' combined expenditure on goods and services fluctuated throughout the period, decreasing from **GH¢376.20 million** in 2016 to **GH¢373.98 million** in 2017, and then increasing to **GH¢474.68 million** in 2018. On the average, OSEs spent almost twice (1.93) of every cedi they spent on goods and services on personnel emoluments. This therefore raise questions about the efficiency in the use of resources by OSEs since it is the expenditure on goods and services that directly supports the operations of OSEs.

55. The combined surplus of OSEs in 2018 was **GH¢1,809.25 million**, representing a significantly high increase of 1,047.35 percent **(GH¢1,651.56 million)** compared to **GH¢24.16 million** posted in 2017. Eleven (11) entities recorded surpluses, and the remaining four (4) reported deficits. The deficit-recording entities were COCOBOD **(GH¢-78.47 million),** GIDA **(GH¢-0.07 million)**, NITA **(GH¢-2.41 million)**, and SEC **(GH¢-0.44 million).** The entities with the biggest surplus were GMA (**GH¢73.03 million)**, NPA **(GH¢71.31 million)**, and FC **(GH¢63.26 million)**.

56. The combined total asset of the OSEs increased consistently from **GH¢6,444.85 million** in 2016 to **GH¢10,645.43 million** in 2017, and then to **GH¢13,105.21 million** in 2018. These represent increments of 23.11 percent in 2018 and 65.18 percent in 2017. The increases in total assets were driven by similar increases in current assets from **GH¢3,626.88 million** recorded in 2016 to **GH¢5,504.38** in 2017, and then to **GH¢7,714.62 million** in 2018. These represent increases of 40.15 percent and 51.77 percent increment in 2018 and 2017 respectively.

57. The total liabilities amounted to **GH¢10,363.73 million** by 2018 against **GH¢8,031.09 million** recorded in 2017 and **GH¢ 4,705.41 million** posted in 2016. These represent increases of 29.05 percent and 70.68 percent in 2018 and 2017 respectively. Given the total assets of **GH¢6,444.85 million**, **GH¢10,645.43 million**, and G**H¢13,105.21 million** in 2016, 2017 and 2018 respectively, the net worth of OSEs increased from **GH¢1,739.44 million** in 2016 to **GH¢2,614.34 million**, and then rose marginally to **GH¢2,741.48 million** in 2018.

58. OSEs' average current ratio reduced to 0.91 in 2018 from 1.00 in 2017 and 2.12 in 2016, indicating an increase in current liabilities as compared to current assets, representing a decline ability for the state entities to meet its short-term liabilities/obligations.

Country Profile				
	1990	2000	2010	2018
World View				
Population, total(million)	14.77	19.28	24.78	29.77
Population growth(annual %)	2.9	2.4	2.5	2.2
Surface area(sq.km) of land area	238.5	238.5	238.5	238.5
Population density(people per sq.km of the area)	64.9	84.7	108.9	130.8
Poverty headcount ratio at national poverty lines(% of population)	..	..	24.2	23.4
Poverty headcount ratio at $1.90 a day(2011 PPP) (% of population)	49.8	35.7	12.0	13.3
GNI,Atlas method (current US$) (billions)	5.85	6.47	30.54	63.36
GNI per capita,Atlas method (current US$)	400	340	1230	2130
GNI,PPP (current international $) (billions)	17.87	33.04	72.24	138.28
GNI,per capita,PPP (current international $)	1,210	1,710	2,920	4,650
People				
Income share held by lowest 20%	6.6	5.8	5.4	4.7
Life expectancy at birth,total (year)	57	57	61	63
Fertility rate, total (births per woman)	5.6	4.8	4.3	3.9
Adolescent fertility rate (births per 1,000 women ages 15-19)	110	84	73	67
Contraceptive prevalence, any methods (% of women ages 15-19)	17	15	35	31
Births attended by skilled health staff(% of total)	40	44	67	..
Mortality rate, under-5(per 1,000 live births)	127	99	72	49
Prevalence of underweight, weight for age (% of children under 5)	24.8	20.3	13.4	..
Immunization, measles (% of children ages 12-23 months)	61	90	93	95
Primary completion rate, total (% of relevant age group)	66	72	89	94
School enrollment, primary (% gross)	71.6	86.2	104.3	102.5
School enrollment, secondary (% gross)	36	36	56	72
School enrollment, primary and secondary (gross),gender parity index(GPI)	1	1	1	1
Prevalence of HIV,total(% of population age 15-19)	1.1	2.6	2.0	1.7
Environment				
Forest area (sq. km) (thousand)	86.3	89.1	92	93.7
Terrestrial and marine protected areas (% of total territorial area)	..	..	..	7.8
Annual freshwater withdrawals, total (% of internal resources)	..	3.2	..	..
Urban population growth (annual %)	4.9	4.2	3.8	3.4
Energy use (kg of oil equivalent per capita)	358	326	299	..
CO2 emissions (metric tons per capita)	0.26	0.33	0.4	..
Electric power consumption (kWh per capita)	324	326	277	..
Economy				
GDP (current US$) (billions)	5.89	4.98	32.17	65.56
GDP growth (annual %)	3.3	3.7	7.9	6.3
Inflation,GDP deflator (annual %)	31.2	27.2	16.6	10.2
Agriculture, forestry and fishing, value added (% of GDP)	45	35	28	20
Industry (including construction), value added (% of GDP)	17	25	18	31
Export of goods and services(% of GDP)	17	49	29	35

Country Profile				
	1990	2000	2010	2018
Import of goods and services (% of GDP)	26	67	46	38
Import of goods and services (% of GDP)	14	24	13	22
Revenue, excluding grants (% of GDP)	12.5	18.1	16.7	27.2
Net lending (+)/net borrowing (-) (% of GDP)	..	-6.5	-7.2	-9.3
States and markets				
Time required to start a business (days)	..	21	11	14
Domestic credit provided by financial sector (% of GDP)	17.5	39.3	28.4	24.5
Tax revenue (% of GDP)	11.4	17.2	13.4	18.3
Military expenditure (% of GDP)	0.3	0.6	0.4	0.4
Mobile cellular subscriptions (per 100 people)	0	0.2	7.8	37.9
High-technology export (% of manufactured export)	2	2	2	8
Statistical Capacity score (Overall average)	..	..	66	71
Global Links				
Merchandise trade (% of GDP)	36	93	59	42
Net barter terms of trade index (2000=100)	100	100	186	182
External debt stocks, total (DOD, current US$) (millions)	3,881	6,743	9,110	22,022
Total debt service (% of exports of goods, service and primary income)	38.8	19.0	4.0	10.4
Net migration (thousands)	-16	166	-50	-100
Personal remittances, received (current US$) (millions)	6	32	136	3,803
Foreign direct investment, net inflows (BoP, current US$) (millions)	15	166	2,527	3,255
Net official development assistance received (current US$) (millions)	559.7	600.7	1,697.20	1,256.70
Source: World Development Indicators Database.				

SUSTAINABLE DEVELOPMENT GOALS (SDGs)

Goal1. End poverty in all its forms everywhere.

Goal 2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture.

Goal 3. Ensure healthy lives and promote well-being for all at all ages.

Goal 4. Ensure inclusive and equality and empower all women and girls.

Goal 5. Achieve gender equality and empower all women and girls.

Goal 6. Ensure availability and sustainability management of water and sanitation for all.

Goal 7. Ensure access to affordable, reliable, sustainable and modern energy for all.

Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

Goal 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.

Goal 10. Reduce inequality within and among countries.

Goal 11. Make cities and human settlements inclusive, safe, resilient and sustainable.

Goal 12. Ensure sustainable consumption and production patterns.

Goal 13. Take urgent action to combat climate change and its impacts.

Goal 14. Conserve and sustainably use the oceans, seas and marine resources for sustainable.

Goal 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainable development.

Goal 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

Goal 17. Strengthen the means of implementation and revitalize the global partnership for sustainable development.

INTRODUCTION

INTRODUCTION

Rationale

59. The preparation and publication of the 2018 State Ownership Report is in fulfilment of the obligations and responsibilities of the Minister for Finance under the Public Financial Management (PFM) Act, 2016 (Act 921) for the effective and efficient management of the Ghanaian economy in general as well as the supervision of the financial operations of State Owned Enterprises (SOEs) and Public Corporations (PCs).

60. The PFM Act, 2016 (Act 921) makes the Minister "responsible for the policy and strategic matters related to the efficient operation of the public financial management system of the country subject to policy guidance from Cabinet". In connection with this obligation, the Minister is mandated to among others, manage Government property, financial assets, Government debts, Government guarantees and other contingent liabilities; and supervise the financial operations of covered entities including SOEs and PCs.

61. A critical requirement of the PFM Act is that the management of public funds, assets and liabilities, and fiscal risks be conducted in a prudent way, with a view to maintaining fiscal sustainability. In this regard, SOEs, because they mostly tend to underperform and sometimes rely on Government support in the form of guarantees and subsidies, constitute major source of fiscal risk to the economy.

62. The Ministry of Finance (MoF) initiated the preparation and publication of this Report in 2017 as part of its efforts to fulfil the above-mentioned obligations. The number of entities has consistently increased since the maiden edition from eighteen (18) to forty-nine (49) in second edition. This 2018 State Ownership Report covers seventy-seven (77) entities. Also, the scope of the Report has been expanded to cover other state entities, including regulatory bodies.

Structure of the Report

63. This Report is presented in six chapters. After this introductory Chapter, Chapter 2 provides the overview of the state ownership focusing on the current ownership portfolio of the state, new entities created during the 2018 financial year (FY 2018), and the contribution of the entities to Ghanaian economy in terms of employment. Also included in the chapter is a box discussing ***the definition and classification of Public Corporation***s. Chapter 3 discusses the key developments in the SOEs sector under two (2) broad themes, namely ***"Enhancements in the Policy, Legal and Institutional Framework"*** and ***"Piloting Governance Improvements in Selected SOEs***". It also interrogates the ***"Policy, Legal, and Institutional Framework for State Owned Enterprises (SOEs) in Ghana***".

64. Chapter 4 discusses the operational and financial performance of the entities covered in the Report. The Chapter begins with composite analysis of the financial performance of all the 77 entities. This is followed by sectoral and individual assessments of the performance of the entities as well as a report on the compliance of the entities to various financial reporting and disclosure requirements. The Chapter concludes with another box giving an overview of the *"New Entities Created and/ or Incorporated During FY 2018"*. Chapter 5 features a comprehensive report on the energy sector. The highlight on the energy sector was informed by its strategic importance to the economy as well as the peculiar challenges associated with the sector.

Box 1: "Ghana Beyond Aid"

The foundational assumptions of "Ghana Beyond Aid" vision as espoused by the President, H.E. Nana Akufo-Addo are"

a) it is a National Agenda, rather than a government agenda; and

b) it focuses on values, mindset and attitudinal changes that condition the environment for pursuing development, rather than on a list of projects that Government is to implement

The vision of "Ghana Beyond Aid" is to build "… a prosperous and self-confident Ghana that is in charge of her economic destiny; a transformed Ghana that is prosperous enough to be beyond needing aid, and that engages competitively with the rest of the world through trade and investment."

"Ghana Beyond Aid" Charter

We, the Citizens of Ghana, individually, and collectively as social partners, commit to pursuing the Vision of Ghana Beyond Aid by striving to achieve the goals of a Wealthy, Inclusive, Sustainable, Empowered, and Resilient Ghana (a W.I.S.E.R Ghana). This overarching vision rests on pursuing 5 broad goals, which spell out to building a "W.I.S.E.R" Ghana:

W Wealthy Ghana

I Inclusive Ghana

S Sustainable Ghana

E Empowered Ghana; and

R Resilient Ghana

Building a Ghana Beyond Aid and building a W.I.S.E.R Ghana in the shortest possible time rest on the following fundamental values:

a) Patriotism; putting the national interest above partisan, tribal or regional interests;

b) Honesty in dealing with each other and with the State, including paying our taxes;

c) Respect for each other, our laws, our institutions, and our natural environment;

d) Discipline, hard work, punctuality, responsibility and civic engagement;

e) Volunteerism and working with others to address basic challenges within our communities;

f) Self-reliance on Ghana's own resources as the primary driver of our development;

g) Wise and efficient use of Ghana's resources and safeguarding the public purse;

h) Transparency and Accountability: a Ghana free of all forms of corruption;

i) Equal opportunities for all Ghanaians regardless of gender, tribe, region, or politics;

j) Strong support for private sector growth and job-creation;

k) Collaboration among Social Partners, particularly Government, for economic and social development.

The Ghana Beyond Aid Charter spells out the mindset and behavioural changes required of every Ghanaian as a prerequisite for the manifestation a Ghana Beyond Aid. Resource mobilization and its prudent management, as well as well institutional and policy reforms for rapid economic growth and transformation are central pillars. The Charter envisages average annual GDP growth target of 9.5 percent.

Institutionalizing Ghana Beyond Aid rests on five main initiatives:

a) Translate the broad Ghana Beyond Aid Vision into specific monitorable goals that are embraced by all Ghanaians;

b) Commit to a Ghana Beyond Aid Charter that specifies key values and attitudinal foundations necessary for pursuing the Vision;

c) Commit to policy and institutional Reforms necessary for driving the Ghana Beyond Aid agenda;

d) Mobilize and motivate Ghanaians in all walks of life to contribute to and to embrace the Vision and the reforms; and

e) Form an effective Social Partnership between Government and key stakeholders in society to prosecute Ghana Beyond Aid as an ongoing national agenda, rather than as a particular plan of the Government that happens to be in power.

Box 1: "Ghana Beyond Aid"

Budgetary Targets

The budgetary targets to be pursued under the "Ghana Beyond Aid" vision include the following:

a) For the overall budget—reduce grants as a percentage of Government of Ghana budgetary expenditure on goods and services and on capital from the average of 21.2 percent (from 2016 to 2018) to below 5 percent by the end of 2023 and to below 2 by the end of 2028;

b) For every Ministry and Service--reduce grants as a percentage of Government of Ghana budgetary expenditure on goods and services and on capital to no more than 10 percent by 2023, and below 5 percent by 2028;

c) Any aid (concessional loans or grants) will have to be aligned with Ghana's transformation strategy and priorities in order to be accepted into the budget;

d) There will be no ceiling on long-term concessional loans that promote economic transformation and growth by financing infrastructure, skills development, and scientific and technological capacity development at the post-secondary levels.

e) Starting from 2020, it will be unacceptable for any Ghanaian public official to accept workshop and meeting allowances and per diems within Ghana from donors.

The above targets are being pursued within the broader agenda of Ghana Beyond Aid. The relevant indicators that will be tracked include the following:

a) The fiscal deficit will be no more than 5 percent of GDP.

b) Foreign debt will be no more than 25 percent of GDP.

c) Capital expenditure will be at least a quarter of budgetary expenditure.

d) Grants will finance no more than 2 percent of the goods and services and capital expenditure in the total budget, and for any MDA, the ratio can be no more than 5 percent.

e) It will be unacceptable for Ghanaian public officials to accept workshop and meeting allowances and per diems from donors within Ghana.

f) All aid in the form of loans (i.e. concessional loans) will finance infrastructure and growth-promoting activities in the economic sectors, or skills development and technological capacity-enhancement at the post-secondary levels.

g) Foreign exchange reserves will be no less than 6 months of imports.

h) Ghana will be a business and financial services hub for the ECOWAS region.

i) Ghana will be a recognized Center of Excellence in Higher Education, Science, and Research and Development (R&D):

j) Number of Ghanaian universities in the world's top 200 universities (No Ghanaian University is ranked within the world's top 200 universities at the moment)

k) Number of Ghanaian universities in Africa's top 10 universities (University of Ghana is ranked 7th in the current ranking)

l) Number of national R&D institutes/centers supporting Ghana's economic transformation and recognized as global leaders in their fields

m) Number of international R&D centers located in Ghana

n) Strong Indigenous Participation in the Ghanaian economy, measured by the share of majority Ghanaian-owned firms (in value-added or revenues) in the following sectors:

   i. Manufacturing

   ii. Construction

   iii. Finance

Source: Ghana Beyond Aid Strategy Document

OVERVIEW OF STATE OWNERSHIP

OVERVIEW OF STATE OWNERSHIP

65. The State is a significant owner of businesses in Ghana. The significant extent of the state's involvement in the market through SOEs and Joint Venture Companies (JVCs) is justified by the strategic significance of SOEs to Ghana's economy and national development process as well as the critical public policy role they play in most cases to correct market failures. The State's overall objective is to ensure that the entities which it owns, either wholly or partially, create value and, that they effectively perform the specific public policy objectives for which they were created.

66. These entities are present across all sectors of the Ghanaian economy. The State ownership portfolio includes a diverse range of entities with commercial, regulatory and other public policy objectives. Several of the entities started out as public enterprises under government agencies or as state monopolies. Today, most of them operate as commercial entities in competitive markets and are therefore required, like all commercial enterprises, to take a long-term approach, improve their efficiency and profitability, and develop the capacity to grow. Others continue to focus on their regulatory and public policy objectives. Even though, these entities do not generate enough income and therefore sometimes rely on government subvention, they perform critical roles and create societal benefits that cannot always be measured in financial terms.

Current Portfolio

67. The state ownership portfolio broadly comprises State-Owned Enterprises (SOEs), Joint Venture Companies (JVCs) and Other State Entities (OSE). SOEs are entities that are wholly owned and controlled by the Government of Ghana (GoG). JVCs constitute entities in which GoG maintains varying levels of equity stake including mining companies in which GoG, by law, retains 10 percent carried interest. The SOEs and JVCs operate more independently from GoG, are expected to cover their operational and capital expenditures, and pay dividends and taxes.

68. The OSEs category is made up of public corporations, and dominated by regulatory bodies. OSEs, unlike SOEs and JVCs, perform mainly regulatory and other public policy functions; and do not have profit-making motives. However, they are expected to operate on sound commercial basis in the performance of their functions and objectives.

69. Currently, the state ownership portfolio is made up of a total of one hundred and thirty (130) entities. Of these entities, forty-eight (48) belong to the SOEs group with forty (40) and forty-two (42) being OSEs and JVCs respectively. The 48 SOEs are made up of thirty (30) Limited Liability Companies (LLCs), which operate under the Companies Code; seven (7) Statutory Corporations established by Acts of Parliament; eight (8) subvented agencies; and three (3) Special Purpose Vehicles.

70. Also, out of the 42 JVCs, sixteen (16) are mining companies. Nine (9) of the JVCs are publicly traded. The OSE category is made up of regulatory bodies and other public corporations.

Newly Created Entities

71. Seven (7) new entities were created and/or incorporated during the Financial Year 2018. Refer to Box 2 for details of the 7 entities listed below:

(a) E.S.L.A. PLC,

(b) National Mortgage and Housing Fund Ltd,

(c) Ghana Amalgamated Trust PLC,

(d) Consolidated Bank Ghana Ltd,

(e) Ghana Commodity Exchange Ltd,

(f) Ghana Integrated Aluminium Development Corporation

(g) Smart City Ghana Limited.

Contribution of SOEs, JVCs and OSEs to Employment

72. Forty-eight (48)[3] out of 130[4] entities on the books of GoG employed a total of 44,747 people in 2018. Hence each entity employed an average of 932 people. Out of the 48 entities, twenty-four (24) were SOEs and employed a total of 24,310 persons with an average employment of 1,013 persons. Seventeen (17) and seven (7) out of the 48 entities were JVCs and OSEs, employed 11,041 and 9,396 people respectively. Hence JVCs and OSEs employed an average of 649 and 1,342 persons. The three (3) biggest employers among the 48 entities were COCOBOD, ECG, and GWCL with 8,145, 6,491, and 4,809 employees respectively. Table 1 below lists the top five (5) employers within the three broad categories of the entities (SOEs, JVCs, and OSEs).

Table 1: Top Three Employers among SOEs, JVCs and OSEs

SOEs		JVCs		OSEs	
Name of Entity	**Employees**	**Name of Entity**	**Employees**	**Name of Entity**	**Employees**
ECG	6,491	MMT	3,135	COCOBOD	8,145
GWCL	4,809	CGM	1,035	GCAA	438
GPHA	2,789	GMCL	898	NPA	284
CBG	2,582	GGL	678	GIDA	207
Ghana Post	1,466	GSWL	630	GSA	126

73. It is clear that the share of SOEs in Ghana's economy is quite significant with over 50 percent of the State's assets controlled by SOEs. In particular, the energy sector of the Ghanaian economy is dominated by SOEs, which operate in both the power and petroleum sub-sectors. Hence, as indicated above, Chapter six (6) of this Report features a special report on Ghana's energy sector with emphasis on the role and contribution of SOEs in the sector.

3 *These are the entities that responded to the Ministry's request for their employee data.*

4 *Of this number of entities, 7 were created in FY2018 and are therefore excluded from the analysis.*

Box 2: New Entities Created and/ or Incorporated During FY 2018

ESLA Plc

ESLA PLC under the Energy Sector is a special Purpose Vehicle (SPV) incorporated as a public limited liability company with the key mandate to issue long-term bonds to resolve energy sector debts due to banks and trade creditors. This measure was one of the strategies the Government of Ghana adopted to pay the debt of the Energy sectors SOEs. The Act which was passed in December 2015 and took effect from Jan 4, 2016 was later amended on March 28, 2017 by the Energy Sector levies (Amendment) Act, 2017 ACT (899) (ESLA Amendment). Over the years ESLA PLC has been successful in clearing some huge debt incurred by the Energy Sector.

National Mortgage and Housing Fund Limited

The National Mortgage and Housing Fund Ltd was initiated solely for Ghanaians to have the vision of affordable house project achievable. This is to enrich the Real Estate Sector in the Economy against the 2 million housing deficit in the country. This happened to be the first time a credible fund is created for financial mortgage regime in Ghana and this would enable majority of the citizenry, especially workers to have their own homes when they are no longer in active service.

Ghana Amalgamated Trust Plc (GAT)

The Ghana Amalgamated Trust PLC was set up in 2018 by Government after the Bank of Ghana set new minimum capital requirement of GH¢400 million. This is to improve the Banking sector by way of supporting some local Banks which were otherwise having difficulties meeting the new minimum capital requirement. This initiative will help these local banks to recapitalize to engage in international businesses and contracts with the aim of enriching the banking sector of the Economy.

Consolidated Bank Ghana Limited (CBG)

The Consolidated Bank Ghana Limited being the second largest Bank in the country was formed in 2018 licensed by Bank of Ghana under the Specialized Deposit-Taking Institutions Act, 2016 (Act 930) which allows the Government to establish a bridge bank for the purpose of acquiring some or all of the assets and liabilities of a failed bank, if necessary to maintain financial stability. Thus, the Bank which began operations on August 1, 2018 was purposely formed after the Bank of Ghana took over 5 Ghanaian banks which were not stabilized. This Initiative will enable the banking sector maintain a strong indigenous Ghanaian presence.

Ghana Commodity Exchange (GCX)

The GCX is a private company limited by shares, structured as a public private Partnership with the Government of Ghana being the sole Shareholder. The Company was launched as a project on June 23, 2015 upon incorporation in November, 2017. The aim of the GCX Ltd is to establish linkages between agricultural and commodity producers and buyers to secure a competitive price for their products, assuring the market quantity and quality as well as timely settlement of their trade. This model which will intend create a good sustainability in the Agricultural Sector.

Ghana Integrated Aluminium Development Corporation (GIADEC)

The Ghana Integrated Aluminium Development Corporation was established through an Act (2018) of Parliament in 2018 with the mandate to focus on Leveraging Ghana's Bauxite reserves and allied aluminium assets including the strategically aligned businesses. GIADC which will be one of the major pillars to arrive at the industrial transformation and accelerated development of the Ghanaian economy.

Smart City Ghana Limited

Smart City Ghana Limited is a Special Purpose Vehicle created by the Governments of the Republic of Ghana and the Republic of Mauritius to set up and operate Technology and Business Parks in Ghana. The maiden project of Smart City Ghana Limited is the development of the Technology Park at Dawa in the Greater Accra Region. The Technology Park would comprise a 3 Star Hotel, a Cyber-Tower, an innovation Tower, an Apartment Block, a Multi-Use Facility and a conference.

KEY DEVELOPMENTS IN THE SECTOR

KEY DEVELOPMENTS IN THE SECTOR

Enhancements in the Policy, Legal and Institutional Framework[5]

74. SOEs are entities wholly owned and/or controlled by the government. However, failures of SOEs and other state entities can result in huge economic and fiscal costs. In order to contain such risks, an effective regime for the financial supervision and oversight of SOEs and public corporations should be put in place. This section discusses the legal, institutional, and procedural arrangements that GoG has and continues to adopt and implement in order to not only ensure the effective and efficient management, governance and oversight of the financial operations of SOEs but also ensure accountability for the performance of the entities; and facilitate the effective and efficient management of the fiscal risks they present.

75. It is instructive to note that GoG recognizes the need to focus on SOEs that are large in relation to the economy, pose significant fiscal risks, are not profitable, are unstable financially, or are heavily dependent on government subsidies or guarantees. Hence there is preponderance of efforts and interventions targeting entities in the energy sector.

76. In Ghana, an effective, efficient and comprehensive oversight framework for the SOEs sector is necessitated by a number of reasons. First, despite decades of aggressive privatizations, SOEs continue to account for a significant share of economic activity and the bulk of public sector assets and liabilities. It is estimated that SOEs and public corporations control more than 50 percent of assets of the state.

77. Secondly, inefficient or poorly managed SOEs and public corporations tend to impose substantial economic and fiscal costs. Besides, loss-making SOEs and public corporations have and continue to be a persistent drag on public finances in the form of government guarantees, subsidies, loans, or capital injections. When SOEs and public corporations go bankrupt, not only does GoG suffer an erosion of its initial investments in these entities but also assumes their liabilities, even where those liabilities are not explicitly guaranteed.

78. Hence SOEs and public corporations contribute to the stock of government arrears and build up liabilities that exceed budgetary provisions. In 2012, SOE arrears accounted for slightly more than 50 percent of government arrears, compared to 46 percent in 2010, concentrated largely in TOR, VRA, BOST, and utilities. In 2011, SOEs accounted for 11 percent of total government capital expenditure of nearly **GH¢5 billion**, concentrated largely in ECG, VRA, and GCAA. In 2002, the net exposure of ECG, VRA and NEDCo was about **US$204 million**. This later rose to about US$1.1 billion at end of December, 2015.

79. Thirdly, many SOEs and public corporations are mandated or sometimes influenced to fulfil certain public policy objectives and engage in quasi-fiscal activities that bear little relationship to their core commercial operations and for which the companies are not compensated from the budget. Such quasi-fiscal activities include, for example, public service obligations that are below cost-recovery, price regulations that imply cross-subsidies, ancillary operations outside the public corporation's core mandate, or excessive employment levels.

80. A case in point is the VRA, which is required by its enabling Act, the Volta River Development Act (Act 46) to support the socio-economic development of the Volta Basin, especially for fishing, transportation, and tourism. As a consequence, VRA currently maintains three non-power subsidiaries: Akosombo Hotels Limited; Volta Lake Transport Company; and Kpong Farms

5 The discussions draw on the principles articulated in "How to Improve the Financial Oversight of Public Corporations" (IMF, 2016).

Limited. In addition, it has other functions such as the provision of health, and educational services, schools, as well as real estate services.

81. While the existence of public corporations is usually justified by an intention to address potential market failures including natural monopolies, the absence of an effective and efficient framework to provide SOEs and public corporations with strong incentives to perform would lead to SOEs and other public corporations undermining the rationale for their establishment by producing at high costs, overcharging customers, and under-providing often essential services. Hence the focus of government's current reforms has generally been on putting in place the essential building blocks of an effective framework for overseeing SOEs and public corporations in line with international best practices.

82. These elements of the framework are discussed in the sections below. They include the development of a comprehensive state ownership policy framework to specify how GoG would exercise its ownership rights in SOEs, JVCs, and other state entities; as well as the legal and institutional framework for regulating the operations, management and governance of those entities including arrangements for measuring and monitoring their performance and/or public policy function including quasi-fiscal activities.

83. Another critical element is the promulgation of the Public Financial Management Law and Regulations to regulate the financial operations and management of SOEs and public corporations. In addition, GoG has established a centralized oversight entity, the State Interests and Governance Authority (SIGA) as part of efforts to enhance its (GoG) capacity for overseeing the financial management and governance of SOEs, public corporations and other state entities.

State Ownership Policy

84. A comprehensive and modern policy framework is a necessary foundation for making the broad policy directions of the State and the rules of the game clear for all stakeholders in the management and governance of SOEs, public corporations and other entities in which the State maintains equity interest. Also, a sound ownership framework for how the State governs or exercises its ownership rights in SOEs, PCs and JVCs is critical for enhancing the corporate governance of the entities.

85. It is against this background that government, as part of its efforts to bring the SOEs sector to the fore of its economic growth, industrialization and job creation agenda, indicated its intention in the 2018 Budget Statement and Economic Policy to develop a comprehensive state ownership policy to guide the operations and management of SOEs and public corporation. Subsequently, MoF engaged a consultant to support the development of a comprehensive State Ownership Policy and Guidelines for Government as a shareholder.

86. The State Ownership Policy (SOP) is expected to define how the State would exercise its ownership rights. In this regard, it would reflect the relevant provisions of the 1992 Constitution, laws, regulations, codes, and other relevant documents in clarifying the State's policy and financial objectives as shareholder in SOEs, PCs and JVCs. These may be a mix of financial, economic, and social objectives.

87. It would also specify the main functions to be carried out by GoG as owner; the rationale underpinning GoG's decisions for investing or divesting its interests in SOEs, public corporations and JVCs; the organization of the ownership function; the relationship between financial and nonfinancial oversight; and the main principles and policies to be followed, such as ensuring a level playing field between SOEs and the private sector. On financial oversight, the SOP would explicitly address such critical elements as planning or budgeting requirements; reporting requirements; dividend policy; financial support from the government, including guarantees; quasi-fiscal activities and contractual commitments.

88. Ultimately, it is expected that the SOP would enhance the State's ownership function and framework by:

(a) defining SOE objectives, including the separation of commercial and non-commercial or policy objectives, identification and separation of the costs of non-commercial or policy objectives, and financing of the costs directly from the budget in a timely and transparent manner;

(b) delineating the roles and responsibilities of the State as shareholder vis-a-vis the Board of Directors and Management; and

(c) establishing rules and regulations on core ownership matters including board nominations, performance monitoring, and transparency and accountability.

Public Financial Management Act and Regulations

89. The Public Financial Management (PFM) Act, 2016 (Act 921) and Regulations, 2019 (L.I. 2378) were passed as part of ongoing PFM reforms. The intention is to codify some of the good reforms and practices which had been introduced as part of the recent PFM reforms, particularly GIFMIS project. The PFM Act seeks to address significant weaknesses especially in fiscal policy formulation; budgeting (complex budget management); commitment control; transparency and accountability; and debt management.

90. The PFM Act is also intended to improve service delivery through the monitoring of results. The object of the PFM Act is to regulate the financial management of the public sector within a macroeconomic and fiscal framework. It requires the establishment of a framework to support a sound fiscal policy and macroeconomic management of public funds.

91. The scope of the PFM Act extends to include such critical elements as macro fiscal policy formulation; budget formulation and preparation; budget Implementation with special emphasis on commitment control; internal audit, accounting and reporting; debt management, and management of SOEs and Public Corporations (PCs), among others.

92. The PFM Act and its related Regulations contain various provisions with direct implications for the financial operations, management and reporting of SOEs and public corporations. The relevant sections of the PFM Act for the management of SOEs and public corporations are listed below.

(a) Custody and management of assets (Section 52)

(b) Government guarantees (Section 66)

(c) Borrowing by SOEs and public corporations (Sections 73 and 76)

(d) Reporting requirements of public corporations and SOEs (Section 77)

(e) Annual Accounts (Section 80)

(f) Duty of governing body of public corporations and SOEs (Section 90)

(g) Collection and receipt of moneys due public corporations (Section 91)

(h) Removal of Directors of a public corporation (Section 92)

(i) Annual financial plan of public corporations and SOEs (Section 93)

(j) Financial directives to public corporations and SOEs (Section 94)

(k) Accounts and audits of public corporations and SOEs (Section 95)

(l) Offences and penalties (Sections 96 and 98)

93. Regulations 193 to 206 of the PFM Regulations, 2019 (L.I. 2378) apply to SOEs and PCs. Some of the key regulations for SOEs and public corporations are listed below.

(a) Financial Year (Regulation 193)

(b) Submission of Financial Plan (Regulation 194)

(c) Approval of Financial Plan (Regulation 195)

(d) Performance Contract (Regulation 196)

(e) Dividend Policy (Regulation 197)

(f) Request for Government Support (Regulation 198)

(g) Recapitalisation (Regulation 199)

(h) Monitoring of Restructuring Plan (Regulation 200)

(i) Accounting Standards for SOEs & Public Corporations (Regulation 201)

(j) Real-Time Monitoring System (Regulation 202)

(k) Quarterly & Annual Financial Reports (Regulation 203)

(l) Audit of SOEs & Public Corporations (Regulation 204)

(m) Exercise of Rights of Shareholder (Regulation 205)

(n) Punitive Measures (Regulation 206)

State Interests and Governance Authority

94. The State Interests and Governance Authority (SIGA) was established to oversee and administer the State interests in state-owned enterprises, joint venture companies and other state entities. This followed an assessment of the corporate governance framework of the SOE sector from 2013 to 2015, which concluded that the fragmented and uncoordinated oversight of the SOE sector as well as the lack of a clearly defined ownership framework were major factors contributing to the persistent underperformance of SOEs. It recommended that oversight and management of SOEs be streamlined and centralized within a Single Entity as a means to improving their governance and ultimately performance.

95. Government committed in the 2017 Budget Statement and Economic Policy to establish a Single Entity to oversee the SOE sector. Therefore, in 2017, the Ministry of Finance set up a Task Force to develop the concept of the Single Entity, which was approved by the Economic Management Team in October of the same year.

96. In course of the development of the Bill for the Single Entity, emerging concerns on the governance of other state entities required the Task Force to consider the outcome of similar corporate governance reviews carried out on four (4) financial and economic regulators and a Trust. The reviews revealed that those state entities also suffered from identical corporate governance challenges faced by SOEs mainly in the areas of transparency and accountability.

97. In particular, the study recommended that Government strengthens corporate governance of the other state entities especially in view of the role they play within the economy. As such, the concept of the Single Entity and its draft law were reviewed to also take into account oversight of other state entities as far as good corporate governance is concerned.

98. The experiences of Malaysia, Singapore and Queensland (Australia) have shown that a centralized approach (i.e. the Single Entity model) has proved to be more advantageous

and effective in managing SOE affairs for various reasons including strengthening the legal framework of the SOE sector, harmonizing guidelines and policies to regulate the sector and increasing transparency and accountability of SOEs. The institutional framework of SIGA was therefore carefully designed taking into consideration the lessons learnt from our country's own experiences and experiments of various forms of oversight framework in other jurisdictions.

99. The State Interests and Governance Authority Act, 2019 (Act 990) establishing the State Interests and Governance Authority (SIGA) as the Single Entity was passed by Parliament on 30th May, 2019 and assented to by the President on 13th June, 2019. SIGA was officially launched by the President of the Republic of Ghana during the 2019 Policy and Governance Forum on Monday, 19th August, 2019. Also a 9-member Board for SIGA has been inaugurated by the President to steer the affairs of the Authority.

100. The establishment of SIGA is expected to ultimately ensure that decisions taken by Boards and Management of the entities under SIGA's purview are in the best interest of the shareholder and ultimately the people of Ghana. It will also help to forestall the situation where different government institutions give conflicting directives that undermine the performance of the specified entities. SIGA's mandate for oversight of GoG's interests in other state entities is also intended to increase the accountability of these state entities and help to achieve a higher level of standardization in governance in terms of transparency, accountability and reporting.

Box 3: Institutional Framework for SOEs Oversight (Global Trends)

Global push towards market liberalization, the study of the political economy of SOEs, and their performance (or lack thereof) have raised questions about whether SOEs are the ideal way of solving the problems that in theory should be resolved by their creation. SOEs suffer from, or can present, a series of challenges including limited autonomy due to political interference. Besides, SOEs are often protected from two major threats, i.e. takeover and bankruptcy, which tend to dilute accountability and undermine SOE financial discipline as their losses may be absorbed by the state.

Even more importantly, SOE accountability can be further diluted by the complex chain of government ownership which can be exercised through many different governmental entities with differing priorities including Parliamentary Committees, the Presidency, Ministry of Finance, Sector Ministries and State Audit Agencies. Apart from a small number of majority-state-owned enterprises listed on national stock markets, most SOEs also lack the scrutiny of capital markets and shareholders, which may reduce pressures for financial discipline and efficiency. An important challenge is maintaining a level playing field between private sector companies and SOEs and ensuring that governments do not distort competition by using their regulatory or supervisory powers.

There are international benchmarks including the OEDC Guidelines on how governments can overcome these challenges by adopting the appropriate framework for managing SOEs. These benchmarks emphasise the need for Governments to clearly define the state's ownership rights by setting up a coordinating entity, or more appropriately, by the centralization of the ownership function. While there has been a global trend towards more centralized ownership models, there is no particular ownership structure that fits the needs of all countries. Differing political and economic contexts make it necessary for every country to adapt its SOE ownership model to meet its specific needs. There are three (3) main different models that have been adopted by countries to manage their SOEs: the decentralized or sector model, the dual model and the centralized model.

Decentralized Model

In the decentralized or sector model, SOE oversight is dispersed among a large number of Ministries with only limited co-ordination at the center. This option has the advantage of allowing the most sector expertise, as SOEs are usually assigned to oversight by a Ministry based on its sector of operation, allowing for specialization in ownership strategies. While this is the most common ownership oversight model in most countries, a number of countries have taken steps within such a model to strengthen their coordinating capacities. The main responsibilities for oversight, including rights to appoint board members, may rest with the sector Ministry, but a coordinating entity may play a role in advising on overall government ownership policies and corporate governance measures. Challenges associated with a decentralized system include the less clear separation of the ownership from the regulatory role when regulation is handled by the same Ministry that exercises the ownership function, and the potentially higher risk of government interference in everyday operations.

Dual Model

In the dual model responsibility is shared between the sector Ministry and a "central" Ministry or entity, usually the Finance Ministry or Treasury. The dual model in most cases resulted from the growing power of the Ministry of Finance. It is potentially advantageous in that the government's two roles of owner and regulator are divided into two constituencies, which are likely to subject corporate policy to more rigorous checks and balances than would a single Ministry. A variation of this model provides for shared co-ordination between the Ministry of Finance and other centralized entities on the one hand, and the relevant sector Ministry on the other (e.g. Brazil and Ecuador). This type of shared ownership model also facilitates simultaneous technical and fiscal oversight. Still, disadvantages exist in the potential blurring of responsibilities between Ministries, and the potential of the SOE to view this as double (or triple) oversight, which may infringe on management and operational productivity.

Centralized Model

The centralized model has been highlighted as a way to streamline oversight and transparency in the management of SOEs. The centralized model in many cases resulted from a trend towards privatization. Its advantages include a clear line of accountability from the SOE to the government, close fiscal supervision, the ability to form coherent SOE policy, and efficient allocation of limited human resources among civil servants. One challenge associated with this oversight model is to ensure sufficient sectoral expertise that would normally come from a sector Ministry. Table 1 below gives a comparative assessment of the three (3) models based on the main pillars of effective SOE ecosystem.

Main Characteristics of SOE Management Models

Pillars	**Management Models**		
	Decentralized	**Dual**	**Centralized**
Regulatory Framework			
Legislative and regulatory uniformity	No	No	Yes
Harmonization of corporate legal forms	No	No	Yes
Operational Efficiency			
Management capacity	No	No	Yes
Sector Knowledge	No	Yes	No
Application of cross-cutting policies and governance	No	No	Yes
Economies of Scale	No	No	Yes
Fiscal and financial discipline	No	Yes	Yes
Governance			
Comprehensive vision	No	No	Yes
Harmonization of objectives	No	No	Yes
Separation of regulator and owner	No	Yes	Yes
Separation from political power	No	No	Yes
Reduction of agency problems	No	No	Yes
Facilitates monitoring and evaluation	No	No	Yes
Coordination with the ecosystem of actors	No	No	Yes
Better information and transparency	No	No	Yes

Piloting Governance Improvements in Selected SOEs

101. GoG has prioritized improvement in the governance of SOEs within its reforms agenda. As a result, a number of keys reform initiatives have been initiated aimed at setting SOEs on a more efficient and sustainable path as well as improving their service delivery and contribution to our economic development process. The reforms are ultimately intended to ensure healthy and functional SOEs that run on better organisational, operational, technical and financial best practices.

102. A critical component of the current reforms is the piloting of corporate governance improvement in the SOEs sector through the implementation of corporate governance action plans for selected SOEs as well as economic and financial regulators and a Trust. The action plans were born out of the recommendations arising from corporate governance reviews for the whole SOEs sector as well as the respective individual SOEs and regulators, which are listed below:

(a) Volta River Authority (VRA),

(b) Electricity Company of Ghana (ECG),

(c) Ghana National Petroleum Corporation (GNPC),

(d) TDC Development Company Limited (TDC),

(e) Ghana Water Company Limited (GWCL),

(f) Public Utilities Regulatory Commission (PURC),

(g) National Pensions Regulatory Authority (NPRA)

(h) National Insurance Commission (NIC),

(i) Securities and Exchange Commission (SEC),

(j) Bank of Ghana (BoG),

(k) Social Security and National Insurance Trust (SSNIT)

103. The reviews, which provided an assessment of the existing corporate governance structure and practices of the entities concluded that SOEs face a number of governance problems that tend undermine their performance and ability to compete. Hence the action plans are intended to improve the corporate governance practices of these entities to enhance efficiency, transparency and accountability.

104. Significant progress has been made in the implementation of the action plans of five (5) selected SOEs, namely Electricity Company of Ghana (ECG), Ghana National Petroleum Corporation (GNPC), Ghana Water Company Limited (GWCL), TDC Development Company Limited (TDC) and Volta River Authority (VRA). The action plans of the 5 SOEs were consolidated into a comprehensive implementation plan to facilitate implementation as well as monitoring and assessment of progress of implementation. The implementation of the action plans is tracked through the quarterly reports, which the SOEs are required to submit to MoF.

105. As part of efforts to expedite the implementation of the action plans, MoF engaged the services of a corporate governance expert to support the SOEs to undertake the activities on their respective action plans. The expert's scope of work entailed reviewing the action plans to identify any gaps or additional tasks that could enhance the achievement of the objectives of the action plans. The expert also developed templates for the SOEs to adopt in the preparation of the under-listed corporate governance policies and guidelines:

(a) Board Charter

(b) Code of Ethics

(c) Whistle Blowers Policy

(d) Conflict of Interest Policy

(e) Communication Policy

(f) Delegation of Authority Policy

(g) Board Orientation / Induction guidelines

(h) Evaluation Performance of Board of Directors

(i) State Ownership Policy

(j) Committees Charter

(k) Terms of Reference for Individual Directors

(l) Ethics code for the Board and Management

(m) Statement of Directors Duties and Responsibilities

(n) Delegation of Authority

(o) Guidelines on Performance Evaluation of Board of Directors

106. The expert also facilitated various capacity building workshops for the Directors and key senior management members of the selected SOEs. The objective of the training was to equip the participants with the requisite skills, knowledge and attitude to diligently perform their roles and functions.

107. As a result of the above-mentioned interventions, the SOEs have achieved an average implementation of 77.27 percent of the activities on their respective action plans. Some of the key milestones achieved since the piloting of corporate governance improvements include Ghana Water Company Limited holding its first ever Annual General Meeting (AGM). Also, TDC, ECG and VRA have, in recent times, prioritised the holding of AGMs or Annual Stakeholders' Meetings.

LEVEL OF IMPLEMENTATION OF THE ACTION PLANS

No.	State Owned Enterprise	Level of Implementation (%)
1.	Ghana Water Company Limited	95.83
2.	Volta River Authority	80.77
3.	TDC Development Company Limited	95.43
4.	Ghana National Petroleum Corporation	68.97
5.	Electricity Company of Ghana	45.31
Aggregate Level of Implementation		**77.27**

108. The successful piloting of the corporate governance improvements in the 5 SOEs has led to calls by various stakeholders for the initiative to be scaled up across the entire SOEs sector. To this end, Government has also initiated corporate governance reviews of three additional SOEs, namely Graphic Communications Group Limited, Ghana Cocoa Board and the Ghana Ports and Harbours Authority. The reviews, which are expected to be concluded by December, 2019 would inform the development of individual action plans for the entities involved.

109. MoF is currently exploring various options to secure funding to support the implementation of the action plans for the nine (9) other entities for which corporate governance reviews have

been undertaken. It is expected that the implementation of the action plans for the nine (9) entities would contribute in a significant way to improving their governance and financial performance as well enhancing their contribution to our national development process.

110. MoF has also initiated the process for engaging a firm to develop corporate governance curriculum for the training of boards and management of SOEs at a national training institution on a continuous basis. This is intended to build the capacity of the boards and senior management to effectively perform their functions. As part of efforts to engender buy-in of SOEs in this capacity building process, MoF intends to provide orientation on the overview of the corporate governance curriculum for the boards and senior management of all SOEs. It is expected that the exposure to corporate governance and the benefits thereof would encourage the boards of SOEs to allocate resources for their own further training in corporate governance at the national training institution.

111. The training institution will provide a formal orientation training for all newly appointed board members of the SOEs as well as government representatives on the boards of JVCs. The objective of this mandatory orientation training is to enhance the capacity of newly appointed board members to competently perform their duties and responsibilities.

Box 4a: Definition and Classification of Public Corporations

One of the essential elements of an effective framework for overseeing public corporation or SOEs is a comprehensive set of definitions and classifications of the entities in conformity with international standards. This provides a mechanism for governments to periodically review the status of the entities corporations to ensure that they are commercially and economically viable.

Public corporations can take a diverse range of legal and organizational forms, and the terminology used by countries to define such entities can also cause confusion. Public corporations are known by many different names—state-owned enterprises, state-owned entities, state enterprises, parastatals, publicly owned corporations, government business enterprises, crown corporations, and nonprofit organizations (World Bank 2006, 2014; Allen and Vani 2013).

In some cases, government entities may be legally incorporated as an enterprise but be largely or entirely engaged in noncommercial activity. In other cases, entities established as government agencies may be primarily or wholly engaged in commercial activity. In many countries, the legal and commercial distinction between public corporations and other public entities engaging in service delivery, regulatory, or quasi-commercial functions is blurred. It is important to ensure that the definition and classification of public corporations and other public entities are clear, transparent, and, to the extent possible, in line with international standards.

Best practice dictates that countries identify and classify public corporations based on their economic nature. Specifically, the IMF's Government Finance Statistics Manual 2014 (GFSM 2014) defines corporations as "entities that are capable of generating a profit or other financial gain for their owners, are recognized by law as separate legal entities from their owners, and are set up for purposes of engaging in market production" (GFSM 2014, para 2.31). A corporation is classified as a public corporation if it is controlled by the government (para 2.107). Public corporations in turn can be classified as nonfinancial or financial corporations, depending on the nature of their primary activity (para 2.113–2.116). Public corporations may be under the control of either central or subnational governments.

Control, which is the ability to determine the general corporate policy of the entity, may be assessed by analyzing eight indicators, namely (a) ownership of the majority of the voting interest; (b) control of the board or governing body; (c) control of the appointment and removal of key personnel; (d) control of key committees of the entity; (e) golden shares and options; (f) regulation and control; (g) control by a dominant public sector customer or group of public sector customers; and (h) control attached to borrowing from the government.

A government-controlled entity that is legally established as an enterprise may not be a public corporation, from an economic standpoint. Entities that are controlled by the government should be classified as public corporations only if they are market producers—namely, if they provide all or most of their output at prices that are economically significant. Although there is no precise numerical formula for determining whether prices are "economically significant," the orientation of an entity toward market production can be assessed by the so-called market test. GFSM 2014 proposes that a unit be classified as a market producer if the value of its sales (excluding both taxes and subsidies not directly linked to the volume or value of the output) averages at least half of the production costs over a period of at least three years. In practice, however, difficulties of valuation may arise. In sectors such as utilities, prices are often difficult to determine or are not strongly linked with production costs.

The Ghanaian Context

In Ghana, there is a clear distinction between public corporations and state owned enterprises. Public corporations are not identified and classified "based on their economic nature". Hence they are not expected to generate profit or other financial gain for government, and engage in market production. Article 190 (4) of the 1992 Constitution defines "public corporation" as a public corporation established in accordance with article 192 of this Constitution other than one set up as a commercial venture. Article 192 states that "A public corporation shall not be established except by Act of Parliament". Accordingly, the Public Financial Management Act, 2016 (Act 921) defines public corporation as "a body corporate established under an Act of Parliament in accordance with article 192 of the 1992 Constitution".

In contrast, State owned enterprise (SOEs) are commercial entities by nature. Per the PFM Act, SOEs are entities whose shares are wholly or partially held or controlled by government. This definition extended the scope of SOEs to include entities which were not controlled by government including the mining companies in which government has 10 percent carries interest. As part of efforts to bring the definition in line with international best practices, the State Interests and Governance Authority Act, 2019 (Act 990) redefined state owned enterprises as "an entity whether incorporated or not under the Companies Act, 1963 (Act 179) whose shares are wholly held or controlled by government".

Box 4b: Policy, Legal, and Institutional Framework for State Owned Enterprises (SOEs) in Ghana

An effective framework for the financial oversight of state owned enterprises (SOEs) requires a clearly defined ownership policy backed by strong legal and institutional arrangements. In Ghana, like in most countries, the laws and regulations governing private business enterprises, particularly the Companies Act provide the general legal and regulatory framework which is expected to guide the operations and management of SOEs and other entities in which GoG maintains equity interest. These law provide for the structure and powers of the board, relationship between board and management, requirements on financial reporting, and independent audit arrangements. In addition, for SOEs and other state entities (OSEs), these laws are complemented by a public sector–specific oversight framework that defines the objectives and expectations of the state, as well as the powers, and responsibilities of various stakeholders including the Ministry of Finance, central oversight body, and sector Ministries. The discussions below focus on the three (3) main components of the oversight framework for SOEs and OSEs in Ghana.

Ownership Policy

International best practice requires that governments develop and publish a comprehensive ownership policy for their SOEs. As already indicated in Chapter 3, MoF has initiated the development of a comprehensive State Ownership Policy and Guidelines for Government as a shareholder. The State Ownership Policy would reflect the relevant provisions of the 1992 Constitution, the Public Financial Management Act (Act 990) and its related Regulations as well as the State Interests and Governance Authority Act (Act 990) and other relevant enactments and documents to define the ownership rights of the State and also specify the roles and powers of various players.

Legal Framework

Globally, many countries have found it necessary to develop a framework law on their state owned entities as part of efforts to clearly establish the respective roles, powers and responsibilities of various stakeholders in the financial management and oversight of those entities. Such a law may be self-standing (as in the case of New Zealand or Philippines), or it may comprise a chapter of the public financial management law (as in the case of South Africa or Spain). Ghana's model aligns more closely with the latter. The Public Financial Management Act (Act 990) and its related Regulations, which provides a comprehensive financial management framework for the entire public sector, makes extensive provisions for the financial management, operations and reporting of State Owned Enterprises (SOEs) and Public Corporations. Refer to Chapter 3 for the list of relevant sections.

Institutional Framework

Because government as the owner (shareholder) of SOEs has the right to approve their (SOEs) corporate and financial plans and dividend policies, and to receive financial reports, the ownership and financial oversight functions overlap with each other. For this reason, some countries operate a model where both the ownership and financial oversight functions are consolidated in a central agency, often the Ministry of Finance, the Treasury, or the Presidency (examples are Brazil and Sweden). Other countries apply a more decentralized ownership model or a mixture of the centralized and decentralized models. Refer to Box 3 for detailed discussions on the three models of institutional framework for SOEs oversight, with particular emphasis on their pros and cons.

Ghana's framework follows the centralised model, with the recent establishment and launch of the State Interests and Governance (SIGA) to oversee and administer the government's interests in SOEs, JVCs and other state entities. The choice of the centralized (Single Entity) model was informed by thorough research conducted in other jurisdictions. An assessment of the experiences of Malaysia, Singapore, France and Queensland (Australia) show that a centralized approach has proved to be more advantageous and effective in managing SOE affairs for various reasons.

First, the Single Entity model helps to resolve the problem of conflicting objectives issued by multiple shareholders, which significantly undermine performance of SOEs. Secondly, it improves the legal framework of the sector by enabling Governments to harmonize guidelines, policies and a corporate governance regime to regulate the sector. Also, situations of conflicts of interests are also minimized due to separation of ownership and regulatory functions. Finally, when implemented well, the Single Entity model provides government with a bird's eye view in the affairs of the sector, and increases transparency and accountability on the part of the SOEs. The disadvantage with the model is the lack of sufficient sector expertise or knowledge, which can be addressed by targeting the relevant sector specialties in the recruitment of staff of the centralized agency.

Overview of the Workings of Ghana's Framework

The President is responsible for the appointment of the board members and chief executives of SOEs. The President sometimes performs this function through the relevant sector Ministers. The Ministry of Finance (MoF) is responsible for policy formulation around the financial management and operations of SOEs. Sector Ministries are responsible for policy issues related to the sectors in which the entities operate. Generally, sector Ministries are not expected to be involved in the strategic planning and management of individual entities. This is because, sometimes, there are private sector competitors that are regulated under the same sector policy framework enforced by the sector Ministries.

The State Interests and Governance Authority (SIGA) is mandated to coordinate and monitor the implementation of policies related to the financial management and governance of SOEs and other state entities (OSEs). The Public Finance Management Act, 2016 (Act 921) and Regulations, 2019 (L.I. 2378) require SOEs to, on an annual basis, submit to MoF through SIGA:

(a) a financial plan reflecting their proposed revenue and expenditure estimate in respect of the ensuing financial year;

(b) a record of the total outstanding debt and borrowing operations of the entity;

(c) an audited financial statement of the entity for the previous financial year by 30th April.

In addition, SOEs are enjoined by Act 921 and L.I. 2378 to, on a quarterly basis, furnish MoF and SIGA with:

(a) a record of outstanding debt and new borrowings including overdrafts and corporate debt securities issued by the entity; and

(b) a report on the operations of the entity in relation to its approved business plan for the year, and any other matter that the Minister may specify as a matter to be included in the report.

The annual financial statements of SOEs are expected to audited (i) by an external auditor who is licensed under the Chartered Accountants Act, 1963 9Act 170) and appointed by the Auditor-General; and (ii) in accordance with international standards on auditing.

The Minister for Finance also imposes annual limits on the borrowing, guarantees, and other contingent liabilities of SOEs. Hence SOEs are required to obtain the prior written approval of the Minister for Finance in respect of (i)borrowing of an amount above the limit determined by the Minister; or (ii)borrowing from a foreign market. The Minister of Finance is also required to, on the advice of the central oversight body, annually approve a dividend policy for SOEs.

SOEs are required by PFM Act and Regulations (Act 921 and L.I. 2378) as well as the SIGA Act (Act 990) to annually conclude a performance compact with SIGA. The performance compact is expected to specify the financial targets and other operational indicators and targets to be achieved by the SOE during the financial year. Overall, the governance framework is based on the "arm's length" principle of managing SOEs, which distinguishes the functions of ownership and management. Hence the boards and management of SOEs are generally expected to exercise their responsibilities without external interference or pressure. That notwithstanding, the PFM Act and Regulations (Act 921 and L.I. 2378); and SIGA Act (Act 990) make exception for specific circumstances under which MoF, sector Ministries or SIGA may give specific policy directives for compliance by SOEs or interfere in the management of SOEs.

The Minister for Finance is mandated to, on the recommendations of SIGA, approve in respect of each SOE, (a) the annual budget for the next financial year; (b) the borrowing limit; (c) the external borrowing; (d) the guarantees to be issued by Government on behalf of the SOE for the ensuing financial year; (e) the performance compact for the ensuing financial year; and (f) the projected dividend based on the dividend policy of the Government for the sector.

Finally, the PFM Act and Regulations (Act 921 and L.I. 2378); and SIGA Act (Act 990) provides for specific sanctions and penalties with various degrees of severity for non-compliance and other offenses by SOEs.

FINANCIAL & OPERATIONAL PERFORMANCE

FINANCIAL & OPERATIONAL PERFORMANCE

Macroeconomic Performance for 2018

Macroeconomic Context

112. Ghana, in recent years, has achieved significant improvements in key economic indicators: inflation is in single-digits, the currency is stable, and economic growth is robust. By the end of 2018, the fiscal deficit had been contained below 5 percent of GDP for two (2) consecutive years. However, revenue mobilization continued to be a challenge, as government had to resort to expenditure cut and rationalization in order to maintain its fiscal targets.

Real Sector

113. Ghana's real GDP growth was 6.3 percent in 2018. This growth was largely on the back of the 8.1 percent growth recorded in 2017. The Industry Sector, which accounts for 34 percent as a share of GDP, grew at 10.5 percent in 2018. The mining and quarrying subsector (which grew by 23.3 percent) was also a major determinant of industry sector and overall growth in 2018. The surge in growth of the mining sector is attributed to the recent increase in investments in the sector (which led to higher production in 2018). These impressive developments in 2018 were also partly attributed to favourable price developments on some key commodity markets.

Figure 1: Economic Growth by Sector (% change, y-o-y): 2014-2018

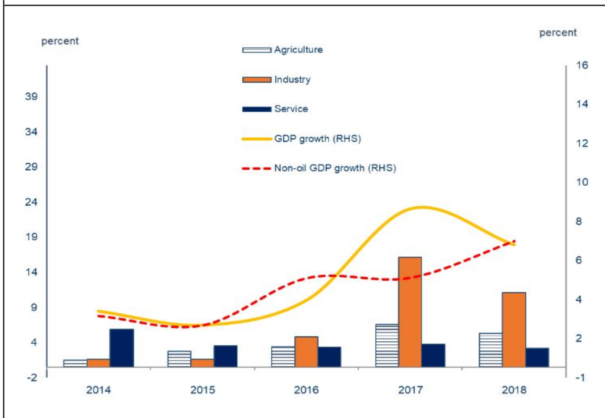
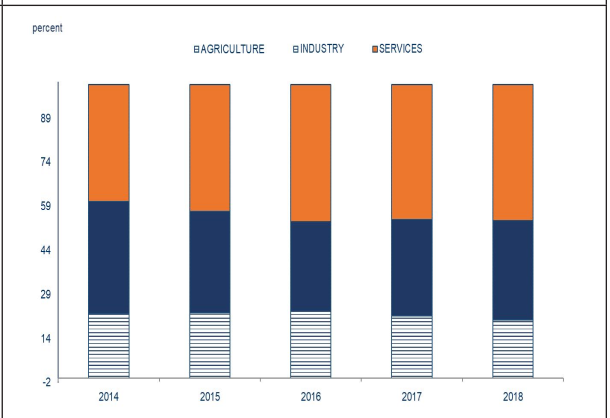


Figure 2: Sectoral Contribution to GDP (%): 2014-2018



114. Ghana's average inflation rate for 2018 was the lowest in five years. Inflation fell from the peak of 19.2 percent in March 2016 to 9.8 percent in December 2018. The favorable price developments in 2018 were driven by continued monetary restraint by the BoG and the reductions in non-food inflation. Lower inflation in the Housing, Water, Electricity, Gas and Others Fuels subgroup (3.4%) contributed to the lower non-food inflation path.

Figure 3: Inflation Rate (% change, y-o-y): 2014-2019 (April)

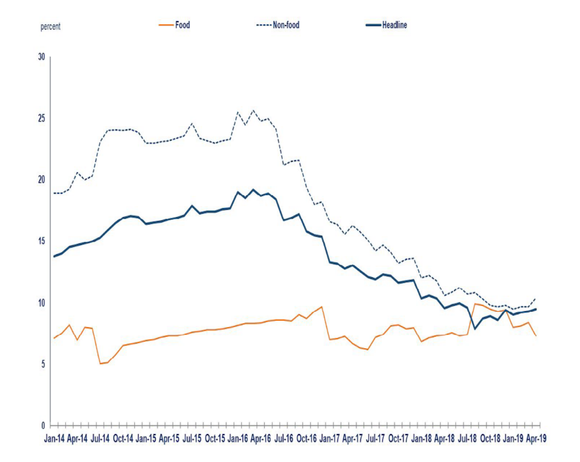
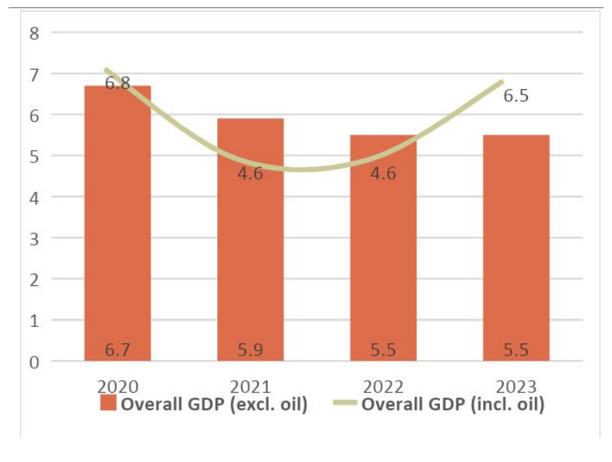


Figure 4: Growth Forecast (2020-2023)



Fiscal Developments

115. In 2017, the government launched an intensive fiscal consolidation effort to reduce the large fiscal deficits in previous years. To this end, the fiscal deficit was reduced from 6.5 percent in 2016 to 4.8 percent of GDP in 2017, achieved primarily through spending cuts on both recurrent and capital expenditures. Government also amended the law to cap transfers to Earmarked Funds at 25 percent of tax revenues in order to promote more discretion for fiscal adjustments in times of need and also to free fiscal space to ensure more efficient allocation of resources. Also, the sizable reduction in the fiscal deficit was achieved even though revenue (including grants) underperformed by 0.6 percent of GDP in 2017.

116. In 2018, Government sustained its fiscal consolidation efforts, although realizing revenue targets remained a challenge. The total revenue and grants outturn for the 2018 fiscal year were estimated at 15.8 percent of GDP—0.6 percentage points below the revised annual target. In response to the low revenue, the Government made cuts to both the recurrent and capital expenditures, a strategy it also implemented in 2017. Consequently, the 2018 fiscal deficit on a cash basis (excluding financial sector clean-up) narrowed to an estimated at 3.9 percent of GDP in line with the target set under the IMF program. The primary balance (excluding the financial sector cost) further improved from the 2017 levels to 1.4 percent of GDP.

Financial and External Sector Developments

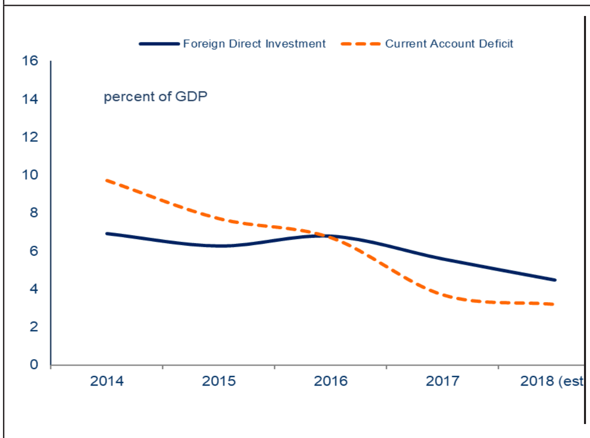
117. Financial sector stability was threatened in 2018 as several banks became insolvent. In response, the BoG closed five domestically -owned universal banks at a total fiscal cost equivalent to 3.3 percent of GDP. The Bank of Ghana also raised the minimum capital requirement of banks from GHs120 million to GHs400 million. The performance of the banking industry broadly improved in December 2018 compared with the performance in December 2017. The industry started to show signs of recovery following the completion of the recapitalisation exercise and implementation of reforms to address weak and insolvent institutions within the sector. Results of the stress test conducted in December 2018 indicated the industry was more resilient and better able to absorb shocks than it was in 2017.

118. The current account of the balance of payments continued to improve in 2018 on the back of continued improvements in export receipts, mainly from crude oil and non-traditional exports. However, lower than expected capital inflows led to a drawdown in international reserves. The current account deficit of 3.2 percent of GDP was primarily financed by Foreign Direct Investment, which fell slightly from 5.5 percent of GDP in 2017 to 4.4 percent of GDP in 2018.

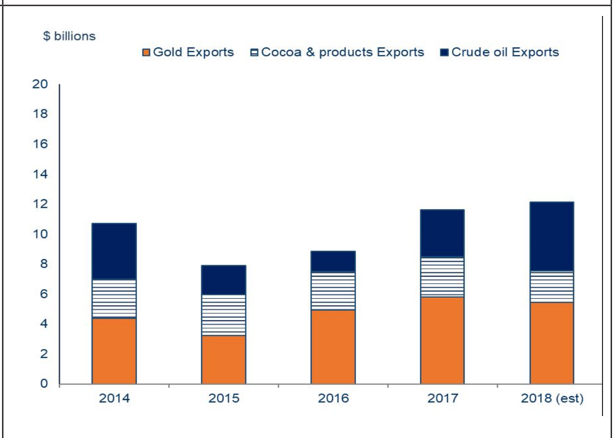
Foreign capital inflows targets were not met and the capital and financial account narrowed from 5.1 percent of GDP in 2017 to 2.5 percent in 2018. This was driven by a rapid decline in inflows through portfolio investment which was 1.4 percent of GDP in 2018 (down from 4.4 percent of GDP in 2017).

119. The decline in portfolio investment in 2018 was attributed to stifled net inflows as foreign investors sought to rebalance their portfolio due to favorable developments of the U.S. market which led to their general repatriation of coupons and principals. Official financing (aid) registered a net outflow in 2018 in the order of 0.5 percent of GDP, compared to 0.6 percent in 2017. As a result, both gross and net international reserves declined from **US$7.55 billion** (4.3 months of imports) and **US$4.5 billion** (2.5 months of imports) respectively in 2017 to **US$7.02 billion** (3.6 months of imports) and **US$3.9 billion** respectively in 2018.

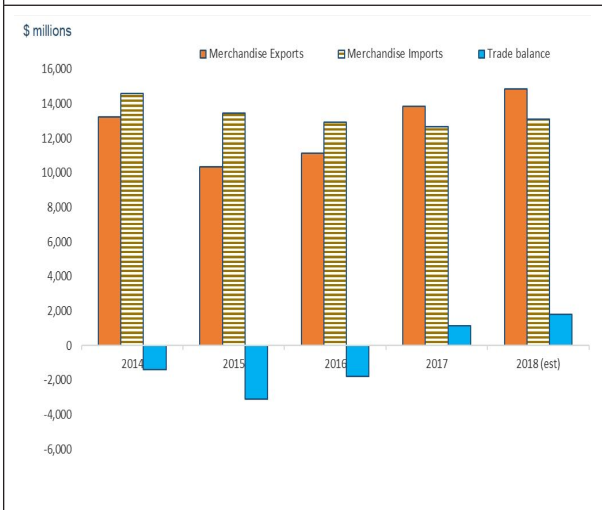
1) Ghana's Current Account and FDI Inflows: 2014-2018



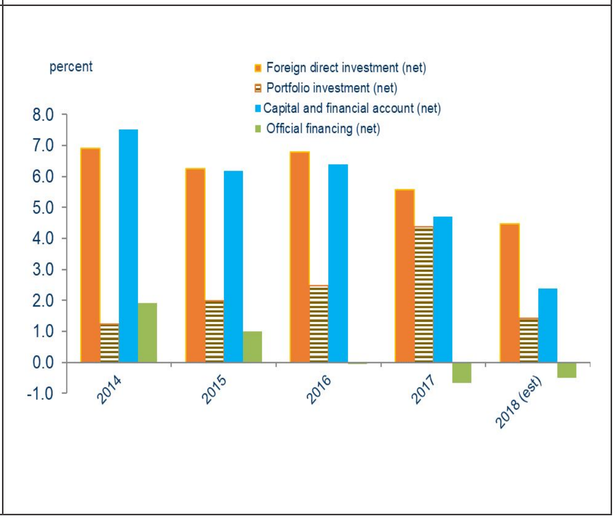
2) Selected Export Commodities: 2014 to 2018



3) Ghana's Balance of Trade: 2014-2018



4) Selected Balance of Payment (BoP) Indicators: 2014 to 2018



Aggregate Performance

120. The analysis seeks to assess the financial and operational performance of the entities in 2018 and compares same with their performance in 2017 and 2016. It is instructive to note that the combined figures for 2016 and 2017 exclude the numbers for E.S.L.A. PLC and CBG as they only started full operations in 2018. The analysis focuses on selected indicators and ratios that are useful in gauging the operational efficiency, profitability, liquidity, and solvency of the entities covered. The analysis covers seventy-seven (77) entities made up of thirty-six (36) SOEs, twenty-five (25) JVCs, and sixteen (16) OSEs.

121. For the purpose of this analysis, the entities are grouped into nine (9) main sectors, namely agriculture, communications, energy, financial, infrastructure, manufacturing, transport, mining, and other state entities. Given the unique nature of their operations and the fact that other state entities (OSEs) are not profit-oriented, they are excluded from the aggregate analysis, and rather treated as a separate sector in this section.

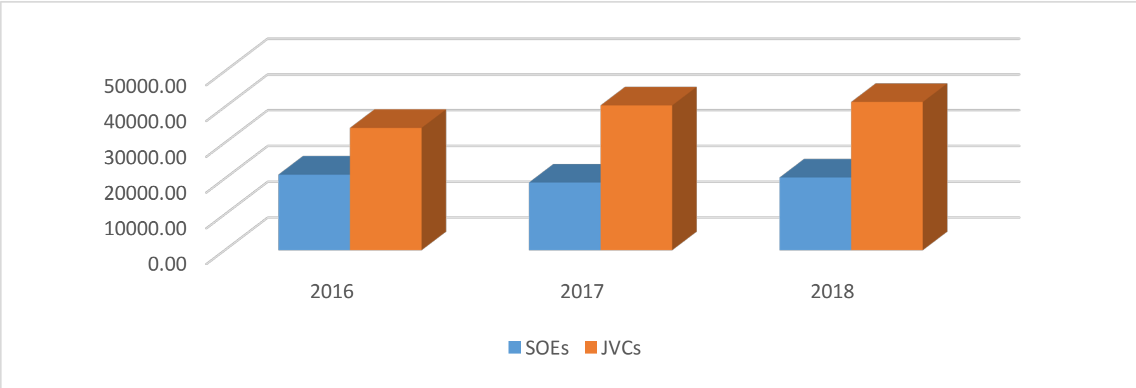
Revenue

122. Total revenues for SOEs increased by 7.35 percent **(GH¢1,389.17 million)** from **GH¢18,903.09 million** in 2017 to **GH¢20,292.26 million** in 2018. This followed a 10.42 percent decrease **(GH¢2,198.59 million)** in total revenue from **GH¢21,101.67 million** in 2016 to **GH¢18,903.09 million** in 2017. With the exception of the transportation sector, all other sectors recorded improved total revenue for 2018 in comparison to their 2017 performance with SOEs in the energy **(GH¢13,986.77 million** to **GH¢14,550.67 million)**; manufacturing (**GH¢1,326.42 million** to **GH¢1,499.73 million)**; infrastructure (**GH¢2,966.34** to **GH¢3,448.63 million)**; and financial sectors **(GH¢385.93 million** to **GH¢558.19 million)** recording the most significant increases of 4.03 percent, 13.07 percent, 16.26 percent and 44.64 percent respectively.

123. The significant increase in revenues for SOEs in the financial sector was due to the fact that Consolidated Bank Ghana (CBG), which contributed 24.76 percent of revenue for 2018 did not have any recorded figures for 2016 and 2017. The energy sector contributed the biggest share (71.71 percent) of the combined revenue for 2018. This, however, represents a decline from the sector's contribution of 73.99 percent and 77.44 percent to total revenue in 2017 and 2016 respectively.

124. The combined revenue for JVCs have been on an increasing trend since 2016. Revenues for the JVCs in 2018 amounted to **GH¢ 41,762.94 million** representing an increase of 2.48 percent **(GH¢1,012.08 million)** and 21.68 percent **(GH¢7,440.04 million)** over the corresponding figures for 2017 **(GH¢ 40,750.86 million)** and 2016 **(GH¢ 34,322.90 million)**. All the sectors except agricultural and transportation, recorded improved revenue performance in 2018. The mining sector, which reported a revenue figure of **GH¢28,274.25 million**, was the biggest contributor to JVCs' revenue with a 67.70 percent share of the combined revenue. This, however, represented a decline in the mining sectors' contribution to JVCs' combined revenue in 2017, which stood at 69.11 percent (i.e. **GH¢28,162.10 million** out of **GH¢40,461.83 million)**. The agricultural sector's percent contribution to JVCs' aggregate revenue declined from 7.06 percent in 2017 to 5.57 percent in 2018.

Figure 5: Revenue Performance for SOEs and JVCs (2016 – 2018)



Direct Cost

125. The total direct cost for SOEs amounted to **GH¢17,877.92 million** in 2018, representing an increase of 18.06 percent **(GH¢2,735.33 million)** over the corresponding figure for 2017 **(GH¢15,142.59 million)**. In line with the trend observed relative to revenue, the energy sector was the biggest contributor to combined direct cost for SOEs in 2018, contributing 76.79 percent **(GH¢13,727.61 million)**. All sectors, except the transportation sector, recorded increases in direct cost, with the infrastructure **(GH¢2,254.51 million** to **GH¢2,595.25 million)**; manufacturing **(GH¢1,143.62 million** to **GH¢1,282.91 million)**; financial (**GH¢129.20 million to GH¢160.68 million)**; and communications **(GH¢99.00 million** to **GH¢102.46 million)** sectors posting increases of 15.11 percent, 12.18 percent, 24.37 percent, and 3.49 percent respectively in their direct cost.

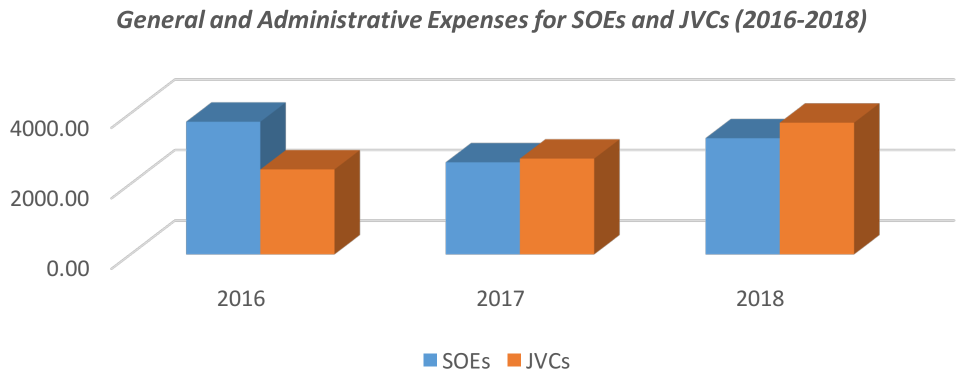
126. On the other hand, JVCs' combined direct cost increased slightly (0.44 percent) from **GH¢32,178.06 million** in 2017 to **GH¢32,319.49 million** in 2018. The mining (**GH¢22,315.06 million)**; energy **(GH¢4,804.49 million)**; agricultural **(GH¢2,066.62 million)**, and financial **(GH¢1,397.76 million)** sectors were the biggest contributors, with 69.05 percent, 14.87 percent, 6.39 percent, and 4.32 percent share of the aggregate direct cost respectively.

General and Administrative Expenses

127. SOEs posted an aggregate general and administrative expense of **GH¢3,292.48 million** in 2018, representing an increase and decrease of 26.18 percent and 12.43 percent respectively over the corresponding figures for 2017 **(GH¢2,609.33 million)** and 2016 **(GH¢3,759.93 million)**. The share of the energy sector to the general and administrative expenses was 70.61 percent **(GH¢2,324.78 million)**, with the biggest individual SOE contributors being VRA **(GH¢560.74 million)**, ECG **(GH¢524.54 million)** and GWCL **(GH¢195.72 million)**.

128. Total general and administrative expenses for JVCs increased by 37.17 percent **(GH¢1,026.30 million)** from **GH¢2,761.27 million** in 2017 to **GH¢3,787.57 million** in 2018. The mining sector was the biggest contributor to the JVCs' aggregate general and administrative expenses with a share of 37.87 percent **(GH¢1,434.26 million)**.

Figure 6: General and Administrative Expenses for SOEs and JVCs (2016 – 2018)



Operating Income

129. The combined operating income recorded by SOEs in 2018 was **GH¢-1,761.53 million**, which was significantly worse than their performance in 2017 **(GH¢-335,30 million).** The energy **(GH¢-45.30 million** to **GH¢-1,768.43 million)** and manufacturing **(GH¢-787.40 million** to **GH¢-808.03 million)** sectors were the biggest contributors to the abysmal performance. The improvements in the operating income performance for the infrastructure **(GH¢127.72 million** to **GH¢209.33 million)** and financial **(GH¢364.11 million** to **GH¢624.34 million)** sectors were not enough to offset the huge operating losses posted by manufacturing and energy sectors. ECG recorded the most significant decline in its operating income performance from **GH¢-58.98 million** in 2017 to **GH¢-2,773.05 million** in 2018 representing a fall of 4,601.68 percent **(GH¢-2,714.07 million)**.

130. JVCs posted a slight decline in their combined operating income from **GH¢6,581.47 million** in 2017 to **GH¢6,498.81 million** in 2018, representing a decrease of 1.26 percent **(GH¢82.66 million)**. The mining and financial sectors posted the highest operating income of **GH¢4,010.28 million** and **GH¢2,516.90 million**, representing 61.71 percent and 38.73 percent of the combined operating income outturn for JVCs respectively.

131. Four (4) JVCs posted significant decline in their operating income from 2017 to 2018 as follows: MMT (**GH¢-0.69 million** to **GH¢-25.62 million)**, SIC **(GH¢-7.27 million** to **GH¢-44.58 million)**, GREL (**GH¢34.34 million** to **GH¢-17.58 million)**, and PBC **(GH¢171.54 million** to **GH¢10.01 million)**. GCB **(GH¢1,113.15 million** to **GH¢1,260.56 million)**, and SIC-LIFE **(GH¢1.85** to **GH¢194.16 million)** recorded improved performance in their operating incomes.

Gross and Net Profit

132. The combined gross profit for SOEs declined over the three-year period from **GH¢5,240.00 million** in 2016 to **GH¢2,434.53 million** in 2018. The 2018 outturn **(GH¢2,434.53 million)** represents a decline of 35.79 percent **(GH¢1,356.91 million)** and 53.54 percent **(GH¢2,805.47 million)** from the 2017 **(GH¢3,791.44 million)** and 2016 **(GH¢5,240.00 million)** positions. The decline in gross profit was due to significant increases in the direct cost as well as general and administrative expenses of SOEs. Despite the decline in the combined gross profit, all sectors except two (2) posted improved gross profit. The exceptions were communications and energy sectors, which posted decreases of 67.02 percent **(GH¢1,672.86 million)** and 1.59 percent **(GH¢1.99 million)** respectively.

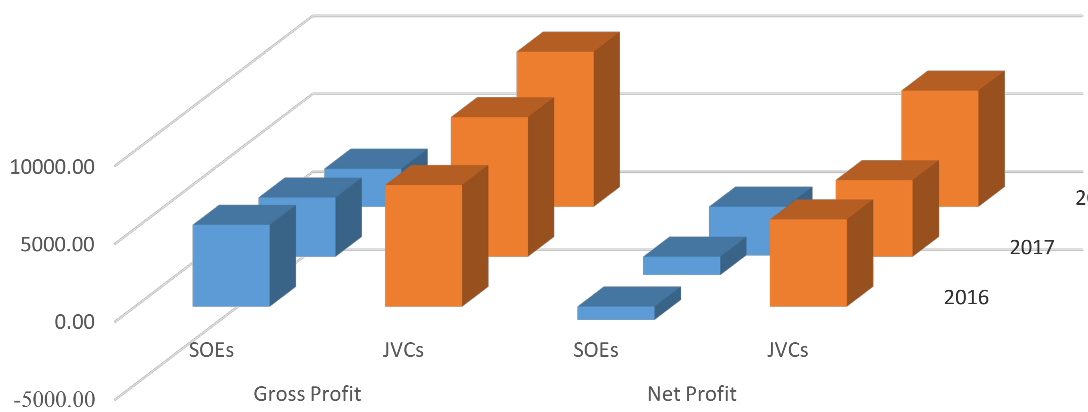
133. In contrast, JVCs' total gross profit saw an improvement of 10.23 percent **(GH¢877.36 million)** from **GH¢ 8,575.94 million** in 2017 to **GH¢9,453.30 million** in 2018. The increases in gross profits for the mining **(GH¢5,243.29 million** to **GH¢5,959.19 million)**; financial **(GH¢1,840.85 million** to **GH¢2,031.15 million)**; and manufacturing **(GH¢247.10 million** to **GH¢288.79**

million) sectors adequately compensated for the decreases suffered by the agriculture **(GH¢354.03 million** to **GH¢262.12 million)** and communications **(GH¢688.56 million** to **GH¢645.34 million)** sectors.

134. SOEs posted an aggregate net loss of **GH¢-3,120.13 million** in 2018, which was a significantly worse performance over the net loss of **GH¢-1,245.61 millio**n recorded in 2017. It represents a 150.49 percent **(GH¢-1,874.52 million)** deterioration in the net loss posted by SOEs from 2017 to 2018.The significantly high net losses recorded by the transportation (GH¢-11.60 million to **GH¢-21.27 million**); manufacturing (from **GH¢-806.59 million to GH¢-820.33** million); and energy (from **GH¢-742.46 million** to **GH¢-2,752.01 million)** sectors largely accounted for the huge aggregate net loss registered by SOEs in 2018..

135. JVCs, on the other hand, posted an aggregate net profit of **GH¢1,356.75 million** in 2018. This represents a 598.40 percent improvement from the combined net loss of **GH¢-272.22 million** posted in 2017. For JVCs, net losses posted by the agricultural **(GH¢-198.50 million)** and communications **(GH¢-717.40 million)** sector were adequately offset by the significantly high net profit recorded by the mining sector **(GH¢1,348.21 million)**.

Figure 7: Gross and Net Profits for SOEs and JVCs (2016 – 2018)



Assets and Liabilities

136. The combined total assets for SOEs increased by 13.59 percent **(GH¢13,726.13 million)** from **GH¢100,975.68 million** in 2017 to **GH¢114,701.80 million** in 2018. The energy **(GH¢67,534.78 million)**, infrastructure **(GH¢20,872.13 million)**, and manufacturing **(GH¢15,172.55 million)** sectors contributed the most to the overall total assets of SOEs, with transport **(GH¢148.28 million)** and communications **(GH¢284.04million)** sectors contributing the least. ECG **(GH¢20,554.26 million)**, GWCL (**GH¢13,635.29 million)**, VRA **(GH¢18,787.55 million)** and CBG **(GH¢7,488.73 million)** were the biggest contributors of total assets for SOEs.

137. JVCs, on the other hand, reported aggregate total assets of **GH¢73,908.24 million** in 2018, which represents an increase of 5.35 percent **(GH¢3,753.70 million)** compared to the 2017 figure **(GH¢70,154.54 million).** The mining sector with total assets of **GH¢46,799.33 million** accounted for 63.32 percent of the aggregate total assets for JVCs in 2018.

138. SOEs posted an aggregate current assets of **GH¢36,528.10 million** in 2018, which represents an increase of 45.04 percent **(GH¢11,344.12 million)** compared to **GH¢25,183.98 million** recorded in 2017. The energy sector contributed 58.09 percent of the aggregate current asset value for the SOEs in 2018, followed by the financial and infrastructure sectors with 27.86 percent **(GH¢10,176.69 million)** and 9.59 percent **(GH¢3,504.31 million)** respectively.

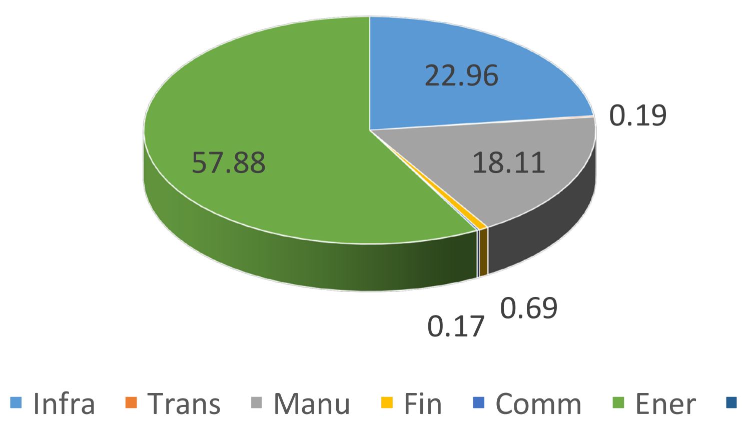
139. The total current assets for JVCs decreased by 6.06 percent **(GH¢1,556.52 million)** from **GH¢25,687.53** registered in 2017 to **GH¢24,131.01 million** in 2018. Three sectors posted a

decline in their current assets from 2017 to 2018 as follows: mining (from **GH¢11,433.66 million** to **GH¢10,346.64 million)**, financial (from **GH¢12,086.83 million** to **GH¢11,218.73 million)**, and the communications (from **GH¢767.94 million** to **GH¢714.04 million)**. All other sectors posted increases in their current assets between 2017 and 2018 with the Agricultural Sector recording the highest increase of 52.65 percent **(GH¢262.21 million)** from **GH¢498.06 million** registered in 2017 to **GH¢760.27 million** in 2018.

140. The total non-current assets of SOEs increased by 18.18 percent **(GH¢12,025.71 million)** from **GH¢66,147.96 million** in 2017 to **GH¢78,173.67 million** in 2018. The non-current assets for the infrastructure **(GH¢6,563.47 million** to **GH¢17,367.82 million)**, financial **(GH¢329.05 million** to **GH¢524.93 million)**, and energy **(GH¢44,702.94 million** to **GH¢46,314.05 million)** sectors increased while non-current assets declined for the manufacturing **(GH¢14,225.06 million to GH¢13,690.73 million)** and communication **(GH¢132.65 million** to **GH¢ 129.78 million)** sectors. As a share of overall non-current assets for SOEs, the energy sector posted the biggest share at 59.25 percent **(GH¢46,314.05 million)**.

141. JVCs' combined non-current assets amounted to **GH¢50,049.61 million** in 2018, which was an increase of 12.68 percent **(GH¢5,634.09 million)** from the 2017 performance of **GH¢44,415.52 million**. The mining and financial sector were the biggest contributors to the total non-current assets of JVCs with 72.83 percent **(GH¢36,452.70 million)** and 20.93 percent **(GH¢10,473.34 million)** share of the aggregate non-current assets respectively. AGA **(GH¢26,118.12 million)**; GGL **(GH¢5,431.88 million)**; ADB **(GH¢1,594.49 million)**; Stanchart **(GH¢2,837.19 million)**; and GCB **(GH¢5,084.11 million)** were the leading contributors to total non-current assets reported by JVCs.

Figure 8: Sectoral Contribution to Non-Current Assets of SOEs (2018)



142. SOEs posted a combined total liability of **GH¢61,994.06 million** in 2018, which represents an increase of 27.85 percent **(GH¢13,504.96 million)** over the 2017 figure of **GH¢48,489.10 million**. With combined total assets of **GH¢114,701.80 million**, SOEs recorded a positive net worth of **GH¢52,707.74 million**.

143. The energy sector's share of the aggregate liabilities for SOEs was 68.82 percent (**GH¢42,666.73 million)**. Other significant contributors to the combined total liabilities of SOEs were the infrastructure and financial sectors with 13.57 percent **(GH¢8,413.56 million)** and 12.16 percent **(GH¢7,539.28 million)** share of the combined liabilities of SOEs respectively. Individual SOEs with the biggest total liabilities for 2018 were ECG **(GH¢13, 751.21million)**, GPHA **(GH¢4,078.19 million)**, GWCL (GH¢2,194.38 million), GHA **(GH¢2,167.34 million)**, and GACL (**GH¢2,019.63 million)**.

144. JVCs posted an increase of 5.75 percent **(GH¢2,992.06 million)** in their aggregate total liabilities

from G**H¢52,008.20 million** recorded in 2017 to **GH¢55,000.26 million** in 2018. Given that the JVCs posted combined total assets of **GH¢73,908.24 million**, their combined net worth was **GH¢18,907.98 million**.

Net Profit Margin

145. SOEs posted average net profit margin of -35.86 percent in 2018, which represent a worse position over the 2017 performance of -27.81 percent. The transportation sector recorded the worst performance of -233.66 percent in 2018 from -85.42 percent in 2017. The infrastructure sector's performance improved from an average of 5.77 in 2017 to 6.87 in 2018 while communication sector's declined from 3.29 percent in 2017 to -3.46 in 2018. The manufacturing and financial sectors improved on their average net profit margins from 2.32 percent and -76.93 percent in 2017 to 7.71 percent and 21.47 percent in 2018 respectively.

146. The improved average for the manufacturing sector can be attributed to improvements made by entities such as GIHOC which posted a net profit margin of 3.08 percent in 2018 compared to its 2017 performance of 2.64 percent and PMMC which posted an improved 4.79 percent in 2018 in comparison to the 2017 figure of -43.49 percent. The financial sector was the most improved sector as it posted an average net profit margin 21.47 percent in 2018 from -76.93 percent in 2017. This improvement can be attributed to the increased performances for Exim (8.54 percent to 88.89 percent), GIIF (97.19 percent to 110.85 percent) and Ghana Re (17.63 percent to 18.77 percent).

147. In contrast, JVCs showed an improved average net profit margin from -11.54 percent to -9.13 percent. The worse performers for 2018 were the communications, transportation, and agricultural sectors which posted -67.71 percent, -18.56 percent, and -8.31 percent respectively.

Return on Capital Employed

148. The average return on capital employed for 2018 was 0.33 percent, which was worse than the 2017 performance of 2.94 percent. The energy sector posted the highest average return on capital employed of 20.69 percent, with the transportation sector registering the worst performance of -17.41 percent. JVCs also posted an average return on capital employed of 10.33 percent, which was a marked improvement from the corresponding figure for 2017 (-29.23 percent). The worst performers were the transportation and communications sectors with -14.38 percent and -0.08 percent respectively.

Current and Gearing Ratios

149. SOEs recorded an average current ratio of 30.06, a decline from the 2017 position of 39.57. The financial and transportation sectors posted the highest and lowest figures of 153.26 and 0.07 respectively. JVCs, on the other hand, recorded an average current ratio of 1.78, which was an improvement over the 2017 performance of 1.57. The financial sector registered the highest performance of 5.36 whereas the communications sector posted the lowest of 0.12.

150. The average gearing ratio registered by SOEs in 2018 was 3.13, representing an improvement over the 2017 figure of 3.96. The infrastructure and transportation sector recorded the highest and lowest average gearing ratios of 5.52 and 0.49 respectively. JVCs recorded an average gearing ratio of 6.26, which was significantly worse than the 2017 position of 2.16. The transportation and manufacturing sectors posted the highest and lowest gearing ratios of 34.17 and 0.20 respectively.

SECTOR-LEVEL AND INDIVIDUAL ENTITIES PERFORMANCE

AGRICULTURAL SECTOR

151. For a significant part of the country's history straddling both pre-colonial and post-colonial eras, agriculture has been the dominant feature of the economy since a professional blacksmith called Tetteh Quarshie voyaged back from Fernando Po (Bioko in Equatorial Guinea) with cocoa beans stashed in his pocket in the 1870s. Agriculture remains a major force in the economy, having contributed 19.7 percent to the GDP and employed approximately 45 percent of the labour force in 2018. In terms of growth rate, the sector recorded 4.8 percent in 2018 as against a growth rate of 6.1 percent in 2017 according to the 2020 Budget and Economic Statement.

152. The enormity of the agricultural sector's contribution to the Ghanaian economy and Ghanaian socio-economic life generally helps to explain why the sector's performance will be a major contributory factor to the attainment of at least five of the 2030 Sustainable Development Goals (SDGs), particularly, Goals 1 and 2, which have the specific targets of ending poverty and hunger. Further, the prioritization of investments in the agricultural sector will be critical to the eventual achievement of key commitments under the 2014 Maputo Declaration by the AU Presidents and Heads of State on accelerated agricultural growth and transformation for shared prosperity. The key commitments include increasing investment in the agricultural sector, doubling productivity, reducing postharvest loses and boosting intra Africa trade.

Current Reforms

153. Government has initiated comprehensive reforms aimed at modernizing agriculture through improvement in production efficiency, irrigation development, mechanization, product development and post-harvest management. In this regard, the Ministry of Food and Agriculture (MoFA) introduced its flagship programme "Planting for Food and Jobs (PFJ)" with the stated objectives of supporting farmers to access improved inputs, extension services and sustainable markets. More broadly, the PFJ programme aimed at ensuring food security, increasing incomes of farmers and creating employment, particularly for the youth.

154. Another complementary intervention in the sector is the "One Village, One Dam" initiative. This initiative was introduced in the Upper West, Upper East and Northern Regions to ensure availability of water for all-year farming. This initiative, apart from improving food production, will create more economic opportunities for the youth and thereby curb the rural urban migration during the off-farm season. Other interventions introduced as part of the reforms in the sector include:

(a) the rearing for food and jobs campaign (RFJ) to develop a competitive and more efficient livestock industry;

(b) the planting for export and rural development (PERD) aimed at promoting rural economic growth and improving household income of rural farmers through the provision of certified improved seedlings, extension services, and regulatory mechanisms.

(c) e-agriculture to promote sustainable agriculture and thriving agribusiness through research and technology development, effective extension and other support services to farmers, processors and traders for improved livelihood.

(d) greenhouse technology modules which aims at improving the production of safe and healthy fruit and vegetable production in Ghana (Dawhenya Greenhouse Village project).

155. In addition, the Ghana Commodity Exchange (GCX) was launched in 2018 with the objective of enhancing producers' direct access to markets, helping them market their crops more efficiently and cutting out intermediaries. The range of crops traded on the GCX has been extended to

rice and sorghum. Given the anticipated increase in yields and production of commodities, MoFA in 2018 started the construction of 30 warehouses with grain capacity of 1000-metric tonnes at strategic locations nationwide. The warehousing project is geared towards supporting operations of the warehouse receipt system and the Commodity Exchange. The lifting of the ban on export of vegetables to the European markets in December 2017 provides opportunities for increased production of vegetables for export. In view of this, MoFA in 2018 expanded the greenhouse village modules to Akumadan and Bawjiase in Ashanti and Central Regions respectively.

Challenges

156. Even though tremendous strides have been made, the sector is not without problems. Below are some of the identified challenges confronting the sector which government is addressing:

(a) inadequate storage facilities for the storage of agricultural inputs at the Regional and District levels;

(b) inadequate warehouses to store bumper harvest under the PFJ program; and

(c) inadequate logistics for extension officers (e.g. motor bikes and vehicles).

Sectoral Financial Performance

157. The financial analysis for the agricultural sector covers seven (7) out of the nine (9) companies in which GoG has varying degrees of equity stake. These are Accra Abattoir Company Limited (AAC), Benso Oil Palm Plantation Limited, Cocoa Processing Company Limited (CPC), Ghana Real Estates Limited (GREL), Kumasi Abattoir Company Limited (KAC), PBC Company Limited (PBC), and Twifo Oil Palm Plantation (TOPP).

Revenue

158. The total revenue for the agricultural sector in 2018 amounted to **GH¢2,328.16 million**, which represents a fall of 19 percent from the corresponding figure in 2017 **(GH¢2877.67 million)**. Four (4) out of the seven (7) firms recorded a decline in revenue in 2018. These are BOPP, GREL, PBC and TOPP. In spite of its recent challenges, PBC contributed 28.93 percent **(GH¢1,805.72 million)** of the total revenue for the sector. The revenue performance of the seven entities for 2017 and 2018 is provided below.

REVENUE PERFORMANCE FOR 2017 AND 2018		
Company	Year/ Amount	
	2017 (GH¢'M)	2018 (GH¢'M)
AAC	1.90	2.22
BOPP	89.97	79.09
CPC	64.93	135.23
GREL	297.15	245.71
KAC	5.18	6.07
PBC	2,360.03	1,805.72
TOPP	58.51	54.12

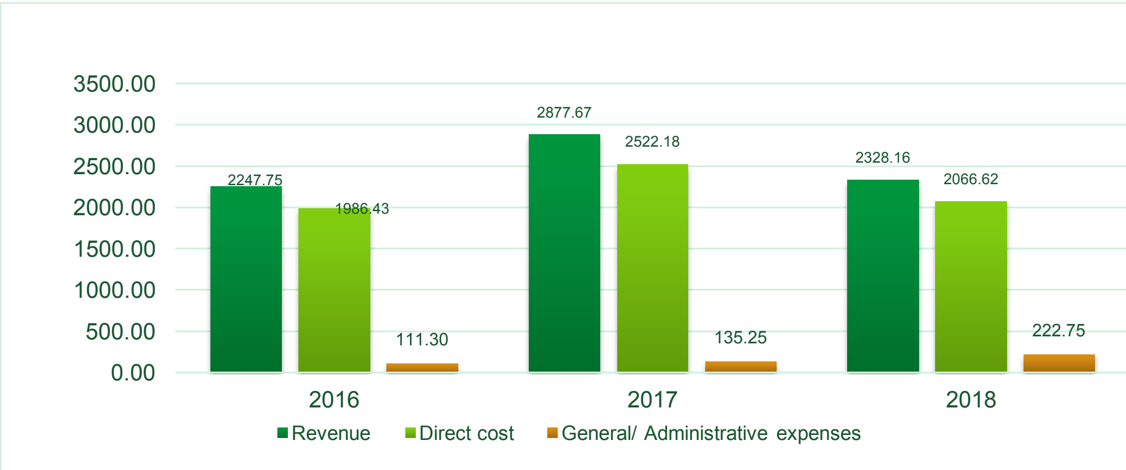
Operating Income

159. The agricultural sector recorded a marked drop of 109 percent in 2018, from **GH¢197.92 million** in 2017 to (**GH¢-17.21 million)** in 2018. Reflecting the company is recent struggles, PBC recorded a sizable drop (94.16 percent) in its operating income from **GH¢171.54 million** to **GH¢10.01 million**. Similarly, GREL reported most significant decline (151. 19 percent) from **GH¢34.34 million** in 2017 to **GH¢-17.58 million** in 2018.

General and Administrative Expenses

160. The general and administrative expenses for the agricultural sector increased from **GH¢135.25** in 2017 to **GH¢222.75 million** in 2018 representing an increase of 64.70 percent **(GH¢87.70 million)**. This significant increase adversely affected operating profit and net profit in 2018. Figure 9 below shows changes in revenue, direct cost, general, and administrative expenses of the agricultural sector.

Figure 9: Agricultural Sector's Revenue, Direct Cost, and General & Administrative Expenses



Profitability

161. The total gross profit for the sector amounted to **GH¢254.29 million** in 2018 as against **GH¢354.03 million** recorded in 2017. This represents a decrease of 28.17 percent **(GH¢99.74 million)**. All except CPC and AAC recorded a decline in their gross profit from 2017 to 2018. Whilst PBC recorded the biggest decline in absolute number **(GH¢43.07 million)**, GREL reported the highest decline of 53.75 in percentage terms **(GH¢43.07 million).**

162. The combined net loss of sector in 2018 was **GH¢-198.50 million** from a net profit position of **GH¢7.02 million** in 2017. This represent a huge decline of **GH¢-191.48,** 2728.56 percent. PBC was the biggest contributor **(GH¢-187.12 million)** to the net loss in 2018. Other contributors to the net loss include CPC **(GH¢-25.56 million),** KAC **(GH¢-0.74 million)**, and AAC **(GH¢-0.64 million)**. On the brighter side, TOPP, GREL and BOPP posted net profit of **GH¢3.09 million**, **GH¢6.56** and **GH¢5.91 million** respectively in 2018.

Net Worth

163. The total assets for the sector grew from **GH¢1921.34 million** in 2017 to **GH¢2215.66 million** in 2018 representing an increase of 15.32 percent **(GH¢ 294.34 million)**. GREL recorded the biggest increase of GH¢ 129.19 million which represents (43.89 percent) in its total assets contribution from **GH¢561.55 million** to **GH¢690.74 million** in 2017 and 2018 respectively.

164. Total liabilities increased by 31.70 percent from **GH¢1454.24 million** in 2017 to **GH¢1,915.21 million** in 2018. PBC recorded the highest increase (43.23 percent) from **GH¢564.05 million**

in 2017 to **GH¢807.90 million** in 2018. AAC and TOPP recorded decline of 35.00 percent and 14.58 percent in their total liabilities from **GH¢0.20 million** and **GH¢26.26 million** to **GH¢0.13 million** and **GH¢22.43 million** in 2017 and 2018 respectively.

Net Profit Margin

165. The average net profit margin for the sector stood at -8.13 in 2018, which indicates a slight improvement over the 2017 performance (-10.32). ACC recorded the worst net profit margin of -28.83 percent, followed by CPC, KAC and PBC with net profit margins of -18.90 percent, -15.90 and -10.36 percent respectively. BOPP, TOPP and GREL achieved positive net profit margins of 7.47 percent, 5.71 percent and 2.67 percent respectively.

Interest Coverage

166. The sector's average interest coverage for 2018 was -0.15 times, which represents a decline of (-0.98) times from the corresponding figure for 2017 (0.0.82). The biggest contributor to the drastic decline was PBC, which saw a huge decline from 0.62 in 2017 to -0.24 in 2018. None of the companies in the sector except BOPP paid divided to GoG over the past three-year period.

Table 2: Financial Indicators of Entities in the Agricultural sector

State Equity Participation in the Agricultural Sector (2018)						
Name of Entity	**Field of Activity**	**Turnover, GH¢ 'M**	**Net Profit/ Loss GH¢ 'M**	**Total Assets, GH¢ 'M**	**Number of Employees**	**GoG Shareholding (%)**
Accra Abattoir Company Ltd	Livestock and general farm produce services	2.22	(0.64)	1.46	-	20.35
Cocoa Processing Company	Processing of raw Cocoa Services	135.23	(25.56)	611.73	-	48.38
Benso Oil Palm Plantation	Agro-production and processing	79.09	5.91	81.44	-	0.43
Ghana Rubber Estates Ltd	Rubber plantation services	245.71	6.56	690.74	-	25
Kumasi Abattoir Company Ltd	Livestock and quality assurance	6.07	(0.74)	3.12	35	41
PBC Company Ltd	Cocoa buying retail services	1,805.72	(187.12)	757.22	1,029	36.69
Twifo Oil Palm Plantation	Agro-production and processing	54.12	3.09	69.95	-	40

Table 3: Financial Indicators of JVC(s) in the Agricultural Sector

Financial Indicators, GH¢'M			
Indicators	**2016**	**2017**	**2018**
Turnover	2,247.75	2,877.67	2,328.16
Interest Expense	136.73	163.22	176.78
Operating Income	126.83	197.92	(17.21)
EBITDA	80.24	130.23	(4.07)
EBIT	57.58)	109.37	(52.82)
Total Assets	1414.88	1921.34	2215.66
Total Liabilities	1170.22	1454.24	1915.21
Equity	295.67	717.28	580.82
Key Ratios			
Gross Profit Margin, %	10.08	13.22	7.26
Net Profit (EBITDA) Margin , %	(14.20)	(10.32)	(8.13)
Current Ratio	1.61	1.61	2.21
Return on assets, ROA, %	32.59	28.61	27.38
Interest Coverage	-0.24	0.82	-0.15
Return on equity, ROE, %	0.49	0.55	0.43
Gearing	19.55	1.85	(0.75)
Other Indicators			
Number of employees	NA	NA	NA
Dividends	1.62	2.18	1.18

PERFORMANCE OF INDIVIDUAL COMPANIES: AGRICULTURAL SECTOR

ACCRA ABATTOIR COMPANY LIMITED

BOARD CHAIRMAN

Juliana Oduro

CHIEF EXECUTIVE OFFICER:

Dr. Osei-Agyemang Bonsu

BOARD OF DIRECTORS

Dr. Osei-Agyemang Bonsu, Michael Atiboly, Simpson Anim Boating, David Quist, Zakari Sofo, Jacob J. Ntoso

AUDITORS

Sarsson Audit (Chartered Accountants)

BACKGROUND

Accra Abattoir Company Limited (AACL) was established in 1996 by the Government of Ghana to become the leading slaughtering facility in Ghana and for its products to be accepted in all African countries through the provision of healthy and wholesome meat for the Ghanaian market and for export.

In October 2011, the company (shareholders) reviewed its strategic plan under which **GH¢2.8million** was held in reserve to implement an action plan to make the company more competitive and to lead in the development of the meat industry in Ghana.

OPERATIONS

The company constructs and manages slaughterhouses, cold storage premises and warehouses as well as carrying on its core mandate of butchery and general farm production.

FINANCIAL PERFORMANCE

Revenue for Accra Abattoir increased by 17 percent from **GH¢1.90 million** in 2017 to **GH¢2.22 million** in 2018. This increase in revenue was a turnaround from the 31.16 percent decline in revenue from 2016 **(GH¢ 2.76 million)** to 2017.

Direct costs also increased by 13.66 percent from GH¢1.83 million in 2017 to **GH¢2.08 million** in 2018.Direct costs accounted for 93.69 percent of revenue in 2018. General and administrative expenses remained flat from 2017 to 2018 at **GH¢ 0.20 million**.

The company recorded an operating loss of **GH¢-0.06 million** in 2018 due to the direct costs and General and administrative expenses amounting to more than the revenue generated by the company.

The total asset base of the company decreased from **GH¢1.59 million** in 2017 to **GH¢ 1.46 million** in 2018 representing a decline of 8.81 percent. The company managed to decrease its total liabilities by 35 percent from **GH¢ 0.20 million** in 2017 to **GH¢ 0.13 million** in 2018.

The current ratio for the company in 2018 was 3.36. The ratio indicated that the company was capable of servicing its short term liabilities. It is worth noting that the current ratio of the company was quite high because it had very little current liabilities on its books. Though the current ratio is commendable, it is important for the company to keep an eye on the increasing receivables in order not to face a cash flow problem in the future. The receivables for the company increased from **GH¢ 0.016 million** in 2017 to **GH¢ 0.119 million** in 2018 representing an increase of 608.09 percent.

The performance of the company in 2018 culminated in a net loss of **GH¢-0.64 million**.

Financial Indicators of Accra Abattoir Company Limited

Financial Indicators,		GH¢ 'M	
Indicators	**2016**	**2017**	**2018**
Revenue/Turnover	2.76	1.9	2.22
Gross Profit/Loss	0.3	0.07	0.14
EBITDA	0.31	0.05	0.13
EBIT	0.12	-0.13	-0.06
Net Profit	**0.11**	**-0.82**	**-0.64**
Total Assets	1.64	1.59	1.46
Total Liabilities	0.16	0.20	0.13
Share capital	2.63	2.63	2.63
Equity	1.47	1.39	1.32
Key Ratios			
Gross Profit Margin %	0.11	0.04	0.06
EBITDA and Turnover Ratio, %	0.11	0.03	0.06
Net Profit Margin, %	3.99	-43.16	-28.83
Current Ratio	2.69	2.81	3.36
Return on assets, ROA, %	0.19	0.03	0.09
Return on equity, ROE, %	0.07	-0.59	-0.48
Return on Capital Employed	0.07	-0.57	-0.48
Gearing	-0.04	-0.13	-0.08
Other Indicators			
Number of employees per year	NA	NA	NA
Dividend	0.00	0.00	0.00

BENSO OIL PALM PLANTATION (BOPP)

BOARD CHAIRMAN

Ishmael Evans Yamson

MANAGING DIRECTOR

Santosh Pillai

BOARD OF DIRECTORS

Santosh Pillai, Samuel Avaala Awonnea, Neneyo Mate-Kole, Kwame Agyakoh Boitey Wiafe, Pierre Billon, Bini Kouaku Kossonou.

AUDITOR

PricewaterhouseCoopers

BACKGROUND

BOPP was jointly incorporated in January 1976 by Unilever PLC and the Government of Ghana (GOG) as a private company limited by shares. The company was converted into a public limited liability in 2004 with Unilever Ghana holding 58.45 percent of the total shares.

Effective March 2011, Unilever Ghana sold its shares to Wilmar Africa Limited.

OPERATIONS

The core mandate of the company is to cultivate oil palm and produce crude palm oil.

The company also undertakes the following activities:

- Growing of oil palm in a nucleus and smallholder plantation setting and other agricultural products;
- Processing of oil palm fruits to produce palm oil and palm kernel oil;
- Dealing and trading in palm oil, palm kernel oil and other agricultural products.

Financial Performance

Revenue for BOPP decreased by 12 percent from **GH¢ 89.97 million** in 2017 to **GH¢79.09 million** in 2018.

The company managed to reduce its direct costs by 8.66 percent from **GH¢71.35 million** in 2017 to **GH¢65.16 million** in 2018. Direct costs accounted for 82.39 percent of the revenue for 2018.

General and administrative expenses on the other hand increased from **GH¢8.51 million** in 2017 to **GH¢9.39 million** in 2018 representing an increase of 10.34 percent. The general and administrative expenses also accounted for 11.87 percent of the total revenue in 2018.

Though the company managed to decrease its direct costs, operating profit decreased by a significant 55.14 percent from **GH¢10.12 million** in 2017 to **GH¢4.54 million** in 2018. The decrease in operating profit is attributable to the decrease in revenue and increase in General and administrative expenses

The total asset base of the company increased by 7.85 percent from **GH¢75.51 million** in 2017 to **GH¢81.44 million** in 2018. The increase in total assets was propelled by a 23.76 percent in current assets. Total liabilities grew from **GH¢10.86 million** in 2017 to G**H¢13.05 million** in 2018 representing an increase of 20.17 percent.

The current ratio of 6.22 in 2018 indicated the capacity of the company to service its short term liabilities. The gearing ratio for the period was 0.07 indicating the minimal reliance of the company on external financing to run its operations.

BOPP recorded a 45.88 percent decrease in net profit from **GH¢10.92 million** in 2017 to GH¢5.91 million in 2018 The net profit margin for 2018 was 7.47 percent and was a decline from the margin of 12.14 percent recorded in 2017.

Financial Indicators of Benso Oil Palm Plantation

Financial Indicators GH¢ 'M			
Indicators	**2016**	**2017**	**2018**
Revenue/Turnover	74.23	89.97	79.09
Operating income	8.98	9.90	0.90
Interest Expense	0.00	0.00	0.00
Gross Profit/Loss	16.50	18.63	13.93
EBITDA	9.92	10.34	8.18
EBIT	9.45	10.12	4.54
Total Assets	66.33	75.51	81.44
Total Liabilities	10.98	10.86	13.05
Equity	55.35	64.65	68.38
Key Ratios			
Gross profit Margin %	22.23	20.71	17.61
EBITDA and Turnover Ratio, %	-0.38	-0.35	-0.09
Net Profit Margin, %	10.90	12.14	7.47
Current Ratio	1.80	3.27	6.22
Return on Assets, ROA, %	0.12	0.14	0.07
Return on Equity, ROE, %	0.15	0.17	0.09
Return on Capital Employed	0.14	0.26	0.39
Gearing	0.13	0.13	0.07
Other Indicators			
Number of employees per year	563	557	493
Dividend	1.62	2.18	1.18

COCOA PROCESSING COMPANY LIMITED (CPC)

BOARD CHAIRMAN

Mr. Kweku Owusu Baah

MANAGING DIRECTOR

Nana Agyenim Boateng (I),

BOARD OF DIRECTORS

Nana Agyenim Boateng (I), Hon. Ben Abdallah Banda, Mrs. Philomena Okyere, Mr. Emmanuel Ray Ankrah, Mr. Joe Forson, Prof. Douglas Boateng, Mr. Abdul Samed-Adams.

AUDITOR

KPMG

BACKGROUND

The company was established in 1965 in Tema. Its mission is "to be a First Class Food Factory of International Repute" through the processing of cocoa and delight. It was incorporated as a limited liability company in November 30, 1981. The company was publicly listed on the Ghana Stock Exchange in February, 2003.

OPERATIONS

CPC processes raw cocoa beans into semi-finished products - cocoa liquor, butter, natural/alkalized cake or powder. The confectionery factory manufactures the golden tree chocolate bars, couverture, chocolate coated peanut (pebbles), VITACO and ALLTIME drinking chocolate powder, choco delight (Chocolate spread) and choco bake. CPC's cocoa factories have an annual output of 65,000 metric tonnes of premium Ghana cocoa beans.

FINANCIAL PERFORMANCE

Revenue for CPC doubled from **GH¢64.93 million** in 2017 to GH¢135.23 in 2018. This followed a 22.41 percent increase from 2016 **(GH¢53.04 million)** to 2017.

CPC posted a significant increase (93.29 percent) in its direct cost from **GH¢66.58 million** in 2017 to **GH¢128.69 million** in 2018. However, CPC's general and administrative expenses declined slightly from **GH¢18.12 million** to **GH¢17.07 million**.

In spite of the significant increase in the revenue of the company, CPC recorded an operating loss of **GH¢-10.65 million** in 2018. The loss was due to the direct costs and General and administrative expenses amounting to more than the revenue reported for the year.

The total asset base of the company increased by 13.03 percent from **GH¢ 541.19 million** in 2017 to **GH¢ 611.73 million** in 2018. The growth in the total assets was boosted by a 91.09 percent increase in the short term assets of the company from 2017 to 2018. Total liabilities increased from **GH¢ 665.97 million** in 2017 to **GH¢ 772.94 million** in 2018 representing a 16.06 percent increase in liabilities.

The current ratio of 0.20 recorded in 2018 brings to bear the likelihood of the company to face challenges servicing its short term liabilities. The gearing ratio of 4.78 times in 2018 also points out the fact that the company is highly leveraged, due to this the probability of the company to default on its debt obligations will be heightened during periods of reduced revenue generation.

CPC posted a net loss of **GH¢-25.56 million** in 2018. The loss was however an improvement on the loss of **GH¢-32.43 million** posted in 2017.

Financial Indicators of Cocoa Processing Company

Financial Indicators, GH¢'M			
Indicators	**2016**	**2017**	**2018**
Revenue/Turnover	53.04	64.90	135.23
Operating income	-33.42	-19.93	-10.65
Interest Expense	244.38	17.06	14.75
Gross Profit/Loss	-6.81	-1.65	6.55
EBITDA	-20.23	-23.00	-11.91
EBIT	-25.13	-23.35	-12.25
Total Assets	500.58	541.74	612.34
Total Liabilities	525.36	665.97	772.94
Equity	-85.61	124.89	161.37
Key Ratios			
Gross profit Margin %	-0.13	-0.03	0.05
EBITDA and Turnover Ratio, %	-0.38	-0.35	-0.09
Net Profit(EBITDA) Margin, %	-0.38	-0.35	-0.09
Current Ratio	0.13	0.13	0.20
Return on assets, ROA, %	-0.04	-0.04	-0.02
Return on equity, ROE, %	0.24	-0.18	-0.07
Return on Capital Employed	-0.21	-21.38	-16.79
Gearing	-6.79	5.30	4.73
Other Indicators			
Number of Employees	NA	260	262
Dividends	NA	NA	NA

GHANA RUBBER ESTATES LIMITED (GREL)

BOARD CHAIRMAN

Mr. Pierre Billon

CHIEF EXECUTIVE OFFICER

Lionel Robert Barre

BOARD OF DIRECTORS

Mr. Lionel Robert Barre, Mr. Bertrand Vignes, Mr. Darwonoba Baeka and Mr. Appiah Ampofo

AUDITORS

Deloitte & Touché

BACKGROUND

GREL became wholly state-owned in 1980 when Firestone sold its shares in GREL to the Ghana Government (GoG). However, GoG entered into financing agreement with the then Caisse Française de Development (CFD) now Agence Française de Development to rehabilitate and manage the company's rubber plantation and to build a new rubber processing plant at Apimenim.

After the rehabilitation in 1996, the French management company, Societe Internationale d Plantation d' Hevea (SIPH) became the major shareholder of the company. Currently, GREL has a land surface of 13,377 hectares planted with rubber of which 9,034 hectares are under tapping. The processing factory produces 15,000kg DRC of rubber per annum with 5,000kg DRC coming from the out growers.

OPERATIONS

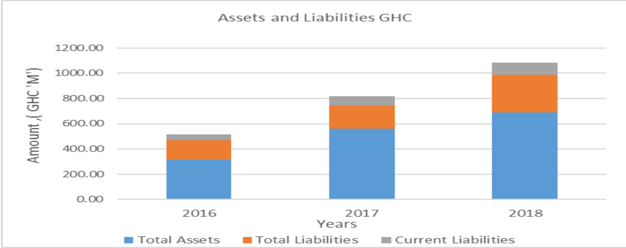
The principal activity of the company is the development, production, processing and sale of natural rubber. One of the challenges affecting GREL is illegal mining popularly known as galamsey. This menace continued to impede the company's operations. GREL has instituted a task force to help deal with the challenge. Also some people in the communities where they operate continue to steal cup lumps and other planting materials. To curb this menace management has had to beef up security in its plantation and factory.

FINANCIAL PERFORMANCE

GREL's revenue decreased by 17.3 percent from **GH¢297.15 million** in 2017 to **GH¢245.71 million** in 2018. The direct cost, and general and administrative expenses of GREL decreased from GH¢202.18 million and **GH¢42.66 million** in 2017 to **GH¢201.79 million** and **GH¢39.25 million** in 2018 respectively.

The huge decrease in revenue led to a marked fall (53.75 percent) in GREL's gross profit from **GH¢94.97 million** in 2017 to **GH¢43.92 million** in 2018. This, in turn, accounted for the significant decline (62 percent) in GREL's net profit and EBITDA from **GH¢48.73 million** and **GH¢70.29 million** in 2017 to **GH¢6.56 million** and **GH¢26.92 million** in 2018 respectively.

GREL's operating income decreased by 48.81 percent from **GH¢34.34 million** in 2017 to **GH¢-17.58 million** in 2018. The company's current ratio improved significantly from 1.94 in 2017 to 2.24 in 2018. This indicates an improvement in the company's ability to settle its current liabilities as and when they fell due.



The gearing ratio fluctuated from 2016 to 2018. GREL registered an increase in the gearing ratio by81.3 percent from 0.38 in 2017 to 0.70 in 2018. This indicates the extent to which the company's activities were mainly funded by debts (borrowing).

Financial Indicators of Ghana Rubber Estate Limited

Financial Indicators, GH¢'M			
Indicators	**2016**	**2017**	**2018**
Revenue/Turnover	171.48	297.15	245.71
Operating Income	(5.98)	34.34	(17.58)
Interest Expense	81.26	85.28	135.11
Gross Profit/Loss	37.71	94.97	43.92
EBITDA	23.08	70.29	26.92
EBIT	8.55	52.33	4.67
Total Assets	319.75	561.55	690.74
Total Liabilities	151.01	184.37	296.23
Share capital	10.42	12.44	12.94
Equity	168.73	377.18	394.51
Key Ratios			
Gross profit Margin %	21.99	31.96	17.87
EBITDA and Turnover Ratio, %	0.13	0.24	0.11
Net Profit(EBITDA) Margin, %	2	16	3
Current Ratio	2.34	1.94	2.24
Interest Cover	0.00	0.00	0.00
Return on assets, ROA, %	0.01	13	4
Return on equity, ROE, %	0.02	0.13	0.02
Return on Capital Employed	0.13	0.14	0.08
Gearing	0.77	0.38	0.70
Interest Cover	0.11	0.61	0.03
Other Indicators			
Dividend	NA	NA	NA

KUMASI ABATTOIR COMPANY LIMITED

BOARD CHAIRMAN

Nana Opoku-Agyemang

CHIEF EXECUTIVE OFFICER

Joe Owusu Boadi

BOARD OF DIRECTORS

Mr. Henry Orraca Tetteh, Mr. Andrews Kofi Nti, Hon. Nana Yaw Wiredu, Mr. Easmon Kwasi Kyei, Mr. Samuel Pyne, Mr. Abdul Rauf Seidu, Mr. Alhaji Muntali Bature, Mr. Sulemana Sampson, Mr. Sunala Seidu.

AUDITORS

PK

BACKGROUND

The Kumasi Abattoir Company (KAC) was licensed in 1993 for the purpose of producing hygienic meat products fit for public consumption.

OPERATIONS

The company produces livestock (90% of its revenue base) and provides such services as quality assurance, animal slaughtering, carcass dressing, and processing.

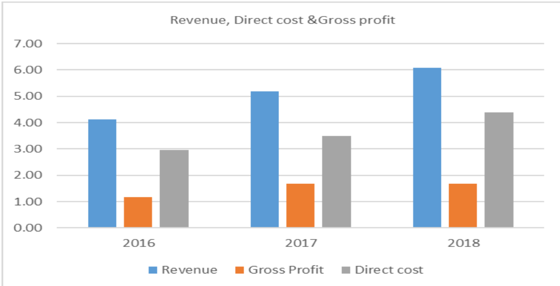
FINANCIAL PERFORMANCE

KAC's revenue for 2018 was **GH¢6.07 million**, which represented a 17.18 percent increase over the corresponding figure for 2017 **(GH¢5.18 million)**. There was a 25.34 percent increase in the firm's direct cost from **GH¢3.50 million** in 2017 to **GH¢4.39 million**. This increase had little impact on the company's gross profit because of the improved revenue performance in 2018. Gross profit stood at GH¢1.68 million for both 2017 and 2018.

The company's general and administrative expenses increased marginally from **GH¢1.79 million** in 2017 to **GH¢1.80 million** in 2018. KAC posted operating loss of **GH¢-0.12 million** in 2018 compared to corresponding figure for 2017 **(GH¢-0.11 million)**. Similarly, the company recorded net loss of GH¢0.74 million in 2018, which represents an improvement over the net loss **(GH¢-1.42 million)**.

The return on assets increased from 15.96 percent in 2017 to 23.55 percent in 2018, which reflects an improved utilization of assets in 2018. The company posted net loss margin of -15.90 percent in 2018, which was worse than 2017 performance (-14.31 percent).

KAC's current ratio improved slightly from 0.99 in 2017 to 1.00. This indicates that the company was just about able to meet its short-term obligations. The company also posted impressive gearing ratio and interest coverage of 1.81 times and 5.00 respectively in 2018.



Financial Indicators of Kumasi Abattoir Company Limited

Financial Indicators, GH¢'M			
Indicators	**2016**	**2017**	**2018**
Revenue/Turnover	4.13	5.18	6.07
Operating Income	(1.42)	(0.74)	(0.97)
Interest Expense	0.69	0.13	0.21
Gross Profit/Loss	1.16	1.68	1.68
EBITDA	0.90	0.52	0.74
EBIT	(26)	(0.11)	(0.12)
Net Profit/Loss	(0.11)	(1.42)	(0.74)
Total Assets	2.97	3.24	3.12
Total Liabilities	1.92	2.53	2.53
Equity	1.32	1.32	1.32
Key Ratios			
EBITAD and Turnover ratio,%	0.22	0.10	0.12
Gross Profit Margin, %	28.09	32.41	0.28
Net Profit (EBITDA) Margin , %	(34.44)	(14.31)	(15.90
Current Ratio	2.13	0.99	1.00
Return on assets, ROA, %	32.35	15.96	23.55
Interest Coverage	(0.38)	5.08	5.00
Return on equity, ROE, %	(1.08)	(0.56)	(0.73)
Return on capital employed	(0.10)	0.59	(0.61)
Gearing	1.12	1.8	1.81
Other Indicators			
Dividends	0.00	0.00	0.00

PBC LIMITED

BOARD CHAIRMAN

Charles Bernard Ntim

MANAGING DIRECTOR

Kofi Owusu Boateng

BOARD OF DIRECTORS

Kofi Owusu Boateng, Prof. Mohammed Salifu, Samuel Acquah, Emmanuel Karikari Gyamfi, Matthew Boadu Adjei, Prosper Kojo Amewu, Joseph Albert Danso Jnr., Helen Maku Obeng, Thomas Dzoleto Kwami, and Mr. Stephen Baba Kumasi.

AUDITORS

Deloitte and Touché

BACKGROUND

PBC was incorporated as a Limited Liability Company under the Companies Act, 1963 (Act 179) on 15 September 1999. On 19 May, 2000 the company was listed on the Ghana Stock Exchange.

OPERATIONS

The company was set up to develop and become one of the most economically viable service providers in Cocoa and other agricultural produce, hospitality and agro-processing in the West African sub-region. It ooriginally operated as a subsidiary of the Ghana Cocoa Board until 1999 when it was incorporated as a limited liability company and subsequently listed on the Ghana Stock Exchange.

Government initiated the process to offload a portion of its shares to the public in an Initial Public Offering (IPO), the proceeds of which were meant to serve as working capital for PBC. The IPO was, however, not fully subscribed and as a result, PBC could not secure the targeted working capital amount as anticipated.

PBC has faced a number challenges in recent years, culminating in a substantial weakening of the company's once enviable leadership position in the industry. Its national cocoa purchases dropped by 13.4 percent from 878,550 tonnes in 2017/18 to 760,726 tonnes in 2018/2019. Similarly, PBC registered a decrease in purchases by 37.3 percent from 208,703 tonnes in 2017/18 to 130,848 tonnes during the year, representing a market share of 17 percent as against 24 percent in 2017.

FINANCIAL PERFORMANCE

PBC's financial performance became progressively worse over the period under consideration (2016 to 2018). The company recorded revenue of **GH¢1,805.72 million** in 2018, a decrease of **GH¢554.31 million** from the previous year's revenue of **GH¢2,360.03 million.** The direct cost also reduced from **GH¢2,128.41 million** in 2017 to **GH¢1617.17 million** in 2018. PBC registered decreased gross profit of **GH¢180.72 million** in 2018 compared to a gross profit of **GH¢204.26 million** in 2016 and **GH¢231.62 million** in 2017.

PBC's general and administrative expenses increased significantly by 102.42 percent (**GH¢75.53 million**) from **GH¢73.75 million** in 2017 to **GH¢149.29 million** in 2018. The interest expenses increased by 10.96 percent (**GH¢14.91 million**) from **GH¢136.07 million** in 2017 to **GH¢150.98 million** in 2018.

Consequently, PBC Ltd recorded consecutive losses in the last three years. PBC's gross profit and net loss positions deteriorated from **GH¢-231.62 million** and **GH¢-22.40 million** in 2017 to **GH¢-188.55 million** and **GH¢-187.12 million** in 2018 respectively.

The declining trend in the gearing ratios recorded in the period, 10.2, 25.59 and -17.86 from 2016 to 2018 depicts high financial risk to PBC and this has exposed the company's equity holders to much lower returns, as the company's operational activities are mostly financed by debt. Moreover, PBC's poor liquidity position also poses a risk regarding the company's ability to pay back loans and interest on loans as and when they fell due.

Financial Indicators of PBC Limited

Financial Indicators, GH¢'M			
Indicators	**2016**	**2017**	**2018**
Revenue/Turnover	1,891.34	2,360.03	1,805.72
Operating income	143.35	143.59	10.01
Interest Expense	112.05	136.07	150.98
Gross Profit/Loss	204.26	231.62	188.55
EBITDA	97.17	64.17	(14.71)
EBIT	82.76	49.88	(36.14)
Net Profit	(15.80)	(22.40)	(187.12)
Total Assets	422.64	645.21	757.22
Total Liabilities	459.36	564.05	807.90
Equity	3.52	23.09	(50.69)
Key Ratios			
Gross profit Margin %	10.80	9.81	10.01
EBITDA and Turnover Ratio, %	0.05	0.03	(0.01)
Net Profit Margin, %	(1.55)	(3.87)	(9.54)
Current Ratio	0.61	0.64	0.78
Interest Cover	0.74	0.33	(0.24)
Return on assets, ROA, %	(0.07)	(0.16)	(0.25))
Return on equity, ROE, %	(8.32)	(4.46)	(3.69)
Gearing	102.45	25.59	(14.86)
Return on Capital Employed	(0.70)	(0.96)	(0.67)
Other Indicators			
Number of employees	1,100	1,079	1,029

TWIFO OIL PALM PLANTATION (TOPP)

BOARD OF DIRECTORS

No Board

MANAGING DIRECTOR

Yet to be appointed. The company has since 1998 been managed by Unilever Ghana Limited through a management service agreement with the Ministry of Finance.

AUDITOR

PKF Chartered Accountants

BACKGROUND

TOPP exists to ensure sustainable agro production and processing enhance vitality of stakeholders and ensure the production of superior quality Palm Oil at world market standard whilst upholding best Health and Safety and Environmental practices on plantations.

OPERATIONS

The company engaged in the growing of oil palm and the processing of palm fruits to produce palm oil and palm kernel.

FINANCIAL PERFORMANCE

TOPP's revenue decreased by 8 percent to **GH¢54.12 million** in 2018 from **GH¢58.51 million** in 2017 after an increase of 15 percent from 2016 **(GH¢50.77 million)** to 2017.

The direct cost of TOPP reduced marginally (2.06 percent) from **GH¢48.34 million** to **GH¢47.34 million**. In contrast, TOPP's general and administrative expenses increased slightly (7.46 percent) from **GH¢5.36 million** in 2017 to **GH¢5.76 million** in 2018.

Compared to its performance in 2017 **(GH¢8.71 million)**, TOPP's gross profit reduced by 16 percent to **GH¢7.35 million** in 2018 due to poor performance in revenue.

Both the operating profit and operating income deteriorated in 2018. The operating profit (EBIT) decreased by 52.54 percent from **GH¢3.35 million** to **GH¢1.59 million** whiles the operating income also decreased by 57.37 percent to **GH¢-1.79 million** from **GH¢3.12 million** in 2017 to **GH¢1.33 million** in 2018

The huge decline in TOPPs' revenue (**GH¢4.39 million)**, together with the minimal decrease and increase in its direct cost, and general administrative expenses respectively, adversely affected the profitability of TOPP. Hence, TOPP's net profit declined from **GH¢4.44 million** in 2017 to **GH¢3.09 million** in 2018.

The current ratio for all the three years indicated that TOPP's liquidity status was stable and could settle its current obligations as and when they fell due. The current ratios for 2016, 2017, and 2018 were 1.65, 1.66 and 1.65 respectively. The high gearing ratio indicates that TOPP relied heavily on debt to finance its key activities over the period. It grew from 0.26 times in 2016 to 2.32 times in 2018.

Financial Indicators of Twifo Oil Palm Plantation (TOPP)

Financial Indicators, GH¢'M			
Indicators	**2016**	**2017**	**2018**
Revenue/Turnover	50.77	58.51	54.12
Gross Profit/Loss	7.66	8.71	7.35
Operating income	2.40	3.12	1.33
EBITDA	2.80	3.58	1.85
EBIT	2.60	3.35	1.59
Net Profit	2.81	4.44	3.09
Total Assets	61.43	70.68	69.95
Total Liabilities	21.43	26.26	22.43
Equity	39.99	44.43	4.75
Key Ratios			
Gross Profit Margin %	0.15	0.15	0.14
EBITDA and Turnover ratio, %	0.06	0.06	0.03
Net Profit Margin, %	.553	7.59	5.71
Interest Cover	0.00	0.00	0.00
Current Ratio	1.65	1.66	1.65
Return on assets, ROA, %	0.05	0.05	0.03
Return on equity, ROE, %	0.07	0.10	0.65
Return on Capital Employed	0.06	0.08	0.04
Gearing	0.26	0.28	2.32
Other Indicators			
Dividends	-	-	-

COMMUNICATION SECTOR

167. As a share of GDP, the communications sector contributed 2.37 percent in the year 2018. The Ministry of Communications is charged with the mandate of policy formulation and oversees the overall policy direction for the sector. This mandate includes initiating and developing national policies aimed at achieving cost effective information and communications infrastructure and services.

168. The communication sector is regulated by the under-listed regulatory bodies:

(a) Data Protection Commission;

(b) National Communications Authority (NCA);

(c) National Information Technology Agency (NITA);

(d) National Media Commission (NMC); and

(e) Postal and Courier Services Regulatory Commission;

169. The comprehensive sectoral report of the Integrated Business Establishment Survey Phase (IBESP) II, 2018 estimates that the information and communication sub-sector under the service sector has a total of 3,145 establishments and engages 29,733 number of persons. The IBESP groups the activities under the communication sector into six components:

(a) telecommunications (e.g. Ghana Telecommunications Limited (Vodafone), Scancom Ghana Limited (MTN), Airtel Ghana Limited (Airtel Tigo), Globacom Ghana Limited (Glo);

(b) publishing activities (e.g. Ghana Publishing Company Limited (GPCL), Buck Press Limited);

(c) information service activities (e.g. Ghana Investment Fund for Electronic Communications (GIFEC), Accra Digital Centre, Accra Institute of Technology, West Africa Data Centre);

(d) computer programming, consultancy and related activities (Bsystems Limited, CodeTrain Ghana, CodeWeb Company Limited, IPMC, NIIT);

(e) Motion picture, video and television programme production, sound recording (e.g. National Film and Television Institute);

(f) programming and broadcasting activities (e.g. GBC, TV3, Metro TV).

170. Broadly, the communication sector is made up of three main sub-sectors, namely (i) Print, (ii) Electronic and (iii) Telecommunications.

Print Media

171. Ghana has seen significant growth in the media landscape since its return to democratic rule in 1992. The media landscape is characterized by improved media tolerance and free speech, with the country recently ranked 27th in the world in Press Freedom rankings (Reporters Without Borders, 2019).

172. The print media in Ghana comprises newspapers, magazines and journals. The Media Ownership Monitor (MOM) estimates that there are about 3,000 online registered newspapers, magazines and journals operating in Ghana. Available data also suggests that a total number of 135 newspapers were registered with the National Media Commission as at the end of 2017.

173. In terms of readership, the print media is dominated by state-run media companies including Graphic Communications Group Limited (GCGL), which publishes four different newspapers (the Daily Graphic, the Mirror, Graphic Sports, and Junior Graphic); and the New Times Corporation (NTC), which publishes two different newspapers (the Ghanaian Times and the Spectator).

174. Other major private players are the Western Publication Limited (WPL) (publishers of the Daily Guide and News One newspapers), and the Business and Financial Times Limited (BFTL), publishers of the Business and Financial Times. According to the MOM, the top 4 print media companies mentioned above control 95.9 percent of the total readership in Ghana. The GCGL controls more than half of the print audience reaching about 57.6 percent in 2017. Three (3) out of four (4) readers (72.1 percent) choose either the Daily Graphic, the Mirror or the Ghanaian Times newspaper for information or entertainment.

175. In the age of the internet, the print media is faced with the challenge of declining readership due to increasing competition from online media, increasing operation costs, and low profitability.

Electronic Media

176. In terms of ownership, the electronic media is dominated by the private sector operators. Before the liberalization of Ghanaian airwaves in 1997, the Ghana Broadcasting Corporation (GBC) was the only free-to-air TV but many more channels have come on line since then. Per the MOM, the total number of TV stations registered in Ghana as at the end 2018 stood at 136, out of which 88 are in active operation. The state-owned GBC accounts for 10 percent of viewership, making it the 5th most watched TV station in Ghana after Adom TV (18.9 percent), UTV (17.2 percent), TV3 (16.2 percent), and Joy Prime (11.3 percent) respectively.

177. Radio is the most popular source of information in Ghana, serving as a primary source of information for 62.9 percent of citizens. Out of the 487 broadcasting firms (radio) registered with the National Communications Authority (NCA), 398 are currently active. There is at least one radio station in every region in Ghana that broadcasts in a local dialect. GBC is the only radio broadcasting body licensed to operate nationwide. As a result, some media houses are compelled to either set up other radio stations in different regions or partner with radio stations in other regions. Also, majority of the media houses have included online platforms to their operations to maintain and increase their reach.

178. The NCA recently took action against a number of radio stations for regulatory breaches. The NCA shut down 41 radio stations which were operating with expired licenses. The action of the NCA follows the judgement of the Electronic Communications tribunal against offending radio stations. The NCA's action was performed to rid the airwaves of illegal frequency operators and to enforce Section 3(1) of the Electronic Communications Act (2008), Act 775, which states that "except otherwise provided under this Act a person shall not operate a public electronic communications service or network or provide a voice telephony service without an authorization granted by the Authority".

Telecommunications

179. The telecommunications sub-sector dominates the communication sector in terms of number of establishments and annual expenditure. Per the IBESP, the telecommunication sub-sector houses more than a third of the total number of establishments in the communication sector at a total number of 1,265 establishments representing 40.22 percent of the total number of establishments. The IBESP also indicates that the telecommunications sub-sector recorded the highest expenditure at GH¢3.1 billion representing 86.11 percent of the total expenditure for the communication sector in 2018.

180. The telecommunications sub-sector is regulated by the National Communications Authority (NCA), which is responsible for, among other things, ensuring the independence of the media, promoting, and protecting the institutions operating under the communications sector. The legislations that govern the telecommunications space include the following:

(a) National Communications Regulations, 2003;

(b) Electronic Communications Regulations, 2011;

(c) Mobile Number Portability Regulations, 2011;

(d) Electronic Communications Regulations (Interconnect Clearinghouse Services) Regulations; and

(e) Subscriber Identity Module Registration Regulations, 2011.

Ghana Chamber of Telecommunications (GCT)

181. The Ghana Chamber of Telecommunications (GCT) is a private initiative by the mobile network operators in Ghana with the objective of advocating for the common interest of its members especially in regards to policy, legislation and regulation. GCT has a membership of six telecommunication companies including Vodafone, MTN Ghana, AirtelTigo, Eaton Towers Ghana, ATC Ghana and Helios Towers Ghana.

Market Share

182. The telecommunication sector is competitive with four dominant players operating in the market. Table 2 below gives a breakdown of the market share for voice and data services. The services provided by these companies include data, voice calls, short messaging, and more recently, mobile money transaction services.

Table 4: Breakdown of Market Share for Telecom sector

Company	Market Share	
	Data (%)	Voice (%)
AirtelTigo	23.21	25.14
Glo Mobile	0.97	1.81
MTN	59.74	49.08
Vodafone	16.09	23.97

183. According to the Bank of Ghana's 2018 Payment System Statistics Report, the number of active mobile money accounts as at end-2018 was 13,056,978. This figure represents an increase of 17.43 percent over the corresponding figure for 2017 (11,119,376.) Also, the total value of transactions on mobile money platforms across all networks was estimated at **GH¢223.21 billion** in 2018, which represented an increase of 43.22 percent over the corresponding figure for 2017 (**GH¢ 155.84 billion**).

184. Available statistics from the NCA indicate that the total number of mobile voice subscriptions in Ghana stood at 40,934,875 in December 2018. The total number of subscribers across all networks has increased by 254 percent since 2008 (11,570,455 subscriptions). Also, there were a total of 26,184,235 mobile data subscriptions with a penetration rate of 88.84 percent as at the end of 2018. However, the number of mobile data subscribers was 36 percent less than voice mobile subscribers in the same period. Again, with mobile data subscribers, MTN dominated with a market share of 59.74 percent in 2018, followed by AirtelTigo (23.21 percent), Vodafone (16.09 percent) and Glo (0.97 percent).

Internet Service Providers (ISPs)

185. Internet Service Providers (ISPs) also play a crucial role in the telecommunication sector. According to the NCA, ISPs provide internet connectivity and support internet access through modem dial-up, Digital Subscriber Line (DSL), and cable modem broadband service. Per the membership list of the ISPs Association of Ghana, there are 20 ISP companies in Ghana, with the notable ones being MTN, Vodafone, Busy Internet, Glo and Expresso Telecom.

Other Service Providers

186. Other services provided in the communication sector include postal services, courier and delivery services as well as global positioning system (GPS) services. Companies involved with postal services are responsible for conveying letters, documents, files and even more recently other non-paper items between several parties. Courier and delivery services have enhanced the way things are transported both locally and internationally. Courier and delivery services unlike the postal services are responsible for conveying more heavy items. In 2018, the Ghana Post unveiled their GPS service (GhanaPostGPS) which was expected to enhance communication and help locate landmarks, houses, social centers and streets easily. According to Ghana Post, there has been a record 7.5 million users of the GPS system since the launch in 2018.

Regulation of the Communications Sector

187. The enabling Acts and legislations that regulate the communication sector are discussed below.

a. **Electronic Act Communications Act of Ghana, 2008 (Act 775):** The Electronic Act Communications Act of Ghana, 2008 (Act 775) provides for the regulatory framework for electronic communications, broadcasting, and the use of electro-magnetic spectrum. Act 775 stipulates the regulatory obligations in such areas as broadcasting services, frequency authorization, tariffs, reporting of information, obligations of individual licensees and license conditions, and premium rates charged for the provision of services.

b. **Electronic Communications (Amendment) Act, 2009 (Act 786):** This Act amends the Electronic Communications Act, 2008 (Act 775) to provide a minimum rate for international incoming electronic communication traffic.

c. **Electronic Transactions Act, 2008 (Act 772):** This Act (Act 772) provides the framework for regulating electronic communications and related transactions, and also makes provisions for connected purposes. Act 772 covers such areas as electronic transactions (e-transactions), electronic government services (e-government), consumer protection, protected computers and database, domain name registry, liability of service providers and intermediaries, cyber inspectors and cyber offences.

d. **National Information Technology Agency Act, 2008 (Act 771):** This Act (Act 771) establishes the National Information Technology Agency to regulate information communications technology.

e. **Communications Service Tax Act, 2008 (Act 754):** This Act (Act 754) makes provision for the imposition of communication tax.

f. **Communications Service Tax (Amendment) Act, 2013:** This Act amends the Communications Service Tax Act, 2008 (Act 754) to provide clarification to the scope and coverage of the tax.

g. **Electronic Communications (Rules of Procedure of the Electronic Communications Tribunal) Regulations 2016, LI 2235:** This Legislative Instrument was promulgated to support the effective and efficient implementation of Act 775.

Challenges

188. Despite the progress made in the communications sector, there are still a number of challenges that continue to hamper growth in the sector. These include:

(a) The fast-paced nature of technological advancements requires service providers to make substantial investments to meet the demands of clients which tend to increase their operational costs.

(b) The fluctuations in foreign exchange rates affects the cost of operations of some companies as these companies engage in transactions with overseas firms. This leads to high consumer charges for services rendered under the sector.

(c) The rise in communication and internet fraud requires service providers to invest in systems to keep up with the constantly evolving tricks of the cyber criminals.

Policy Objectives, Strategies and Initiatives in the Communication Sector

189. Some of the policy objectives, strategies and initiatives being implemented to address the challenges of the communication sector include:

(a) Enhancing application of ICT in national development. Strategies to implement this policy objective include:

i. position the country as a regional ICT hub;

ii. mainstream ICT in public sector operations;

iii. create opportunities for entrepreneurship in ICT;

iv. increase citizens' access to data platforms; and

v. improve telecommunications.

(b) Expanding the digital landscape. Strategies to implement this policy objective include:

i. build an integrated national ICT digital infrastructure (National ID system, addressing system, interoperability of payments and telecommunications systems, citizens' services center);

ii. provide regulatory framework to use national ICT digital infrastructure as a platform for e-government services;

iii. develop and implement regulations to facilitate public-private partnerships (PPPs); and

iv. create a favorable environment to promote e-commerce and offline cashless payments.

Table 5: State Equity Participation in the Communication Sector (2018)

Name of Entity	Field of Activity	Turnover, GH¢ 'M	Profit/ Loss, GH¢ 'M	Total Assets, GH¢ 'M	Number of Employees	GoG Shareholding
Ghana Broadcasting Corporation (GBC)	Provision of broadcasting and communication services	64.33	(9.06)	102.43	-	100%
Ghana Post Company Limited (Ghana Post)	Provision of postal, courier, retail, agency and financial services.	65.67	(0.53)	67.22	1,466	100%
Ghana Publishing Company Limited (GPCL)	Printing and publication of high quality books and stationery for educational institutions, government departments and the general public.	10.65	0.58	9.09	-	100%
Graphic Communications Group Limited (GCGL)	Printing and publication of newspapers and provision of advertisement services.	72.18	(1.09)	61.75	-	100%
New Times Corporation (NTC)	Publication of newspapers and sale of advertising space.	12.69	(1.25)	31.96	214	100%
Ghana Telecommunications Limited (Vodafone)	Provision of communication services and mobile money services and rental of fibre optic infrastructure.	1,248.78	(848.08)	1,383.64	-	30%

Summary of Sectoral Financial Performance: Communication Sector

190. The analysis for the communication sector covers six (6) out of the eight (8) entities in which GoG has varying levels of equity stake. These are Ghana Broadcasting Corporation (GBC), Ghana Post Company Limited (Ghana Post), Ghana Publishing Company Limited (GPCL), Graphic Communications Limited (GCGL), Ghana Telecommunications Limited (Vodafone), and New Times Corporation (NTC). GoG is the sole owner (100 percent ownership) of all the entities except Vodafone in which GoG has a 30 percent stake.

Total Revenue

191. The sector recorded a total revenue of **GH¢1,474.30 million** in 2018 representing a marginal increase of 0.40 percent from the **GH¢1,469.21 million** recorded in 2017. While the 5 SOEs in the communication sector reported a combined revenue of **GH¢225.52 million**, Vodafone, the only JVC in the sector, posted revenue performance of **GH¢1,248.78 million**, which represent 84.66 percent of the total revenue for the sector. All the entities in the sector reported increases in revenue, except GCGL which registered a revenue decline of 11.62 percent from **GH¢81.67 million** in 2017 to **GH¢72.18 million** in 2018.

Profitability

192. In 2018, half of the companies in the sector (GCGL, Ghana Post and GPCL) reported operating profit whiles the other half recorded operating losses (GBC, NTC, Vodafone). The operating profit recorded by GPCL was **GH¢0.47 millio**n on a revenue of **GH¢10.65 million** representing a margin of 4.4 percent; while GCGL achieved an operating profit margin of 1.45 percent with operating profit and revenue of **GH¢1.05 million** and **GH¢72.18 million** respectively.

193. Ghana Post also recorded operating profit of **GH¢3.78 million** against revenue of **GH¢65.67 million** in 2018, representing operating profit to revenue margin of 5.76 percent. On the other hand, GBC, NTC and Vodafone, which reported operating losses of **GH¢-5.41 million**, **GH¢-1.25 million** and **GH¢-899.41 million**, and revenues of **GH¢64.33 million**, **GH¢12.69 million** and **GH¢1,248 million** respectively, posted operating loss margins of 8.41 percent, 9.85 percent and 72.07 percent.

194. The total net loss for the entire sector amounted to **GH¢-727.45 million** in 2018. This figure represents a decrease of 14.24 percent from the net loss of **GH¢-848.19 million** reported in 2017. Vodafone's net loss of **GH¢-848.08 million** constitutes 99.96 percent of the combined net loss of the entire sector.

195. The combined net loss of the five SOEs in the Communications Sector was **GH¢-10.05 million**. In spite of this, two (2) SOEs, Ghana Post and GPCL, posted net profit of **GH¢0.53 million** and **GH¢0.58 million** respectively. The remaining SOEs (GBC, GCGL and NTC) recorded net loss/deficit of **GH¢-9.06 million**, **GH¢-1.09 million** and **GH¢-1.01 million** respectively.

General and Administrative Expenses

196. Total administrative expenses for the five (5) SOEs in the sector amounted to **GH¢108.40 million** in 2018, representing an increase of 9.14 percent from the corresponding figure in 2017 **(GH¢99.32 million)**. Whilst the average increase in administrative expenses for the SOEs was 14.90 percent, GPCL bucked the trend by recording an above average increase of 45.07 percent from **GH¢3.55 million** in 2017 to **GH¢5.15 million** in 2018. Vodafone's administrative expenses increased by 23.73 percent from **GH¢639.42 million** in 2017 to **GH¢791.18 million** in 2018. The increase in administrative expenses is due to significant increase (346 percent) in impairment charge on financial instruments from **GH¢19.19 million** in 2017 to **GH¢85.53 million** in 2018. The increase in the administrative expenses partly contributed to the high operating loss and operating loss margin recorded by Vodafone.

Total Assets and Liabilities

197. The total assets of the sector decreased by 3.53 percent from **GH¢1,716.72 million** in 2017 to **GH¢1,656.09 million** in 2018. Three (3) out of the six companies in the sector recorded decreases in total assets in 2018. GCGL recorded a decrease of 0.69 percent, NTC recorded a decrease of 2.65 percent and Vodafone with the highest drop recorded a decrease in total assets by 4.30 percent. The total assets base of Vodafone made up 83.55 percent of the sector's total assets base. GBC recorded the highest increase in total assets by 2.04 percent from GH¢100.38 million in 2017 to **GH¢102.43 million** in 2018.

198. The total liabilities of the sector amounted to **GH¢7,868.10 million**. Of this amount, the five (5) SOEs contributed a relatively insignificant 2.15 percent **(GH¢169.53 million)** with Vodafone having the lion's share of the liabilities (97.85 percent). Vodafone's huge liabilities are directly attributable to the huge legacy debt owed to their parent company, Vodafone Overseas Finance Limited.

199. The combined liabilities of the 5 SOEs increased by 8.86 percent from **GH¢155.73 million** in 2017 to **GH¢169.53 million** in 2018. Three (3) out of five (5) SOEs; NTC (1.38 percent), GCGL

(28.53 percent) and GBC (18.11 percent) recorded increases in total liabilities between 2017 and 2018. The remaining two (2) companies; GPCL (23.58 percent) and Ghana Post (3.22 percent) recorded declines in total liabilities for the year. Vodafone's total liabilities increased by 11.37 percent from **GH¢6912.96 million** in 2017 to **GH¢7698.84 million** in 2018.

200. The sector recorded an 11.86 percent increase in net debt from **GH¢6,720 million** in 2017 to **GH¢7,520 million** in 2018. Vodafone's net debt **(GH¢7,364.81 million)** constitutes about 98 percent of the total net debt of the sector. The combined net debt of the five (5) SOEs increased by 10.62 percent from **GH¢137.87 million** in 2017 to **GH¢152.51 million** in 2018. GBC's net debt **(GH¢66.73 million)** constitutes 43.75 percent of the combined net debt of the SOEs.

Liquidity

201. The average current ratio for the sector in 2018 was 1.26. The current ratios for the various entities were GBC (0.69), GCGL (2.08), Ghana Post (0.73), GPCL (2.87), NTC (1.08) and Vodafone (0.12). Hence, GBC, Ghana Post and Vodafone were likely to have difficulties in meeting their short term financial obligations.

Leverage

202. The average gearing ratio for the five SOEs in the sector was 2.10, with Ghana Post and GPCL posting the highest (6.84) and lowest (0.40) respectively. Also, GCGL, Ghana Post and Vodafone has interest coverage of 1.05, 25.20, and negative 1.41.

Table 6: Financial Indicators of SOE(s) in the Communication Sector

Financial Indicators, GH¢'M			
Indicators	**2016 (GH¢M)**	**2017 (GH¢M)**	**2018 (GH¢M)**
Turnover	204.81	224.05	225.52
Gross Profit/Loss	127.69	125.05	123.06
EBITDA	(3.67)	(0.30)	(10.29)
EBIT	5.95	7.56	(1.36)
Net Profit	(3.64)	(0.30)	(10.05)
Total Assets	267.35	270.89	272.45
Total Liabilities	146.31	155.67	169.26
Equity	121.07	115.49	102.94
Key Ratios			
Net Profit Margin	(2.54)	3.29	(3.46)
Current Ratio	1.23	1.43	1.49
Return on assets, ROA, %	(0.73)	6.08	(1.32)
Equity/Asset ratio	0.51	0.50	0.48
Return on Capital Employed	(1.87)	7.52	(5.39)
Gearing Ratio	4.39	2.65	2.12
Other Indicators			
Number of employees	-	-	-
Dividends	-	-	-
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes

Table 7: Financial Indicators of JVCs in the Communication Sector

Financial Indicators, GH¢'M			
Indicators	**2016 (GH¢ M)**	**2017 (GH¢ M)**	**2018 (GH¢ M)**
Turnover	1,114.38	1,245.16	1,248.78
Gross Profit/Loss	578.23	688.56	645.34
EBITDA	(441.98)	(1,048.23)	(848.08)
EBIT	(457.58)	(1064.21)	(899.41)
Net Profit	(297.47)	(847.89)	(717.40)
Total Assets	1,205.11	1,445.83	1,383.64
Total Liabilities	5,624.01	6,912.96	7,698.84
Equity	(4,418.90)	(5,467.13)	(6,315.21)
Key Ratios			
Gross Profit and turnover ratio, %	51.89	55.30	51.68
Net Profit Margin	(39.66)	(84.18)	(67.91)
Current Ratio	0.45	0.75	0.12
Return on Assets, ROA, %	(36.68)	(72.50)	(61.29)
Equity/Asset ratio	(3.67)	(3.78)	(4.56)
Return on Capital Employed	(447.98)	(252.07)	17.87
Gearing Ratio	(1.23)	(1.20)	(1.20)
Other Indicators	-	-	-
Number of employees	-	-	-
Dividends paid	-	-	-
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes

PERFORMANCE OF INDIVIDUAL COMPANIES: COMMUNICATIONS SECTOR

GHANA BROADCASTING CORPORATION (GBC)

BOARD CHAIRPERSON

Emmanuel Adow Obeng

DIRECTOR-GENERAL

Prof. Amin Alhassan

BOARD MEMBERSHIP

Prof. Amin Alhassan, Henry Kanor, Nii Kwate Owoo, Michael Adumata Nyantakyi, Alexina Naa Ahima-Arthur, Kamal-Deen Ali, Robert Gardiner, John Armstrong Yaw Klinogo, Sarah Dzane

AUDITOR(S)

PriceWaterHouseCoopers (PwC)

BACKGROUND

The GBC started broadcast in Gold Coast in July, 1935. It was initially set up under the name Station ZOY. The Gold Coast Broadcasting Service finally became an independent department in 1953. In 1957, after attainment of independence, the name of the corporation was amended and rebranded as Ghana Broadcasting System. The GBC was finally established in 1968 under the legislation of the National Liberation Council Decree No. 226 (NLCD266) of 1968.

GBC is wholly owned by the Government of Ghana.

OPERATIONS

As a public broadcaster, GBC operates differently from other private radio and television stations. By virtue of its public service mandate, GBC operates across the country. GBC is structured to provide radio and television content. It runs on both analogue and digital terrestrial platforms, broadcasting wide range of television programs under six television stations namely; GTV, GBC 24, GBC Govern, GBC Life, GTV Sports and Obonu TV.

The corporation has the radio arm, with a portfolio of 12 radio stations broadcasting in local dialect and making information and news accessible to indigenous listeners. These radio stations include Radio Savanna, Radio Central, Volta Star Radio, Radio Bar, Radio Upper West, Obonu FM, Sunrise FM, URA Radio, Apam Radio, Dormaa-Ahenkro Community Station, Twin City Radio, and Unique FM.

FINANCIAL PERFORMANCE

Revenue

GBC's revenue comes from two (2) main sources: (a) subvention from GoG; and (b) revenue from its commercial operations. In 2018, GBC recorded total revenue of **GH¢58.93 million**, made up of **GH¢44 million** from GoG subvention and **GH¢14.93 million** from its commercial operations. The GoG subvention showed an increasing trend over the period. It increased by 9.52 percent from the amount recorded in 2017 **(GH¢39.81 million)**. There was an even higher increase (11.44 percent) from 2016 **(GH¢35.73 million)** to 2017.

In sharp contrast, revenue from commercial activities showed a mixed performance. Whilst it decreased by a significant 31.14 percent from 2016 **(GH¢21.45 million)** to **GH¢14.77 million** in 2017, it increased marginally (1.06 percent) from 2017 to 2018.

Expenditure

GBC's general and administrative expenses increased from **GH¢56.69 million** in 2017 to **GH¢61.57 million** representing an increase of 8.61 percent.

The total asset base grew from **GH¢100.38 million** in 2017 to **GH¢102.43 million** in 2018 representing a marginal increase of 2.04 percent. Total liabilities grew by 17.79 percent from **GH¢ 62.46 million** in 2017 to **GH¢73.57 million** in 2018. Net debt also amounted **to GH¢68.03 million** in 2018 representing 92.47 percent of total liabilities. The current ratio of 0.68 suggests that the corporation was likely to face challenges in servicing its short-term liabilities.

Main Financial Indicators of GBC

Financial Indicators, GH¢'M			
Indicators	**2016 (GH¢M)**	**2017 (GH¢M)**	**2018 (GH¢M)**
Turnover	65.12	60.19	64.33
Gross Profit/Loss	65.12	60.19	64.33
EBITDA	2.09	-2.25	-1.76
EBIT	-2.30	-6.23	-5.41
Net Profit	-7.19	-10.21	-9.06
Total Assets	99.80	100.38	102.43
Total Liabilities	51.67	62.46	73.57
Equity	48.29	37.93	28.86
Key Ratios			
Net Profit Margin	-11.04	-16.96	-14.08
Current Ratio	0.78	0.72	0.68
Return on assets, ROA, %	-7.20	-10.17	-8.85
Equity/Asset ratio	0.48	0.38	0.28
Return on Capital Employed	-14.94	-26.93	-31.39
Gearing Ratio	1.02	1.56	2.36
Other Indicators			
Number of employees	-	-	-
Dividends	-	-	-
Financial report in compliance with IFRS (Yes/No)	-	-	-

GHANA POST COMPANY LIMITED

BOARD CHAIRMAN

Mr. George Afedzi Hayford

MANAGING DIRECTOR

Mr. James Kwofie

BOARD MEMBERS

Mr. James Kwofie (MD), Abena Durowaa Mensah, Mr. Michael Nana Yaw Aduhene Adu-Darko, Mr. Frederick Akuffo-Gyimah, Mr. Yiadom Boakye Kissie, Mrs. Veronica Rita Sackey

AUDITORS

Ghana Audit Service

BACKGROUND

Ghana Post Company Limited commenced business in 1854 as part of the then Post and Telecommunications Department of the Colonial Administration. In 1974 the company was converted into a corporation under the National Redemption Council Decree 311. In 1993, the postal division of the company was detached from the corporation, registering it as the Ghana Postal Services Corporation under the Act 505 of 1995.

The company in 1995 was finally incorporated as a Limited Liability Company under the Companies' Code (Act 179), becoming Ghana Post. The conversion was done in line with the Statutory (Conversion of Companies) Act 1993, Act 461 which required all State Owned Enterprises to be converted into Limited Liability Companies.

OPERATIONS

The company has legal monopoly over the provision of the universal postal service i.e. letters under 100 grams. The company's core operations involve the provision of services in areas such as postal, courier, agency, retail and financial services. The company launched their flagship platform GhanaPostGPS in October, 2018, which divides Ghana into grids of 5mx5m squares and assigns each address a unique digital address. According to the company the GPS system has been a major success as it has attracted millions to embrace it. The platform is to enhance the search for landmarks, houses addresses, and streets in the country.

FINANCIAL PERFORMANCE

Ghana Post reported a revenue of **GH¢65.67 million** in 2018, representing an increase of 8.17 percent from the **GH¢60.71 million** recorded in respect of 2017.

There was a direct cost of **GH¢47.60 million** in 2017 and **GH¢50.95 million** in 2018 representing 7.04 percent increase over the period (2017-2018). General and administrative expenses increased by 5.39 percent from **GH¢10.38 million** in 2017 to **GH¢10.94 million** in 2018.

As a result of revenue (8.17 percent) rising at a faster rate than direct costs (7.04 percent) in 2018, the company's gross profit increased by 12.18 percent between 2017 and 2018. This was an improvement after the company recorded a drop in gross profit by 27.97 percent between 2016 **(GH¢18.20 million)** and 2017 **(GH¢13.11 million)**. Ghana Post recorded EBIT in 2018 at **GH¢ 3.78 million**, the highest in the three-year review (2016-2018) and an increase of 38.46 between 2017 and 2018.

The asset base of Ghana Post increased slightly by 0.84 percent from **GH¢66.66 million** in 2017 to **GH¢67.22 million** in 2018. Total liabilities increased by 3.22 percent from **GH¢61.48 million** in 2017 to **GH¢59.50 million** in 2018. The company also had a net debt of **GH¢52.58 million** in 2018. The current ratio of 0.73 recorded in 2018 suggests that the company could face challenges servicing its short-term liabilities. The gearing ratio of 6.84 also indicates that the company relies heavily on leverage to finance its operations.

Ghana Post declared a net profit of **GH¢0.53 million** in 2018. The net profit margin was a negligible 0.81 percent. There was also a very low return on capital employed of 2.60 percent. No dividend was paid to Government in 2018.

Main Financial Indicators of Ghana Post

Financial Indicators, GH¢'M			
Indicators	**2016 (GH¢M)**	**2017 (GH¢M)**	**2018 (GH¢M)**
Turnover	51.05	60.71	65.73
Gross Profit/Loss	18.20	13.11	14.72
EBITDA	3.89	4.46	6.42
EBIT	2.33	2.73	3.78
Net Profit	0.25	0.31	0.53
Total Assets	47.14	66.66	67.22
Total Liabilities	45.07	61.48	59.50
Equity	2.07	5.17	7.73
Key Ratios			
Gross Profit and turnover ratio, %	35.68	21.59	22.42
Net Profit Margin	0.49	0.51	0.81
Current Ratio	0.73	0.74	0.73
Return on assets, ROA, %	0.53	0.47	0.79
Equity/Asset ratio	0.04	0.08	0.11
Return on Capital Employed	1.57	1.52	2.60
Gearing Ratio	19.27	10.35	6.84
Other Indicators			
Dividends paid	-	-	-
Financial report in compliance with IFRS (Yes/No)	-	-	-

GHANA PUBLISHING COMPANY LIMITED (GPCL)

BOARD CHAIRPERSON

Vincent Ate Ofosu-Ansah

CHIEF EXECUTIVE OFFICER

Mr. David Asante Boateng

BOARD MEMBERSHIP

Mr. David Asante Boateng, J. K. Boateng, David Larbi, Emmanuel K. Teye, Miguel Ribeiro, Nana Oforiwah Koranteng, J. K. Fuachie-Sobreh, Ernest Asiedu-Osafo

AUDITOR(S)

PriceWaterHouseCoopers (PwC)

BACKGROUND

GPCL was established in March 1965 under Legislative Instrument (LI) No. 413. The instrument was amended in December 1970 by LI No. 612 to allow the company to take over the functions of the Government Printing Department and the Administration of the Government Free Text Books Scheme.

The company was converted into a Limited Liability Company under the Statutory Corporations Act 461, 1993. GoG is the sole owner of the company.

OPERATIONS

The core business of GPCL is to print and publish high quality textbooks and stationery for educational institutions, government departments, and the general public. The core services of GPCL are:

a. Typesetting of Manuscripts;

b. Printing;

c. Publication;

d. Proofreading;

e. General Commercial Printing.

As part of efforts to boost the company's performance, GPCL signed a Memorandum of Understanding with Kwame Nkrumah University of Science and Technology in February, 2019 to pursue and collaborate on printing and publishing of contracts, offering of internship and job placements opportunities for printing and publishing graduates from Kwame Nkrumah University of Science and Technology.

FINANCIAL PERFORMANCE

In 2018, GPCL reported a revenue of **GH¢10.64 million**. This was an improvement of 19.53 percent on the **GH¢8.91 million** that was registered in 2017.

The company recorded a direct cost of **GH¢4.87 million** representing a 43.97 percent increase over the 2017 figure of **GH¢2.73 million**. Due to the direct costs increasing at a faster pace than the growth in revenue between 2017 and 2018, the gross profits reported by the company declined by 7 percent in 2018. Gross profit decreased from **GH¢6.18 million** in 2018 to **GH¢5.78 million** in 2018.

The asset base of the company increased slightly from **GH¢8.84 million** to **GH¢9.09 million** in 2018 representing a 2.83 percent increase. The liabilities on the other hand decreased from **GH¢3.52 million** in 2017 to **GH¢2.69 million** in 2018 representing a 23.58 percent decline. The current ratio for 2018 was 2.87 indicating that the company was capable of servicing its short-term liabilities during the year.

The net profit for the year was **GH¢0.47 million** with a net profit margin of 5.45 percent. The company's return on capital employed for the year was 9.08 percent. No dividend was declared on the profits of GPCL.

Main Financial Indicators of GPCL

Financial Indicators, GH¢'M Indicators	2016 (GH¢M)	2017 (GH¢M)	2018 (GH¢M)
Turnover	0.64	8.91	10.65
Gross Profit/Loss	0.64	6.18	5.78
EBITDA	-2.61	2.47	0.47
EBIT	-2.68	2.47	0.47
Net Profit	0.00	2.66	0.58
Total Assets	19.78	8.84	9.09
Total Liabilities	3.62	3.52	2.69
Equity	16.16	5.57	6.15
Key Ratios			
Gross Profit and turnover ratio, %	100.00	69.36	54.27
Net Profit Margin	0.00	29.85	5.45
Current Ratio	0.81	1.95	2.87
Return on assets, ROA, %	0.00	30.09	6.38
Equity/Asset ratio	0.82	0.63	0.68
Return on Capital Employed	0.00	50.00	9.06
Gearing Ratio	0.17	0.60	0.40
Other Indicators			
Number of employees	0.00	0.00	0.00
Dividends paid from the profits of the previous year	0.00	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	-	-	-

GHANA TELECOMMUNICATIONS COMPANY LIMITED (VODAFONE)

BOARD CHAIRMAN

Dr. Kobina Quansah

CHIEF EXECUTIVE OFFICER

Patricia Obo-Nai

BOARD MEMBERSHIP

Patricia Obo-Nai, John Otty, Charles Adu Boahen, Ernest Akore, Jacqueline Conway

AUDITOR(S)

PriceWaterHouseCoopers

BACKGROUND

Formerly operating as Ghana Telecom, Ghana Telecommunications Company Limited now operates with the brand name Vodafone. The company commenced business in 1854 as part of the then Post and Telecommunications Department of the Colonial Administration. In 1974, the company was converted into a corporation under the National Redemption Council Decree 311. In 1993, the telecommunications division of the company was detached from the corporation, registering it as the Ghana Telecommunication Corporation.

In 1995, the company was incorporated as a Limited Liability Company under the Companies' Code, 1963 (Act 179), becoming Ghana Telecommunications Company Limited. The conversion was done in line with the Statutory (Conversion of Companies) Act 1993, Act 461 which required specified entities to be converted into Limited Liability Companies.

In August 2008, the company was acquired by Vodafone International Holdings B.V, a Netherlands incorporated company. GoG currently owns 30 percent shareholding.

OPERATIONS

Vodafone operates a diversified portfolio, providing total communications solutions through mobile, fixed lines, internet, voice and data. The company had the second largest market share in Ghana, until recent the merger of Airtel and Tigo. The merger changed the market share demography of the communication sector, shifting Vodafone to third in total market share in both mobile voice (23.9 percent) and data services (16.09 percent).

On a positive note, the company remains the largest provider of Fixed Telephony in Ghana. With only AirtelTigo as its competitor, Vodafone controls 97.61 percent of the total fixed operation subscriptions number of 278,379, leaving AirtelTigo with a base of 6,647 subscriptions representing 2.39 percent of the market share.

Vodafone recently launched its 4G services that supersedes the third generation (3G) and second generation (2G) technologies. Dubbed the 4G Long-Term Evolution (LTE) service, the network service is designed to work efficiently and provide its customer base with faster internet speeds and high-end network quality.

Per the license conditions of the agreement between VGL and the NCA, the 4G LTE technology will operate in the 2x5MHz block in the 800MHz band. Vodafone is the second telecommunication network in the country to operate the fourth generation network services.

Vodafone launched the Vodafone Cash platform, which it headlined as a revolutionary platform to allow customers to efficiently transfer money safely, securely and conveniently. Ghana was the 11th Vodafone market across Africa, Asia, and Europe to benefit from this initiative of electronic money transactions, promoting a future cashless society.

FINANCIAL PERFORMANCE

Vodafone's revenue for 2018 was **GH¢1,248 million**, which represents a slight increase of 0.24 percent over the corresponding figure in 2017 (**GH¢1,245 million)**. This followed a higher increase (11.76 percent) from 2016 **(GH¢1,114 million)** to 2017.

The company's direct costs increased from **GH¢ 556.6 million** in 2017 to **GH¢ 603.44 million** in 2018 representing an increase of 8.42 percent. This followed a smaller increase of 3.81 percent between 2016 **(GH¢536.15 million)** and 2017 **(GH¢556.6 million)**. Direct costs constituted 48.32 percent of revenue in 2018.

Administrative expenses increased by 23.73 percent between 2017 **(GH¢639.42 million)** and 2018 **(GH¢791.18 million)**. The impact of the increases in the administrative expenses and the direct costs was offset by a significant decrease (32.35 percent) in other expenses from **GH¢1,113 million** in 2017 to **GH¢753 million** in 2018. In spite of this, the company recorded an operating loss of **GH¢-899.41 million** in 2018, which was 15.51 percent lower **(GH¢165**

million) than the operating loss reported in 2017 **(GH¢-1,064 million)**. Similarly, the net loss of recorded in 2018 **(GH¢-848.08 million)** was 19.08 percent lower than the corresponding loss reported in 2017 **(GH¢-1,048 million)**.

The size of the total assets contracted by 4.49 percent from **GH¢1,445 million** in 2017 to **GH¢1,383 million** in 2018. In sharp contrast, total liabilities increased by 11.37 percent from **GH¢6,912 million** in 2017 to **GH¢7, 698 million** in 2018. Given that the total liabilities outweigh total assets by **GH¢6,315 million** (82.03 percent), the company's net worth was negative. This decrease in the company's net worth has been the trend over the past three year, with net worth progressively deteriorating from negative **GH¢4,419 million** in 2016 to negative **GH¢5,467 million** in 2017.

Consistent with the company's worsening situation, all the key ratios pointed in the wrong direction with a very low current ratio of 0.12, interest cover of -1.41, and a net loss margin of 67.91 percent in 2018. The current ratio and interest cover ratios indicate that the company was likely to face short term liquidity constraints and the earnings generated are not capable of covering the interest on money borrowed from creditors.

Vodafone's underlying business model remains attractive and it operates in the sector of the economy where growth prospects are very high in the medium to long term. Therefore, it is imperative that company's shareholders take urgent measures to recapitalize the company.

Main Financial Indicators of Vodafone

Financial Indicators, GH¢'M			
Indicators	**2016 (GH¢ M)**	**2017 (GH¢ M)**	**2018 (GH¢ M)**
Turnover	1114.38	1245.16	1248.78
Gross Profit/Loss	578.23	688.56	645.34
EBITDA	-297.47	-847.89	-717.40
EBIT	-457.58	-1064.21	-899.41
Net Profit	-441.98	-1048.23	-848.08
Total Assets	1205.11	1445.83	1383.64
Total Liabilities	5,624.01	6,912.96	7,698.84
Equity	-4418.90	-5467.13	-6315.21
Key Ratios			
Gross Profit and turnover ratio, %	51.89	55.30	51.68
Net Profit Margin	-39.66	-84.18	-67.91
Current Ratio	0.45	0.75	0.12
Return on assets, ROA, %	-36.68	-72.50	-61.29
Equity/Asset ratio	-3.67	-3.78	-4.56
Return on Capital Employed	-447.98	-252.07	17.87
Gearing Ratio	-1.23	-1.20	-1.17
Other Indicators			
Number of employees	-	-	-
Dividends paid from the profits of the previous year	0.00	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	-	-	-

GRAPHIC COMMUNICATIONS GROUP LIMITED (GCGL)

BOARD CHAIRPERSON

Prof. Kwame Karikari

MANAGING DIRECTOR

Mr. Atto Afful

BOARD MEMBERSHIP

Mr. Atto Afful (MD), Ms. Ajoa Yeboah-Afari, Mr. Bismarck Emmanuel Badu, Mr. Osei Afriyie, Dr. Rita Larson Reindorf, Nana Otuo Acheamong, Dr. Mawuli Adjei, Alhaji Yusuf Twumasi.

AUDITIOR(S)

Oak Chartered Accountants

BACKGROUND

GCGL was established in 1950 under the London Daily Mirror Group in the United Kingdom by Cecil King who served as the first Managing Director. The company was originally named West African Graphic Company Limited and was registered as a limited liability company in 1999 under the Companies Code, 1963 (Act 179).

GCGL is wholly owned by the Government of Ghana.

OPERATIONS

GCGL is publisher of the Daily Graphic, Mirror, Graphic Sports, Graphic Business, Graphic Showbiz and the Junior Graphic which together constitute the most widely circulated newspapers in Ghana with a total readership of 57.6 percent. GCGL has a digital version of its newspapers called Graphic NewsPlus which is available on the Google Play Store and Apple App Store. GCGL has a subsidiary called G-Pak which specializes in the printing of textbooks, labels, calendars, magazines and other printing requirements.

The company has an online portal called Graphic Online, expanding the company's reach beyond the print media and reaching audiences through the internet. The Daily Graphic, the most read in the Group's portfolio and of all the print media market has a percentage readership of 36.25% according to the Media Ownership Monitor, which translates into 2,290,000 of all readers.

The major challenge facing GCGL is liquidity. Most of the debt are owed by Ministries, Departments and Agencies (MDAs) and Metropolitans, Municipals, Districts and Assemblies (MMDAs). The indebtedness of MMDAs has significantly affected the operations and revenue generation of the company.

FINANCIAL PERFORMANCE

Revenue for GCGL Limited shrunk by 11.62 percent from **GH¢81.67 million** in 2017 to **GH¢72.18 million** in 2018. This decline was in contrast to the 9 percent increase recorded the previous year.

The company's direct costs decreased by 4.48 percent from **GH¢40.81 million** in 2017 to **GH¢38.98 million** in 2018. Direct costs accounted for 56 percent of total revenue in 2018. General and administrative expenses however increased from **GH¢22.95 million** in 2017 to **GH¢24.46 million** in 2018 representing an increase of 6.58 percent in the general expenses.

In 2018, the company reported an operating profit of **GH¢1.05 million** compared to an impressive figure of **GH¢9.63 million** in 2017. This represents a decline of 89.10 percent on the operating profit reported in 2017. Although the direct costs fell, the decline in revenue was much steeper to neutralize the gains. Consequently, the operating profit margin reduced to 1.45 percent in 2018 from a high of 11.79 percent in 2017.

The asset base of the GCGL declined by 0.69 percent from **GH¢62.18 million** in 2017 to **GH¢61.75 million** in 2018. Over the same period, liabilities increased from **GH¢18.05 million** in 2017 to **GH¢23.20 million** in 2018 representing a 28.53 percent increase in total liabilities. Similar to the increase in the total liabilities, net debt increased by 51.44 between 2017 **(GH¢13.51 million)** and 2018 **(GH¢20.46 million)**.

Despite the increases in the total liabilities and the net debt, the current ratio of 2.08 recorded in 2018 indicated that the GCGL Limited was capable of servicing its short-term liabilities during the year. In spite of the increasing net debt, the company was not overly leveraged as determined by the gearing ratio of 0.53.

A net loss of **GH¢-1.09 million** was reported in 2018. The return on capital employed of -2.54 tells us that the resources available to the company were not utilized efficiently.

Main Financial Indicators of GCGL

Financial Indicators, GH¢'M Indicators	2016 (GH¢M)	2017 (GH¢M)	2018 (GH¢M)
Turnover	75.00	81.67	72.18
Gross Profit/Loss	37.52	40.86	33.20
EBITDA	7.61	9.63	1.05
EBIT	7.61	9.63	1.05
Net Profit	4.29	7.75	-1.09
Total Assets	68.76	62.18	61.75
Total Liabilities	37.57	18.05	23.20
Equity	31.19	44.12	38.55
Key Ratios			
Gross Profit and turnover ratio, %	50.03	50.03	46.00
Net Profit Margin	5.72	9.49	-1.51
Current Ratio	2.68	2.66	2.08
Return on assets, ROA, %	6.24	12.46	-1.77
Equity/Asset ratio	0.45	0.71	0.62
Return on Capital Employed %	8.37	16.57	-2.54
Gearing Ratio	1.14	0.31	0.53
Other Indicators			
Number of employees	-	-	-
Dividends paid from the profits of the previous year	0.00	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes

NEW TIMES CORPORATION (NTC)

BOARD CHAIRPERSON

Kwame Boasiako Omane-Antwi

MANAGING DIRECTOR

Carol Anang

BOARD MEMBERS

Carol Anang (MD), Rose Magaret Kpodo, Isaac Fritz Andoh, Charles Van Dyck, Douglas Djarbeng, Ivy Ruby Austin

AUDITORS

Eddie Nikoi Accounting Consultancy

BACKGROUND

The New Times Corporation (NTC) was formerly known as the Guinea Press Limited. It was established by the first President of Ghana, Dr. Kwame Nkrumah in 1957, as a printing press for the Convention People's Party. After his overthrow in military coup in 1966, the Guinea Press was taken over as a state property by the National Liberation Council Decree 130 of 1968.

By an instrument of Incorporation, the New Times Corporation Act, 1971 (Act 363), Guinea Press was changed to the New Times Corporation. The Act also repealed the National Newspapers (Guinea Press Limited – Interim Reconstitution Decree) which acquired it as state property. Act 363 was given further recognition by the provision of Provisional National Defence Council Law 42. NTC is wholly owned by GoG.

OPERATIONS

The Corporation operates through two major newspaper outlets, the Ghanaian Times and the Spectator. The corporation is the third in market dominance percentage controlling 14.5 percent of readership. NTC has an internet presence via their website ghanaiantimes.com.gh.

The number of Ghanaian Times newspapers sold during the 2018 was 3,509,846, which represents an increase of 30 percent compared to the year 2017 figure (2,700,242). The number of Weekly Spectator newspapers sold in 2018 was 391,846, an increase of 18.44 percent from the previous year's figure (330,824). Total Adverts sales in 2018 amounted to **GH¢5,532,372.66**, representing a 6.25 percent increase from 2017 figure **(GH¢5,207,045 million).**

FINANCIAL PERFORMANCE

NTC's revenue in 2018 was **GH¢12.69 million** representing a 0.97 percent increase over the 2017 figure (GH¢12.57 million) recorded 2.38 percent decline in revenue from **GH¢13 million** in 2016 to **GH¢ 12.69 million** in 2018.

The company's direct costs decreased slightly (2.54 percent) from **GH¢7.86 million** in 2017 to **GH¢7.66 million** in 2018. This was an improvement from the 15.76 percent increase **(GH¢1.07 million)** witnessed between 2016 (**GH¢6.79 million)** and 2017. General and administrative expenses saw a 9.22 percent increase **(GH¢0.53 million)** from 2017 (**GH¢5.75 million)** in 2017 to 2018 **(GH¢6.28 million)**.

Given the minimal (0.97 percent) increase in revenue coupled with a more significant increase (15.76 percent) increase in general and administrative expenses, it is not surprising that the company recorded an operating loss of **GH¢-1.25 million** in 2018. Similarly, the company reported a net loss of **GH¢-1.01 million** in 2018.

Total assets decreased by 2.65 percent from **GH¢32.83 million** in 2017 to **GH¢31.96 million** in 2018. In contrast, total liabilities increased by 1.38 percent from **GH¢10.16 million** in 2017 to **GH¢10.3 million** in 2018.

Main Financial Indicators of NTC

Financial Indicators, GH¢'000			
Indicators	**2016 (GH¢M)**	**2017 (GH¢M)**	**2018 (GH¢M)**
Turnover	13.00	12.57	12.69
Gross Profit/Loss	6.21	4.71	5.03
EBITDA	0.99	-1.04	-1.25
EBIT	0.99	-1.04	-1.25
Net Profit	-1.02	-0.81	-1.01
Total Assets	31.87	32.83	31.96
Total Liabilities	8.38	10.16	10.30
Equity	23.52	22.70	21.65
Key Ratios			
Gross Profit and turnover ratio, %	47.77	37.47	39.64
Net Profit Margin	-7.85	-6.44	-7.96
Current Ratio	1.14	1.09	1.08
Return on assets, ROA, %	-3.20	-2.47	-3.16
Equity/Asset ratio	0.74	0.69	0.68
Return on Capital Employed %	-4.34	-3.58	-4.66
Gearing Ratio	0.36	0.44	0.46
Other Indicators			
Number of employees	-	-	-
Dividends paid	0.00	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	-	-	-

ENERGY SECTOR

203. The analysis on the energy sector is restricted to the financial performance of the entities in the sector because chapter six (6) of this report provides a comprehensive overview of the energy sector.

Table 8: State Equity Participation in the Energy Sector (2018)

Name of Entity	Field of Activity	Turnover, GH¢ 'Mill	Profit/ Loss, GH¢ 'M	Total Assets, GH¢ 'M	Number of employees	GoG Shareholding
Bui Power Authority	Plan, execute and manage the Bui Hydroelectric Project.	477.22	377.45	5,772.41	-	100 percent
Bulk Oil Storage & Transport Company (BOST)	Storage of strategic petroleum stocks.	602.94	(59.01)	2,895.33	-	100 percent
Electricity Company of Ghana (ECG)	Bulk energy purchase and trade, network assets ownership, and performance monitoring PDS.	6,037.92	(3,172.53)	20,554.26	-	100 percent
Ghana Grid Company Limited (GRIDCo)	Carrying out the economic dispatching and transmission of electricity from facilities of wholesale suppliers to bulk customers distribution utilities.	490.47	(114.29)	5,448.70	-	100 percent
Ghana National Gas Company (GNGC)	Operate infrastructure required for gathering, transporting and marketing of natural gas resources.	2,285.62	731.87	7,552.42	-	100 percent
Ghana National Petroleum Corporation (GNPC)	Promote and undertake the exploration, development, production and disposal of petroleum.	1,199.55	238.08	4,759.71	430	100 percent
GOIL Company Limited (GOIL)	Marketing petroleum products and related products.	5091.62	110.44	1,345.51	-	34.23 percent
Tema Oil Refinery (TOR)	Provide quality energy products and services to power Ghana's economic growth in an environmentally sustainable manner	283.15	(253.69)	1,764.40	-	100 percent
Volta River Authority (VRA)	Generation and supply of electricity	3,173.79	(862.13)	18,787.55	-	100 percent

Summary of Sectoral Financial Performance: Energy Sector

204. The analysis in this report covers all the nine (9) entities in the energy sector in which GoG has a stake including the only JVC, GOIL. The SOEs in the sector are

(a) Bui Power Authority

(b) Bulk Oil Storage and Transport Company (BOST)

(c) Electricity Company of Ghana (ECG)

(d) Ghana Grid Company (GRIDCo)

(e) Ghana National Gas Company (GNGC)

(f) Ghana National Petroleum Corporation (GNPC)

(g) GOIL Company Limited (GOIL)

(h) Tema Oil Refinery (TOR)

(i) Volta River Authority (VRA)

Revenue

205. Total revenue for SOEs in the energy sector in 2018 amounted to **GH¢14,550.67 million**, an increase of 4.03 percent from the previous year's amount of **GH¢13,986.77 million**. Six out of the nine entities in the sector recorded increases in revenue between 2017 and 2018. BOST was the only company in the sector to consistently record declining revenues over the past three-year period. Revenue for BOST decreased from **GH¢1,300.41 million** in 2017 to **GH¢602.94 million** in 2018 after an initial decrease from **GH¢3,031.86 million** in 2016.

206. The highest revenue was reported by ECG with **GH¢6,037.92 million** in 2018 representing 41.50 percent of the total revenue for the SOEs in the energy. TOR had the highest percentage revenue increase among SOEs in the sector with 29.56 percent increase from **GH¢218.54 million** in 2017 to **GH¢283.15 million** in 2018. GOIL, the only JVC in the energy sector, also accounted for 25.92 percent of the revenue in the sector with **GH¢5,091.62 million** in 2018.

Direct Cost

207. The direct costs for the sector increased from **GH¢11,490.85 million** in 2017 to **GH¢13,727.61 million** in 2018 representing a 19.47 percent increase. On average, the entities in the energy sector spent 65.58 percent of revenue on direct costs in 2018. ECG was the outlier with direct costs representing 137.24 percent of revenue. BPA, on the other hand, registered the least amount on direct costs, with its direct costs **(GH¢50.78 million)** representing 10.64 percent of its revenue in 2018 **(GH¢477.22 million)**. GOIL recorded direct cost of **GH¢4,804.49 million**, which represented 94.36 percent of its revenue for 2018 **(GH¢5,091.62 million)**.

General and Administrative Expenses

208. General and administrative expenses for SOEs in the energy sector in 2018 amounted to **GH¢2,324.78 million**, which represented 22.17 percent increase over the 2017 outturn **(GH¢1,902.50 million)**. SOEs, on average, spent 18.72 percent of their revenue on general and administrative expenses. BOST recorded the highest amount on general administrative expenses **(GH¢214.53 million),** representing 35.58 percent of its revenue **(GH¢602.94 million)** in 2018. GOIL spent an amount of **GH¢122.84 million** as its general and administrative expenses, which represented 2.41 percent of revenue **(GH¢5,091.62 million)** in 2018.

Operating Profit/ Loss

209. The SOEs in the energy sector reported an aggregate operating loss of **GH¢-3,121.28 million** in 2018. This was a 113.24 percent deterioration over the 2017 outturn **(GH¢-1,463.76 million).** Four (4) SOEs in the energy sector reported positive operating profits in 2018 including BPA **(GH¢377.45 million)**, BOST **(GH¢77.33 million)**, GNPC **(GH¢220.19 million)** and GNGC **(GH¢591.59 million)**. BOST improved from recording an operating loss of **GH¢-255.58 million** in 2017 to an operating profit of **GH¢77.33 million** in 2018 representing an improvement of 130.26 percent. GOIL recorded an operating profit of **GH¢110.44 million** in 2018, which represent an increase 77.64 percent over the 2017 outturn **(GH¢62.17 million)**.

Net Profit/ Loss

210. The SOEs in the energy sector recorded aggregate net losses consistently over the three-year period from 2016 to 2018. The loss reduced from **GH¢-2,290.06 million** in 2016 to **GH¢-742.46 million** in 2017 and then ballooned to **GH¢-2,752.01 million** in 2018. The aggregate net loss decreased by 67.58 percent **(GH¢1,547.60 million)** in 2017 and increased by 270.66 percent **(GH¢2,009.55 million)** in 2018. The highest net loss for 2018 was recorded by ECG with **GH¢-3,172.53 million**. It also posted the biggest deterioration (537. 80 percent) in its net loss position from 2017 **(GH¢-497.42 million)** to 2018. Though the sector reported a net loss in 2018, three (3) SOEs managed to report net profits including BPA **(GH¢287.27 million)**, GNPC (**GH¢526.12 million)** and GNGC **(GH¢383.26 million).** GOIL posted net profit of **GH¢81.95 million**, representing an increase 25.90 percent over the 2017 outturn **(GH¢65.09 million)**.

Total Assets and Liabilities

211. The total assets of SOEs in the energy sector grew from **GH¢63,163.19 million** in 2017 to **GH¢67,534.78 million** in 2018 representing an increase of 6.92 percent. ECG, with total assets of **GH¢20,554.26 million**, accounted for 30.44 percent of the total assets of SOEs in the energy sector (**GH¢67,534.78 million)**. GOIL recorded a huge increase (29.81 percent) in its total assets from **GH¢1,036.51 million** in 2017 to **GH¢1,345.51 million** in 2018.

212. SOEs in the energy sector recorded combined total liabilities of **GH¢42,666.73 million**, which represents an increase of 11.74 percent over the 2017 outturn (**GH¢38,192.68 million**). GRIDCo was the only company in the sector that managed to reduce its total liabilities by 6.09 percent from **GH¢3,664.25 million** in 2017 to **GH¢3,441.21 million** in 2018. GOIL recorded a huge increase of 35.47 percent in its total liabilities from **GH¢669.44 million** in 2017 to **GH¢906.86 million** in 2018.

Table 9: Financial Indicators of SOE(s) in the Energy Sector

Financial Indicators, GH¢'M			
Indicators	**2016 (GH¢ M)**	**2017 (GH¢ M)**	**2018 (GH¢ M)**
Turnover	16,342.01	13,986.77	14,550.67
Gross Profit/Loss	3,982.84	2,495.92	823.06
EBITDA	(2,290.06)	(742.73)	(2,818.33)
EBIT	(844.42)	(1,463.76)	(3,121.28)
Net Profit	(2,103.55)	(862.38)	(3,114.25)
Total Assets	67,459.98	63,163.19	67,534.78
Total Liabilities	44,862.36	38,192.68	42,666.73
Equity	22,606.45	24,870.81	24,789.72
Key Ratios			
Gross Profit and turnover ratio, %	42.24	37.55	34.42
Net Profit Margin	(40.55)	(15.92)	(14.07)
Current Ratio	8.79	12.02	13.85
Return on assets, ROA, %	(8.46)	(3.31)	(2.67)
Equity/Asset ratio	0.09	0.30	0.28
Return on Capital Employed	350.78	56.87	(107.28)
Gearing Ratio	(2.93)	1.00	1.19
Other Indicators			
Number of employees	-	-	-
Dividends paid	-	-	-
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes

Table 10: Financial Indicators of JVC(s) in the Energy Sector

Financial Indicators			
Indicators	**2016 (GH¢ M)**	**2017 (GH¢ M)**	**2018 (GH¢ M)**
Turnover	3,494.39	4,078.56	5,091.62
Gross Profit/Loss	3,316.56	3,875.76	4,804.49
EBITDA	52.95	62.17	110.44
EBIT	52.95	62.17	110.44
Net Profit	53.65	65.09	81.95
Total assets	868.42	1,036.51	1,345.51
Total Liabilities	558.87	669.44	906.86
Equity	309.56	367.07	438.65
Key Ratios			
Gross Profit and turnover ratio, %	5.09	4.97	5.64
Net Profit Margin	1.54	1.60	1.61
Current Ratio	1.01	0.91	0.91
Return on assets, ROA, %	6.18	6.28	6.09
Equity/Asset ratio	0.36	0.35	0.33
Return on Capital Employed %	16.70	17.16	16.20
Gearing Ratio	1.58	1.65	1.87
Other Indicators			
Number of employees	-	-	-
Dividends paid	-	-	-
Financial report in compliance with IFRS (Yes/No)	-	-	-

FINANCIAL PERFORMANCE OF INDIVIDUAL ENTITIES: ENERGY SECTOR

BUI POWER AUTHORITY (BPA)

BOARD CHAIRPERSON

Amb. Afare Apeadu Donkor

CHIEF EXECUTIVE OFFICER

Mr. Fred Oware

BOARD MEMBERSHIP

Mr. Fred Oware, Alhaji Abubakari Abdul-Rahman, Mrs. Sylvia Maria Asare, Hon. Gabriel Osei, Dr. Adams Sulemana Achanso, Mr. Kwaku Bowiansa Abrefa

AUDITOR(S)

Ernst & Young

BACKGROUND

The Bui Power Authority (BPA) was established in 2007 by the Bui Power Authority Act, 2007 (Act 740). The mandate of the Authority is to plan, execute and manage the Bui Hydroelectric Power Project (Bui Generating Station-BGS). The mission of BPA is to:

a) manage and operate the Bui Generating Station most efficiently for optimal results;

b) develop and expand other renewables and become Renewable Energy Leaders;

c) to initiate studies leading to the development of mini hydro plants, especially on the Western Rivers of Ghana;

d) to optimally utilize the natural resources within the Acquired Land for national economic growth and eventually the development of Bui City.

OPERATIONS

BPA was given ministerial approval to develop energy plants to increase the share of Renewable Energy production in Ghana. This was in line with government's efforts to generate 10 percent of Ghana's energy using renewable sources by 2030. The construction of the plants was expected to prevent the incidence of load shedding and enhance the system voltage regulation and to also serve as a source of reactive power for stability in the National Interconnected Transmission System (NITS).

The company derives 100 percent of its revenue from the sale of electricity generated from their hydroelectric plant to ECG. The power purchase agreement between the Ministry of Energy (on behalf of Bui Power Authority) and ECG recommends that BPA sells power to ECG using prices defined by the Public Utility Regulatory Commission (PURC).

FINANCIAL PERFORMANCE

BPA's revenue increased by 84.10 percent from **GH¢259.68 million** in 2017 to **GH¢477.22 million** in 2018. The increase in 2018 represented an improvement over the 35.44 percent decline recorded in 2017 (from **GH¢402.24 million** in 2016 to **GH¢259.68 million** in 2017).

The direct cost of BPA increased consistently throughout the period. It rose by 8.02 percent in 2018 from **GH¢47.01 million** recorded in 2017 to **GH¢50.78 million**. This followed an increase of 4.65 percent in 2017 from **GH¢44.92 million** in 2016. The direct costs constituted 10.64 percent of revenue in 2018, which was an improvement over the 2017 performance (14.51 percent). BPA's general and administrative expenses, which made up 10 percent of the total revenue in 2018, increased by 26.70 percent from **GH¢37.68 million** in 2017 to **GH¢47.74 million** in 2018. It is worth mentioning, that between 2016 **(GH¢240.62 million)** and 2017, general and administrative expenses decreased significantly by 84.34 percent. Other expenses covered up an insignificant part of total revenue at 0.26 percent in 2018.

BPA recorded impressive operating profit results. Operating profit increased by 116.56 percent from **GH¢174.29 million** in 2017 to **GH¢377.45 million** in 2018. This increase followed a 49.53 percent improvement in operating profit from 2016 **(GH¢116.32 million)** to 2017. BPA recorded a net profit of **GH¢287.27 million** in 2018. This was an increase of 252.05 percent on the net profit of **GH¢81.60 million** recorded in 2017.

The total asset base of BPA expanded by 19.4 percent from **GH¢4,834.51 million** in 2017 to **GH¢5,772.4 million** in 2018. This increase was propelled by the increases in both non-current (8.35 percent) and current (58.61 percent) assets. Total liabilities increased from **GH¢3,326.50 million** in 2017 to **GH¢3, 841.09 million** in 2018 indicating an increase of 15.47 percent. Current liabilities represented an insignificant 0.42 percent of total liabilities. Net debt in a similar fashion to total liabilities increased by 15.59 percent from **GH¢3,304.55 million** in 2017 to **GH¢3,819.77 million** in 2018.

Current ratio for the 2018 was 105.3 times and shows that the company was capable of financing its short term financial obligations. The gearing ratio of 1.98 indicates that the company relies significantly on leverage to finance its operations.

Main Financial Indicators of Bui Power Authority

Financial Indicators, GH¢'M			
Indicators	**2016 (GH¢ M)**	**2017 (GH¢ M)**	**2018 (GH¢ M)**
Turnover	402.24	259.68	477.22
Gross Profit/Loss	357.32	212.68	426.44
EBITDA	116.32	174.29	377.45
EBIT	116.32	174.29	377.45
Net Profit	19.12	81.60	287.27
Total Assets	4,513.56	4,834.51	5,772.41
Total Liabilities	3,158.49	3,326.50	3,841.09
Equity	1,355.07	1,506.19	1,931.37
Key Ratios			
Gross Profit and turnover ratio, %	88.83	81.90	89.36
Net Profit Margin	4.75	31.42	60.20
Current Ratio	60.87	88.77	105.30
Return on assets, ROA, %	0.42	1.69	4.98
Equity/Asset ratio	0.30	0.31	0.33
Return on Capital Employed	0.43	1.69	4.99
Gearing Ratio	2.30	2.19	1.98
Other Indicators			
Dividends paid	0.00	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes

BULK OIL STORAGE AND TRANSPORT (BOST)

BOARD CHAIRPERSON

Mr. Acheampong Kyei (Resigned on 31/10/18)

Mr. Ekow Hackman (Appointed on 31/10/18)

MANAGING DIRECTOR

Mr. George M. Okley

BOARD MEMBERSHIP

Mr Alfred Obeng Boateng MD (Resigned on 08/06/2018)

Mr George M Okley (MD) (Appointed on 04/06/2018)

Mrs Comfort Aniagyei, Hon. Alex Djornobuah Alex Tetteh, Mrs Angelina Baiden Amissah, Mr Joyce Agyeman Attafuah, Mr Kamal- Deen Abdulai, Mr. Desmond Nartey, Mr. John Kweku Akyene Duncan, Mr. Nana Yaw Owusu Akwanuasa

AUDITOR(S)

PricewaterhouseCoopers (PwC)

BACKGROUND

BOST was incorporated in 1993 as a limited liability company with GoG as the sole shareholder. The company's mandate is to develop a network of petroleum storage tanks and pipeline infrastructure throughout the country and to keep strategic stocks of petroleum products for Ghana.

OPERATIONS

BOST, under the Strategic Reserve Program (SRP) imported only one cargo in 2018. Operators (TSL and BOST) managed to keep storage loses within the industry standard of 0.32 for gasoline and 0.25 for gasoil. The turnaround time of BRV loading was 4hrs as compared to 0.5hrs of its competitors. The strategic stock level as at the end of third quarter of 2018 stood at 241,017 litres of Gasoil and 6,394,901 liters of Gasoline. These stock levels were far below one week of national demand, which stood at 27.5 million litres and 27.3 million litres for Gasoil and Gasoline respectively.

There was no utilization of the pipelines (B2P3 and TAPP), the tugboat and the barges. In addition, 15 out of the 51 storage tanks had been decommissioned due to malfunctioning components.

BOST has a network of storage and pipeline infrastructure through six locations; Accra Plains, Kumasi, Buipe, Bolgatanga, Akosombo and Mami-Water.

The total storage capacity for BOST's petroleum products is 425,600m3 with gasoline being the largest storage (171,250 m3), which constitutes 40.23 percent of the total storage capacity. The storage capacities for the other petroleum products (gasoil and kerosene) are 244,350 m3 and 10,000 m3 respectively. BOST is also responsible for the management of a combined 361km pipelines from Accra to Akosombo and other section, which runs between Buipe and Bolgatanga.

FINANCIAL PERFORMANCE

BOST's revenue dropped significantly from **GH¢1,300.41 million** in 2017 to **GH¢602.94 million** in 2018 representing a decline of 53.63 percent. This was a consecutive decrease after 57.12 percent reduction in revenue recorded between 2016 **(GH¢3,031.86 million)** and 2017.

Direct costs fell significantly from **GH¢1,259.08 million** in 2017 to **GH¢311.08 million** in 2018 indicating a decrease of 75.29 percent. BOST's direct costs in 2018 covered 51.59 percent of its revenue, which was an impressive performance relative to the direct costs to revenue margin recorded in 2017 (96.82 percent).

General and administrative expenses also decreased by 11.43 percent from **GH¢242.22 million** in 2017 to **GH¢214.53 million** in 2018 and. General and administrative expenses made up 35.58 percent of revenue for the year and was the highest margin under the three-year review. The margins for 2016 (15.88 percent) and 2017 were 15.88 percent and 18.63 percent respectively.

BOST recorded an increase in operating profit by 130.26 percent between 2017 **(GH¢-255.58 million)** and 2018 **(GH¢77.33 million)**. The company recorded operating losses for two years in a row from **GH¢-323.39 million** in 2016 to **GH¢-255.58 million** in 2017 before turning a profit in 2018. The increase in operating profit between 2016 and 2018 was 123.91 percent.

BOST recorded net losses throughout the last three years; 2016 **(GH¢-458.64 million)**, 2017 **(GH¢-310.27 million)** and 2018 **(GH¢-59.01 million)**. Despite the net losses from 2016 to 2018, the company managed to reduce the net losses each year under review, recording a decrease of 80.98 percent between 2017 and 2018.

Total assets increased by 18.79 percent from **GH¢2,437.30 million** in 2017 to **GH¢ 2,895.33**

million in 2018. The growth in total assets was propelled by the 22.97 percent increases in non-current assets between **GH¢1,427.15 million** recorded in 2017 and **GH¢1,754.93 million** in 2018. Total liabilities increased from **GH¢1,700.92 million** in 2017 to **GH¢2,217.68 million**, indicating an increase of 30.38 percent.

BOST's net debt increased by 33.56 percent from **GH¢1,623.79 million** in 2017 to **GH¢2,168.66 million** in 2018. The increase in net debt was influenced by the increase in total liabilities and an indication that the company was faced with risk of increasing total financial obligations over the total cash and cash equivalents available to the company. The current ratio of BOST was 0.82 and signifies that the company was not in a healthy position of meeting its short-term liabilities. Gearing ratio was also unfavorable at 3.20 indicating that the company was highly leveraged as net debt far exceeded total equity by over 300 percent.

Main Financial Indicators of Bulk Oil Storage and Transport Company

Financial Indicators, GH¢'M			
Indicators	**2016 (GH¢ M)**	**2017 (GH¢ M)**	**2018 (GH¢ M)**
Turnover	3,031.86	1,300.41	602.94
Gross Profit/Loss	200.62	41.33	291.86
EBITDA	-266.67	-255.58	141.33
EBIT	-323.39	-255.58	77.33
Net Profit	-458.64	-310.27	-59.01
Total Assets	2,358.92	2,437.30	2,895.33
Total Liabilities	2,526.23	1,700.92	2,217.68
Equity	-167.30	736.67	677.66
Key Ratios			
Gross Profit Margin, %	6.62	3.18	48.41
Net Profit Margin	-15.13	-23.86	-9.79
Current Ratio	0.61	0.95	0.82
Return on assets, ROA, %	-19.44	-12.73	-2.04
Equity/Asset ratio	-0.07	0.30	0.23
Return on Capital Employed	-178.29	-22.59	-3.94
Gearing Ratio	-14.27	2.20	3.20
Other Indicators			
Dividends paid	0.00	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes

ELECTRICITY COMPANY OF GHANA (ECG)

BOARD CHAIRPERSON

Daasebre Kwebu Ewusi VII

MANAGING DIRECTOR

Mr. Robert Dwamena

BOARD MEMBERSHIP

Mr. Robert Dwamena, Ing. (Mrs.) Carlien Dorcas Bou-Chedid, Mr. John Kojo Arkoful, Mr. Odeneho Kwaku Appiah, Alhaji Amadu Kaleem, Hon. Mathew Nyindam, Ms. Maataa Opare

AUDITORS

CFY Partners

BACKGROUND

ECG started business operations as the Electricity Department in April, 1947 and was responsible for the distribution of power in all of Gold Coast. After the attainment of independence, the Electricity Department was converted to the Electricity Division. The company became Electricity Corporation of Ghana in 1967 under the National Liberation Council Decree (NLCD) 125, 1967.

The Northern Electricity Department (NED) was established as a subsidiary under VRA in 1987 to take over the distribution of electric power in the northern part of Ghana. ECG has been active in power distribution since then in the southern part of the country. The Electricity Corporation of Ghana became ECG in February 1997 under the Companies Code, 1963 (Act 179).

OPERATIONS

ECG is mandated to perform the following functions:

a) Transmit, supply and distribute electricity;

b) Purchase electrical energy in bulk for distribution;

c) Construct, reconstruct, install, assemble, repair, maintain, operate or remove sub-transmission stations, electrical appliances, fittings and installations.

d) Execute and supervise national electrification programs on behalf of the Government; and

e) Carry out any other activity incidental or conducive to the attainment of all the above objectives.

GoG in August, 2014 signed the Compact II agreement with the Government of the United States of America through Millennium Challenge Corporation. The Ghana Power Compact seeks to improve access to power in Ghana. It intends to invest up to **US$498.2 million** to support the transformation of Ghana's electricity sector and stimulate private investment.

Six energy sector projects are being implemented under the Compact with the Financial and Operational Turnaround Project (EFOT) being the largest and taking up 68 percent of the total funds earmarked for the Compact II fund at an amount of US$339.6 million. A critical component of EFOT is the introduction of private sector participation (PSP) in ECG.

Following an international competitive tender, a private sector consortium, Power Distribution Services Ghana Limited (PDS), was selected. In 2018, GoG executed the under-listed Agreements with the Consortium in 2018 as part of the efforts to introduce PSP in the operations and management of ECG:

(a) Lease and Assignment Agreement;

(b) Bulk Supply Agreement; and

(c) Government Support Agreement.

FINANCIAL PERFORMANCE

Revenue for ECG decreased by 2.91 percent from **GH¢6,219.00 million** in 2017 to **GH¢6,037.92 million** in 2018. Direct costs, however, increased by 42.32 percent between 2017 (**GH¢5,822.21 million)** and 2018 **(GH¢8,286.43 million)**. The 2018 outturn of direct costs was 37.24 percent greater than ECG's revenue in 2018, which led to the company reporting a gross loss of **GH¢-2,248. 51 million** in 2018. The 2018 gross loss performance represented decrease of 272.98 percent from 2016 **(GH¢1,299.86 million)**. ECG reported gross profits for 2016 and 2017 **(GH¢396.79 million)**.

ECG's general and administrative expenses increased from **GH¢455.77 million** in 2017 to **GH¢ 524.54 million** in 2018 indicating an increase of 15.09 percent. The general and administrative expenses represented 8.69 percent of revenue in 2018, the highest margin under the three years under review. The margins for 2016 and 2017 were 7.03 percent and 7.33 percent respectively. On a positive note, other expenses decreased from

GH¢264.45 million in 2017 to **GH¢255.93 million** in 2018, representing a decrease of 3.22 percent.

ECG's operating loss increased by a whopping 836.52 percent in 2018 from **GH¢-323.43 million** in 2017 to **GH¢-3,028.98 million** in 2018. The huge operating loss was due to ECG's contrasting performance between revenue and direct costs with revenue decreasing whilst direct costs increased significantly. ECG posted operating profit of **GH¢704.99 million** in 2016.

ECG reported a net loss of **GH¢-3,172.53 million** in 2018, indicating a deterioration of 537.80 percent as compared to the net loss of **GH¢-497.42 million** reported in 2017.

There was a slight increase (4.09 percent) in the asset base of ECG from **GH¢19,745.79 million** in 2017 to **GH¢20, 554.26 million** in 2018. Total liabilities also increased from **GH¢11,353.01 million** in 2017 to **GH¢13,751.21 million** in 2018, indicating an increase of 21.12 percent. Consequently, net debt increased by 20.89 percent from **GH¢10,918.26 million** in 2017 to **GH¢13,199.58 million** in 2018.

The current ratio of 0.44 recorded in 2018 indicates that ECG was at risk of not being able to meets its short-term financial obligations. The Gearing ratio also increased from 1.30 in 2017 to 1.94 in 2018, pointing out the company's increasingly turn to leverage in financing its operations.

Financial Indicators of Electricity Company of Ghana

Financial Indicators, GH¢'M			
Indicators	**2016 (GH¢ M)**	**2017 (GH¢ M)**	**2018 (GH¢ M)**
Turnover	5,695.07	6,219.00	6,037.92
Gross Profit/Loss	1,299.86	396.79	-2,248.51
EBITDA	1,266.76	-323.43	-3,028.98
EBIT	704.99	-323.43	-3,028.98
Net Profit	276.74	-497.42	-3172.53
Total Assets	18,295.73	19,745.79	20,554.26
Total Liabilities	10,230.08	11,353.01	13,751.21
Equity	8,065.65	8,392.78	6,803.04
Key Ratios			
Gross Profit ratio, %	22.82	6.38	-37.24
Net Profit Margin	4.86	-8.00	-52.54
Current Ratio	0.72	0.64	0.44
Return on assets, ROA, %	1.51	-2.52	-15.43
Equity/Asset ratio	0.44	0.43	0.33
Return on Capital Employed	2.34	-3.95	-27.83
Gearing Ratio	1.21	1.30	1.94
Other Indicators			
Number of employees	-	-	-
Dividends paid	0.00	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	-	-	-

GHANA GRID COMPANY (GRIDCO)

BOARD CHAIRPERSON

Amb. Kabral Blay-Amihere

CHIEF EXECUTIVE

Mr. Jonathan Amoako-Baah

BOARD MEMBERSHIP

Mr. Jonathan Amoako-Baah, Keneth Kwamina Thompson, Mr. Frederick Fredua Antoh, Nana Akyereako Adjabinti I, Dzifa Amegashie, Dr. Nicholas K. Smart, Air Vice Marshal Issifu Sakib Kadri (Rtd), Hon. Naana Eyiah

AUDITORS

PriceWaterHouseCoopers (PwC)

BACKGROUND

GRIDCo was incorporated in 2006 to provide power transmission services in an open and transparent manner and in August, 2008 the company became fully operational. As part of the power sector reforms, GRIDCo was established to develop and promote competition in Ghana's wholesale power market, and to provide non-discriminatory and open access to the transmission grid for all participants in the power market. GRIDCo is a private limited liability company wholly owned by the GoG.

OPERATIONS

Power transmitted increased to 15.96TWh in 2018 from 14.3TWh in 2017 representing a 11.61 percent increase. GRIDCo indicated that the reduction of the transmission service charge in March, 2018 caused liquidity challenges for the company and resulted in delays in completion of critical projects which were expected to improve the power transmission capacity in the sector.

The challenges that hampered the operations of GRIDCo due to the tariff reduction include:

a) liquidity challenges caused by delays in payment of Transmission Line Right of Way (RoW) Acquisitions and Compensation Payment;

b) transmission losses that exceeded PURC-approved threshold; and

c) supply reliability.

GRIDCo proposed major strategies to address the challenges in order to achieve the completion of their ongoing projects:

a) pursue capital investment programmes to create sufficient redundancies within the transmission network;

b) continue to work place improvement programmes to reduce operational cost;

c) continue to provide open and non-discriminatory access to the transmission network, create redundancies at various substations and enhance business processes by application of modern technologies.

FINANCIAL PERFORMANCE

Revenue decreased from **GH¢715.20 million** in 2017 to **GH¢490.47 million** in 2018 representing an increase of 31.42 percent. Direct costs however increased by 5.55 percent from **GH¢353.53 million** in 2017 to **GH¢373.15 million** in 2018. The Direct cost to revenue margin was 76.08 percent for 2018 which was up from direct costs to revenue margin of 49.43 percent recorded in 2017.

The company was able to cut down its general and administrative expenses from **GH¢211.06 million** in 2017 to **GH¢130.41 million** in 2018 indicating a significant decrease of 38.21 percent. Other expenses also reduced from **GH¢211.38 million** in 2017 to **GH¢167.52 million** in 2018 representing a 20.75 percent decrease. General and administrative expenses and other expenses represented a combined 60.74 percent of the revenue recorded in 2018.

The company's operating loss doubled in 2018 from **GH¢-60.77 million** in 2017 to **GH¢-180.61 million** in 2018 representing a 197.20 percent increase. The loss was due to the increase in direct costs as against decreasing revenue for 2018 and the increase of other expenses to revenue margin at 34.20 percent in 2018 as compared to 2017 (29.56 percent).

Total assets decreased from **GH¢6,002.63 million** in 2017 to **GH¢5,448.70 million** in 2018 representing a 9.23 percent decrease in total assets. The decrease in the total asset base was due to decreases in both non-current **(GH¢4,562.54 million)** and current **(GH¢886.16 million)** assets. Non-current assets decreased by 4.67 percent between 2017 **(GH¢4,786.39 million)** and 2018.

Current assets also decreased by 27.14 percent between 2017 **(GH¢1,216 million)** and 2018. The company managed to reduce its total liabilities from **GH¢3,664.25 million** in 2018 to **GH¢3441.21**

million representing 6.09 percent increase. Net debt also decreased in line with total liabilities from **GH¢3,465.72 million** in 2017 to **GH¢3,225.42 million** in 2018 indicating a reduction of 6.93 percent.

The current ratio of 0.55 recorded in 2018 shows that the company was in a questionable liquidity position and could potentially struggle to meet its short-term financial obligations. The gearing ratio for 2018 was 1.61 and shows that the company was quite highly leveraged. Interest cover ratio of a negative 10.73 indicates that GRIDCo struggled to service its debt from its operations.

The company recorded a net loss of **GH¢-114.29 million** in 2018. This loss was an exponential 267.49 percent increase on the loss of **GH¢-31.10 million** reported in 2017. The loss reported in 2018 was a culmination of the poor operational results reported during the year.

Main Financial Indicators of Ghana Grid Company

Financial Indicators, GH¢'M			
Indicators	**2016 (GH¢ M)**	**2017 (GH¢ M)**	**2018 (GH¢ M)**
Turnover	673.84	715.20	490.47
Gross Profit/Loss	331.14	361.67	117.32
EBITDA	66.06	-60.77	-180.61
EBIT	66.06	-60.77	-180.61
Net Profit	69.13	-31.10	-114.29
Total Assets	4,605.25	6,002.63	5,448.70
Total Liabilities	2,354.49	3,664.25	3,441.21
Equity	2250.76	2338.38	2007.49
Key Ratios			
Gross Profit and turnover ratio, %	49.14	50.57	23.92
Net Profit Margin	10.26	-4.35	-23.30
Current Ratio	1.00	0.97	0.55
Return on assets, ROA, %	1.50	-0.52	-2.10
Equity/Asset ratio	0.49	0.39	0.37
Return on Capital Employed	1.88	-0.65	-2.98
Gearing Ratio	0.96	1.48	1.61
Other Indicators			
Number of employees	0.00	0.00	0.00
Dividends paid	0.00	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	-	-	-

GHANA NATIONAL GAS COMPANY (GNGC)

BOARD CHAIRPERSON

Madam Christine Churcher

MANAGING DIRECTOR

Dr. Ben Asante

BOARD MEMBERSHIP

Dr. Ben Asante, Mr. Andrew Kofi Egyapa Mercer, Awulae Amihere Kpanyinli, Mr. Stephen Sumani Nayina, Madam Delphine Dogbegah, Mr. Abraham Osei-Aidooh, Nana Owusu Ansah Ababio, Togbi Joachim Acolatse V.

AUDITORS

Kwame Asante and Associates

BACKGROUND

GNGC was incorporated in July 2011 under the Companies Code 1963 (Act 179) as a midstream gas company. The business responsibility of the company is to build, own and operate infrastructure required for the gathering processing, transporting and marketing of natural gas resources. The company's core mandate is to process, transport, market and sell natural gas and Natural Gas Liquids (NLGs) produced in the country. GNGC officially commenced commercial business in 2015.

OPERATIONS

The table below shows the current natural gas reserves in the various reserve fields controlled by GNGC

Gas Reserve Field	Reserve Capacity (Billion Cubic Feet)
Jubilee Field	490
TEN Field	363
Sankofa Gye-Nyame	1,107
Mahogany and Teak	120

Both Jubilee and Tweneboah, Enyenra and Ntomme (TEN) fields hold reserves for associated gas whilst the Sankofa Gye-Nyame, the largest gas reserve holds the capacity for non-associated Gas. The Mahogany and Teak discoveries are still at the developing stage and it is estimated that upon finalization the discovery would give Ghana an additional reserve capacity of 120 billion cubic feet of gas.

GNGC intends to use Isopentane gas for power generation. If realized, the Atuabo Waste to Power Independent Project will be the first TM2500 power plant in Sub-Saharan Africa to use Isopentane gas as a source of fuel. The initial phase of the project would convert Isopentane fuel up to 31 megawatts of power generating a capacity of electricity enough to power 100,000 households in the country. GNGC has already initiated discussions with Ente Nazionale Indrocarburi Group to explore the possibility of using Isopentane gas to produce fertilizer and power.

FINANCIAL PERFORMANCE

Revenue for the company increased from **GH¢1,109.34 million** in 2017 to **GH¢1,199.55 million** in 2018 representing a 7.57 percent increase. The company recorded a marginal decrease in direct costs by 5.90 percent from **GH¢318.35 million** in 2017 to **GH¢299.57 million** in 2018. The company used up 24.97 percent of its revenue on direct costs, indicating an impressive performance after the company recorded direct costs to revenue margin of 28.70 percent in 2017.

General and administrative expenses increased by 79.64 percent from **GH¢70.68 million** in 2017 to **GH¢ 120.54 million** in 2018. The increase in general and administrative expenses was due to a GH¢61.7 million increase in staff costs in 2018. The company used up 10.58 percent on general and administrative expenses for the year. Other expenses increased slightly by 2.02 percent between 2017 **(GH¢ 177.82 million)** and 2018 **(GH¢ 72.34 million)**. This increase comes after the company managed to significantly cut down its other expenses by 42.42 percent between 2017 and 2016 **(GH¢308.8 million).**

The company improved on its operating profit for 2018 recording an amount of **GH¢591.59 million**. The amount was an increase of 9.05 percent on **GH¢542.49 million** recorded in 2017. The increase in operating profit between 2018 and 2017 was attributable to increasing revenue and decreasing direct costs for 2018.

The total assets base of the company increased from **GH¢6,258.52 million** in 2017 to **GH¢7,552.42 million** in 2018 representing a 20.67 percent increase in assets. GNGC added up to its total liabilities, recording **GH¢4,333.08 million** in 2017 and **GH¢5,264.61 million** in 2018 representing 21.50 percent increase. Net debt in a similar fashion also increased from **GH¢6,142.72 million** in 2017 to **GH¢7,419.38 million** in 2018 representing an increase of 20.78 percent. The net debt figure had been on a consistent increase, recording an increase of 6.02 percent between 2017 and 2016 **(GH¢5,794.07 million)**.

The company recorded liquidity positions below the optimal levels throughout the three-year period; 2018 (0.99), 2017 (0.81) and 2016 (0.78). This indicates that the company was likely unable to settle its short term liabilities on time. The gearing ratio of 3.36 recorded also indicates that GNGC had taken up quite an amount of debt in relation to its equity to fund its operations.

GNGC reported a net profit of **GH¢383.26 million** in 2018 which was a decrease of 16.44 percent from its 2017 performance **(GH¢458.67 million)**.

Main Financial Indicators of GNGC

Financial Indicators, GH¢'M			
Indicators	**2016 (GH¢ M)**	**2017 (GH¢ M)**	**2018 (GH¢ M)**
Turnover	932.37	1,109.34	1,199.55
Gross Profit/Loss	501.31	790.99	899.98
EBITDA	263.79	684.26	731.87
EBIT	130.07	542.49	591.59
Net Profit	-461.16	458.67	383.26
Total Assets	5,400.75	6,258.52	7,552.42
Total Liabilities	5,808.93	4,333.08	5,264.61
Equity	-399.38	1,826.44	2,209.70
Key Ratios			
Gross Profit Margin, %	53.77	71.30	75.03
Net Profit Margin	-49.46	41.35	31.95
Current Ratio	0.78	0.81	0.99
Return on Assets, ROA, %	-8.53	7.33	5.07
Equity/Asset Ratio	-0.07	0.29	0.29
Return on Capital Employed	-13.35	12.95	9.27
Gearing Ratio	-14.51	3.36	3.36
Other Indicators			
Dividends paid	0.00	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes

GHANA NATIONAL PETROLEUM CORPORATION (GNPC)

BOARD CHAIRMAN

Freddie Blay

CHIEF EXECUTIVE

Dr. Kofi Koduah Sarpong

BOARD MEMBERSHIP

Dr. Kofi Koduah Sarpong, Prof. J. S. Nabila, Kwabena Kwakye, Nana Adjoa Hackman, Ogyeahohoo Yaw Gyebi II, Yaw Kyei, Matilda Ohene (Board Secretary)

AUDITORS

Ernst & Young

BACKGROUND

The Ghana National Petroleum Corporation (GNPC), the national oil company was established under PNDC Law 64 in 1983. The company was established with the objective of supporting the government's vision of providing adequate and reliable supply of petroleum products to reduce the country's dependence on crude oil imports. The core mandate of the company is to undertake the exploration, development, production and disposal of petroleum.

The Petroleum (Exploration and Production) Law, 1984, PNDC Law 84, which was enacted to give regulatory framework for the exploration of Ghana's hydrocarbon resources, grants GNPC the right to enter into any open acreage to undertake exploration activities.

GNPC does not only operate as Ghana's national oil company, but also serves as the national gas sector aggregator as well as the partner in all petroleum agreements in Ghana.

OPERATIONS

GNPC has adopted a Business Strategy with the aim to become a standalone operator by 2019 and a world-class operator by 2027. The company has adopted the accelerated growth strategy anchored on four key pillars:

a) building capacity and expanding activities;

b) replacing and growing reserves;

c) efficient capitalization and optimum capitalization; and

d) capitalizing local content development.

Investments

The company's investments profile includes;

(a) Unincorporated Investments: these investments represent GNPC's main exploration and production investments. These investments are covered under Petroleum Agreements and Data Acquisition Agreements. GNPC by law is a party to all upstream Petroleum Agreements in Ghana.

(b) Incorporated Investments: these investments include investments in subsidiaries, strategic investments and other investments.

i. Subsidiaries

1. GNPC Exploration and Production Company (Explorco): the subsidiary is a key lever for GNPC to achieve its goal of becoming of becoming a world-class operator by 2027.
2. GNPC Oil and Gas Learning Foundation
3. GNPC Trading Company (Tradco)
4. GNGC

ii. Strategic Investments

1. GNPC Technip: a joint venture between GNPC and Technip, which provides engineering services to the oil and gas industry.
2. Saltpond Offshore Producing Company Ltd.: a 45 percent ownership joint venture with LushannEternit Energy Ltd. operating and producing company for the Saltpond Field.
3. GNPC-AGM Operating Company (OPCO)

iii. Other Investments

1. Mole Motel: a 60 percent motel venture located at the Mole National Park with the Wildlife department of the Forestry Commission of Ghana.
2. Prestea-Sankofa Gold: a joint venture investment with the Government of Ghana in the Prestea-Sankofa gold mine.
3. Valley Farms

FINANCIAL PERFORMANCE

Revenue increased significantly by 93 percent from **GH¢1,182.85 million** in 2017 to **GH¢2,285.62 million** in 2018. Direct costs for the period increased at a faster rate than the revenue for the year by 150.86 percent between 2017 **(GH¢453.28 million)** and 2018 **(GH¢1,137.12 million)**. The direct costs to revenue margin in 2018 was 49.75 percent and was up from the direct costs to revenue margin of 38.32 percent recorded in 2017.

General and administrative expenses increased from **GH¢345.44 million** in 2017 to **GH¢690.23 million** in 2018 indicating an increase of 99.81 percent. This was after the company was able to decrease its general and administrative expenses by more than half (56.06 percent) in 2016 **(GH¢786 million)**. Other expenses decreased steeply by 83.14 percent between 2017 **(GH¢123.75 million)** and 2016 **(GH¢739.94 million)** and increased significantly by 77.93 percent between 2018 **(GH¢220.19 million)** and 2017.

Operating profit decreased by 8.57 percent from **GH¢260.39 million** in 2017 to **GH¢238.08 million** in 2018. The decrease in operating profit for the year was due to the rate increase of direct costs surpassing the increase in revenue. This profit was after the company made an impressive turnaround in 2017 after recording operating loss in 2016 **(GH¢-344 million)** representing an almost two-fold increase (175.69 percent).

The company recorded increase in total assets between 2018 **(GH¢4,759.71 million)** and 2017 **(GH¢5,348.49 million)** marking a decrease of 11 percent. Both non-current (16.64 percent) and current (48.26 percent) assets increased for the year. The company was able to slightly decrease its total liabilities by 2.72 percent from **GH¢2,545.55 million** in 2017 to **GH¢2,476.25 million** in 2018.

Despite the decrease in total liabilities, current liabilities increased significantly for the year from **GH¢404.19 million** in 2017 to **GH¢1,005.37 million** in 2018 indicating an almost one-and-half-fold (148.74 percent) increase.

Net debt increased by 7.09 percent from **GH¢2,269.43 million** in 2017 to **GH¢2,430.25 million** in 2018. This was after the company managed to drastically decrease its net debt by 66.48 percent between 2017 and 2016 (**GH¢6,771.33 million)**. The increase shows a concern of a mismatch between cash and cash equivalents and the total liabilities of the company.

Current ratio recorded in 2018 was in a healthy position at a ratio of 1.20 showing the firm standing of the current assets of GNPC against their current liabilities. Gearing ratio of 1.06 shows that the company was unmanageably leveraged as their equity becomes less than their net debt for the period for the first time under the three-year review.

Interest coverage ratio for 2018 was 2.54 and was down 4.29 from 2017. This suggests that the company should keep an eye on achieving operating profits levels which would enable the company to cover their interest expense for subsequent periods.

Net profit for 2018 was **GH¢526.12 million** which represented an increase of 37 percent as compared to **GH¢383.87 million** for 2017.

Main Financial Indicators of GNPC

Financial Indicators, GH¢'M			
Indicators	**2016 (GH¢ M)**	**2017 (GH¢ M)**	**2018 (GH¢ M)**
Turnover	2450.91	1182.85	2285.62
Gross Profit/Loss	1182.19	729.57	1148.50
EBITDA	-344.00	260.39	238.08
EBIT	739.94	123.75	220.19
Net Profit	114.22	384.14	526.12
Total Assets	15353.10	5348.49	4759.71
Total Liabilities	7,261.41	2,545.55	2,476.25
Equity	8091.74	2803.73	2283.17
Key Ratios			
Gross Profit Margin, %	48.23	61.68	50.25
Net Profit Margin	4.66	32.45	23.02
Current Ratio	5.43	2.68	1.20
Return on Assets, ROA, %	0.74	7.18	11.05
Equity/Asset ratio	0.53	0.52	0.48
Return on Capital Employed	0.79	7.76	14.01
Gearing Ratio/Debt-to-equity ratio	0.84	0.81	1.06
Other Indicators			
Dividends paid	0.00	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	-	-	-

GOIL COMPANY LIMITED (GOIL)

BOARD CHAIPERSON

Mr. Kwamena Bartels

MANAGING DIRECTOR

Mr. Kwame Osei-Prempeh

BOARD MEMBERSHIP

Mr. Kwame Osei-Prempeh, Mrs. Beatrice Agyeman Prempeh, Mrs. Rhoderline Baafour-Gyimah, Mr. Beauclerc Ato Williams, Mr. Stephen Tengan, Mr. Robert Owusu Amankwah, Nana Ama Kusi-Appouh, Mr. Thomas Kofi Manu

AUDITORS

PKF Auditors

BACKGROUND

AGIP Ghana was the initial name of GOIL Company Limited when it was first incorporated as a private limited liability company in June, 1960. The first shareholders of the company were AGIP SPA of Italy and SNAM S.P.A. The mandate of the company upon establishment was to market petroleum products and related products including fuels, liquefied petroleum gas, and other specialty products. GoG acquired sole stake in the company in 1974, buying the company from then shareholders AGIP SPA and Hydrocarbons International Holdings and by a special resolution, changed the company's name to Ghana Oil Company Limited.

In 2007, the company adopted regulations which facilitated its conversion into a public company. The Government of Ghana directly through the Ministry of Finance is the largest shareholder in GOIL with a 34.23% controlling stake. Social Security & National Insurance Trust and Bulk Oil Storage and Transport, which are both Government of Ghana institutions, both have 25% and 20% stake respectively. The 20 largest shareholders of the company control a combined 87.96% of the company's stake and the minor others, 12.04% interest in the company.

OPERATIONS

The company operates marketing points from five zonal offices, which also double as distribution points, across the country namely Zonal Office South (Accra); Zonal Office South (Tema); Zonal Office Middle Belt (Kumasi); Zonal Office West (Takoradi); and Zonal Office North (Tamale).

Go Energy was established by GOIL in February, 2014 and fully commenced commercial business in 2015 as a Bulk Distribution Company (BDC). Go Energy is wholly owned by GOIL Company.

FINANCIAL PERFORMANCE

Revenue for GOIL increased by 24.84 percent from **GH¢4,078.56 million** in 2017 to **GH¢5,091.62 millio**n in 2018 representing an increase of 24.84 percent. This was after the company recorded an increase of 45.71 percent from 2016 (**GH¢3,494.39 million)** to 2017.

Direct costs increased by 23.96 percent between 2017 **(GH¢3,875.76 million)** and 2018 (**GH¢4,804.49 million**). Direct costs amounted to 94.36 percent of revenue for 2018. General and administrative expenses also increased by 27.96 percent from **GH¢96.00 million** in 2017 to **GH¢122.84 million** in 2018. General and administrative expenses represented 2.41 percent of revenue in 2018, which was a slight increase from the margin of 2.35 percent recorded in 2017.

The company recorded an increase in operating profit by 77.64 percent from **GH¢62.17 million** in 2017 to **GH¢110.44 million** in 2018. This was an impressive continuation in performance after recording an increase of 17.41 percent between 2016 **(GH¢52.95 million)** and the figure recorded for 2017. The increase in operating profit in 2018 was as a result of the revenue increasing at a faster rate than both direct costs and administrative expenses for the year.

Total assets grew at a rate of 29.82 percent from **GH¢1,036.51 million** in 2017 to **GH¢1,345.51 million** in 2018. The total asset base increased due to increases in both non-current (32.66 percent) and current assets (27.74 percent). The company increased its portfolio of total liabilities by 35.47 percent between 2017 (**GH¢669.44 million**) and 2018 (**GH¢906.86 million**). The increase in current liabilities by 27.77 percent accounted for the increase in total liabilities for the year. Current liabilities (**GH¢839.77 million**) made up 92.60 percent of the total liabilities figure for the year.

Current ratio for 2018 was 0.91 signifying a growing concern of the company's ability to meet its short-term financial obligations. The Gearing ratio of 1.87 shows a growing dependence of the company on leverage to finance its operations. The ratio was the second consecutive increase of the gearing ratio during the three-year review period..

GOIL reported net profit of **GH¢81.95 million** in 2018, which was the highest under the three-year review and an increase of 25.90 percent as compared to 2017 **(GH¢65.09 million)**. It is worth remarking that the increase between 2017 and 2018 was an improvement as compared to 21.32 percent recorded between 2016 **(GH¢53.65 million)** and the figure recorded for 2017. The return on capital employed of 16.20 percent also indicated that GOIL is utilizing the resources available to it quite efficiently. No dividend was paid to GoG in 2018.

Main Financial Indicators of GOIL

Financial Indicators, GH¢'M Indicators	2016 (GH¢ M)	2017 (GH¢ M)	2018 (GH¢ M)
Turnover	3494.39	4078.56	5091.62
Gross Profit/Loss	177.83	202.80	287.13
EBITDA	52.95	62.17	110.44
EBIT	52.95	62.17	110.44
Net Profit	53.65	65.09	81.95
Total Assets	868.42	1036.51	1345.51
Total Liabilities	5,624.01	6,912.96	7,698.84
Equity	309.56	367.07	438.65
Key Ratios			
Gross Profit and turnover ratio, %	5.09	4.97	5.64
Net Profit Margin	1.54	1.60	1.61
Current Ratio	1.01	0.91	0.91
Return on assets, ROA, %	6.18	6.28	6.09
Equity/Asset ratio	0.36	0.35	0.33
Return on Capital Employed %	16.70	17.16	16.20
Gearing Ratio /Debt-to-equity ratio	1.58	1.65	1.87
Other Indicators			
Dividends paid	0.00	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes

TEMA OIL REFINERY (TOR)

BOARD CHAIRMAN

Tongeaan Kugbilsong Nanlebegtang

MANAGING DIRECTOR

Mr. Isaac Osei

BOARD MEMBERSHIP

Hon. Isaac Osei, Mr, John Boadu, Dr. William Abayaawiea Atuilik, Edith Sapara-Grant, Seth Acheamfour-Yeboah, Leon Kendon Apenteng, Nene Abayaateye Amegatcher, Hon. Kofi Brako

AUDITORS

KPMG

BACKGROUND

In 1961, the Government of Ghana signed an agreement with Ente Nazionale Indrocarburi (ENI) Group of Italy to construct a refinery as part of the government's economic growth, industrial, investment and development programmes. The Company was incorporated in December, 1960 and was originally known as the Ghanaian Italian Petroleum (GHAIP) Company.

In 1963, the company began operations as a tolling refinery, processing crude oil form multinational oil companies. The GHAIP was flagged as one of the largest refineries that existed in Africa at the time. The Government of Ghana bought all the shares of the company from the ENI Group. Hence GoG is the sole shareholder of the company. The name of the company was changed to TOR in 1990.

OPERATIONS

In January, 2018, after ten months of inactivity at the company's processing plants, the company resumed operations. Following months of continuous operation, TOR in November 2018, entered into an arrangement with British Petroleum, which allowed the company to take delivery of 947,000 barrels of bonny light crude oil for processing into petroleum products.

TOR also acquired a new 120 tonnes per hour steam boiler as part of efforts to boost the power generation capacity of the refinery. The deployment of the new boiler will enhance the generation capacity from the current 5.5MW to 12MW, representing a jump of 118.18% in output generation. At this capacity, the company would be expected to wean itself off the national grid and even produce at excess capacity. The company currently has a topmost consumption capacity of 7.5Megawatts (MW).

FINANCIAL PERFORMANCE

Revenue increased from **GH¢ 218 million** in 2017 to **GH¢283.15 million** in 2018 representing an increase of 29.56 percent.

Direct costs rose by 42.51 percent from **GH¢ 155.67 million** in 2017 to **GH¢ 221.85 million** in 2018. The Direct costs to revenue margin for the year was 78.35 percent which was up from 71.23 percent in 2017.

The company reduced their general and administrative expenses from **GH¢ 37.03 million** in 2017 to **GH¢ 29.62 million** in 2018 (20.01 percent drop). Other expenses however, increased from **GH¢ 308.23 million** in 2017 to **GH¢ 347.80 million** in 2018 indicating an increase of 12.84 percent. Other expenses to revenue margin was 122.83 percent for 2018.

On account of TOR incurring more costs than its ability to generate revenue, the company posted an operating loss of **GH¢-316.12 million** in 2018. This was an increase of 11.94 percent on the operating loss **(GH¢-282.39)** reported in 2017.

The total asset base increased by 8.27 percent between 2018 **(GH¢ 1,764.40 million)** and 2017 **(GH¢ 1,629.62 million)**. The increase in total assets was due to a 61.68 percent increase in current assets from **GH¢ 543. 64 million** in 2017 to **GH¢ 715.68 million** in 2018. Total liabilities grew from **GH¢2,086.82 million** in 2017 to **GH¢ 2,256.96 million** in 2018 at 8.15 percent. Net debt followed a similar trend to total liabilities and increased from **GH¢ 2,027.63** million in 2017 to **GH¢ 2,247.0 million** in 2018 representing an increase of 10.82 percent. The net debt figure for 2018 is a cause for concern as the growing debt poses a risk to the viability of the company especially if the company is not able to generate enough revenue to cover these debts.

The current ratio for 2018 was 0.36 and was an indication that the company was not in a position to meet its short-term financial obligations. The company has a negative equity value of **GH¢492.54 million**, meaning the company was entirely leveraged and hence relies solely on debt to finance its operation.

TOR reported a net loss of **GH¢-382.73 million** in 2018 which was the second consecutive decline under the three-year review. The annual loss in 2018 represented a decline of 7.50 percent as compared to 2017 **(GH¢-397.54 million)** and 27.76 percent as compared to 2016 **(GH¢-529.79 million)**.

Main Financial Indicators of TOR

Financial Indicators, GH¢'M			
Indicators	**2016 (GH¢ M)**	**2017 (GH¢ M)**	**2018 (GH¢ M)**
Turnover	221.36	218.54	283.15
Gross Profit/Loss	155.01	62.87	61.30
EBITDA	-220.70	-219.73	-253.69
EBIT	-283.32	-282.39	-316.12
Net Profit	-529.79	-397.54	-382.73
Total Assets	1,499.82	1,629.62	1,764.40
Total Liabilities	3,382.57	2,086.82	2,256.96
Equity	-1882.76	-457.19	-492.54
Key Ratios			
Gross Profit and turnover ratio, %	70.03	28.77	21.65
Net Profit Margin	-239.33	-181.91	-135.17
Current Ratio	0.19	0.30	0.36
Return on assets, ROA, %	-35.32	-24.39	-21.69
Equity/Asset ratio	-1.26	-0.28	-0.28
Return on Capital Employed %	107.87	191.96	173.83
Gearing Ratio	-1.78	-4.43	-4.56
Other Indicators			
Dividends paid	0.00	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes

VOLTA RIVER AUTHORITY (VRA)

BOARD CHAIRPERSON

Mr. Kweku Andoh Awotwi

CHIEF EXECUTIVE

Mr. Emmanuel Antwi-Darkwa

BOARD MEMBERSHIP

Mr. Emmanuel Antwi-Darkwa, Dr. Joyce Rosalind Aryee, Mr. Richard Obeng Okrah, Nana Kobina Nketsia V, Mrs. Janet Anane, Chief Musah Badimsugru Adam, Mr. El-Farouk Umar

AUDITORS

Ghana Audit Service

BACKGROUND

The Volta River Authority was established under the Volta River Development Act, 1961 (Act 46) to generate and supply electricity for Ghana's needs. The company is also responsible for managing the environmental impact of the creation of the Volta Lake on the towns and people bordering the lake. The company maintains a national energy supply grid and represents Ghana in the West African Power Pool.

VRA Group consists of the following subsidiaries with 100 percent shareholding: Northern Electricity Distribution Company (NEDCo); Akosombo Hotels Limited (AHL); Kpong Farms Limited (KFL); Volta Lake Transport Company (VLTC); VRA Property Holding Company (PROPCo); VRA International School Limited (VISL); and VRA Health Services Limited (VHSL).

GoG is the sole shareholder with 100 percent ownership.

OPERATIONS

The company currently has a total installed generation capacity of 2,474.5MW from diverse energy sources including hydro, thermal and solar plants. VRA is seeking joint venture and private partnerships to convert its simple cycle power plants to combine cycle to add a total of 800 MW thermal capacity whilst increasing its renewable footprints in the solar and wind from 2.5 MW to a total of 300 MW.

During 2018, the company received a total of GH¢ 1,036.28 million from the ESLA Bond proceeds, which was used to defray part of its indebtedness. As part of efforts to turn the financial fortunes of the company around and ensure its viability and financial sustainability, its board has developed a three-year Financial Recovery Plan (FRP 2018-2021). The FRP is expected to help the company to (i) achieve a sustainable level of profitability that exceeds its aggregate financial performance for 2012-2016; and (ii) attain a composite financial performance that is comparable to electricity producers in the international industry.

The FRP is premised on four (4) main pillars, namely

a) Improving Financial Efficiency

b) Improving Commercial Activities

c) Improving Internal Business Processes, and

d) Improving Plant Efficiencies.

FINANCIAL PERFORMANCE

Revenue decreased from **GH¢2,981.75 million** in 2017 to **GH¢3,173.79 million** in 2018 representing a 6.44 percent increase. This was a further improvement on the 1.59 percent growth in revenue recorded between 2017 and 2016 **(GH¢2,934.36 million)**.

Direct costs decreased marginally from **GH¢3,081.73 million** in 2017 to **GH¢3,047.63 million** in 2018 signifying a decline of 1.11 percent. The company used up 96.02 percent of its revenue on direct costs in 2018. In contrast, general and administrative expenses increased from **GH¢502.62 million** in 2017 to **GH 560.74 million** in 2018 indicating an increase of 11.56 percent. General and administrative expenses made up 17.67 percent of revenue in 2018. Other expenses on the other hand decreased significantly in 2018 from **GH¢779.51 million** to **GH¢427.55 million** representing a 45.15 percent decline.

VRA recorded an operating loss of **GH¢-434.58 million** in 2018 as the sum of direct costs and general and administrative expenses outsized revenue for the year. On a positive note, this loss was a 58.09 percent reduction from the operating loss of **GH¢-1,036.89 million** recorded in 2017. This decline in the operating loss was due to the significant drop in other expenses in 2018. The company recorded operating losses for all the three years reviewed, recording operating loss of **GH¢-836.82 million** in 2016.

A net loss of **GH¢-220.10 million** was declared by VRA in 2018. This was, however, a 48.88 percent improvement on the loss of **GH¢-430.54 million** recorded in 2017. VRA paid taxes of **GH¢55.84 million** to GoG in 2018.

The asset base of VRA increased from **GH¢16,906.34 million** in 2017 to **GH¢18,787.55 million** in 2018. The asset base increased by 11.13 percent in 2018 due to the increase of current assets by 20.16 percent between 2018 and 2017. Total liabilities also increased by 2.56 percent between 2018 **(GH¢9,417.72 million)** and 2017 **(GH¢9,182.55 million)**. Net debt increased marginally by 0.85 percent from **GH¢ 8,638.06 million** in 2017 to **GH¢ 8,711.41 million** in 2018.

VRA was not likely to face trouble settling its short-term liabilities with a current ratio of 1.17 in 2018. The interest coverage ratio of negative 1.94 in 2018, however, indicates that the company was likely to face significant trouble covering its interest expense from its earnings. It is worth noting that the interest coverage ratio recorded while not ideal was a significant improvement from the ratio of negative 10.07 recorded in 2017.

Main Financial Indicators of VRA

Financial Indicators, GH¢'M			
Indicators	**2016 (GH¢ M)**	**2017 (GH¢ M)**	**2018 (GH¢ M)**
Turnover	2934.36	2981.75	3173.79
Gross Profit/Loss	-44.61	-99.98	126.16
EBITDA	-1,995.09	-947.82	-862.13
EBIT	-1995.09	-1382.11	-862.13
Net Profit	-1319.68	-430.54	-220.10
Total Assets	15,432.84	16,906.34	18,787.55
Total Liabilities	10,140.16	9,182.55	9,417.72
Equity	5292.67	7723.80	9369.83
Key Ratios			
Gross Profit and turnover ratio, %	-1.52	-3.35	3.98
Net Profit Margin	-44.97	-14.44	-6.93
Current Ratio	0.72	1.03	1.17
Return on Assets, ROA, %	-8.55	-2.55	-1.17
Equity/Asset Ratio	0.34	0.46	0.50
Return on Capital Employed %	-16.78	-4.17	-1.86
Gearing Ratio	1.83	1.12	0.93
Other Indicators			
Number of employees on average per year	0.00	0.00	0.00
Dividends paid from the profits of the previous year	0.00	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes

Box 5: VRA's Turnaround Strategy: Financial Recovery Plan (FRP) (2018-2021)

The Volta River Authority in executing its mandate of generating and supplying electricity for national development, has encountered financial challenges in the recent past. The reasons for these challenges, undoubtedly, have been the non-payment of accounts receivables, inadequate regulatory tariffs, depreciation of the local currency, high operation costs, low asset utilization, and low fuel efficiency of our thermal plants, among others.

The Board and Management as part of efforts to forestall the situation has developed a 3-year (2018-2021) Financial Recovery Plan (FRP) to facilitate a turnaround of the Authority's financial fortunes and ensure viability and financial sustainability. The FRP, thus, is a foundational strategy for restoring VRA's finances with the primary objective of developing and implementing specific interventions that will enable the Authority:

a) Achieve a sustainable level of profitability that exceeds its aggregate financial performance during the period of 2012 and 2016.

b) Attain a composite financial performance that is comparable to electricity producers in the international industry.

The Financial Recovery Plan (FRP) is centered on four pillars:

a) Improving Financial Efficiency.

b) Improving Commercial Activities.

c) Improving Internal Business Processes.

d) Improving Plant Efficiencies.

Improving Financial Efficiency

This Pillar aims at restricting the use of short-term debt for financing such as fuel purchases for thermal operations. The pillar seeks to promote the use of Natural Gas as the primary source of fuel. This is primarily because operating on crude oil requires pre-financing both the expected amount of crude oil to be used in the current period, as well as inventory for subsequent periods, at highly volatile prices. Natural Gas on the other hand has a relatively more stable price and requires no inventory, with the associated bills due only after consumption. The use of Natural Gas for thermal operations therefore reduces the working capital and related financing requirements.

The Pillar also stresses on timely collection of receivables to ensure prompt servicing debts and the avoidance of penalties. The successful issue of the Government of Ghana's E.S.L.A PLC bonds and the application of the bond proceeds to reduce VRA's short term debt exposure, and the restructuring of other outstanding debts to reduce annual debt service obligations will significantly improve VRA's finances.

Improving Commercial Activities

Improving commercial activities has the objective of advancing the commercial orientation of the Authority to increase its revenue streams and position itself to match up with the emerging competition. Though the VRA Commercial Department has been mandated to advance the commercial outlook of the organization, all other Departments within the Authority are expected to carry out their activities with a commercial mind set to increase revenues and control cost. Mobilization of revenue, value addition and commercialization of all services within the Authority and subsidiary businesses, is expected to grow the income streams for business sustainability.

Improving Internal Business Processes

In order to remain competitive, this Pillar seeks to drive improvements in internal business processes leveraging information technology (IT) and a strict reduction in administrative costs. Major initiatives to be carried out under this pillar include:

a) Maximizing productivity with minimum resources and use of budgetary controls.

b) Improving processing time and efficiency through the use of Electronic Document and Records Management System (EDRMS).

Improving Plant Efficiencies

Under this pillar, Management seeks to improve plant efficiencies by maximizing combined cycle operations and reducing unplanned shutdowns to the barest minimum. The pillar therefore aims at providing guidance on how generating stations will improve their respective efficiency levels by adhering to the following guidelines:

a) Ensuring high utilization levels on combined cycle operations by prioritizing maintenance and operational budgets for generating departments.

b) Continuous monitoring of plant efficiency levels to ensure compliance with industry standards.

c) Collaborating the GRIDCo to develop dispatch levels that optimize plant fuel efficiencies. The strict adherence and enforcement of the outlined interventions and guidelines will significantly facilitate the turnaround of VRA's financial health, improve liquidity and enable it to compete favorably in the energy market. This is the "New VRA", this is "VRA Beyond Aid".

FINANCIAL SECTOR

Overview of the Financial Sector

213. The financial sector is a major backbone of the Ghanaian economy. It facilitates access to credit and other critical financial services including banking facilities and insurance to the real sector, households and individuals. In 2018, the contribution of the financial sector was 4.2 percent even though the sector contracted by -8.2 percent. The contraction was an improvement over the -17.7 percent in 2017.

Recent Developments

214. The sector has undergone comprehensive reforms since 2017. These reforms were intended to create a more robust and well-capitalized banking sector with the capacity to support Ghana's industrialization agenda to accelerate economic growth. In addition, the reforms were intended to forestall potential systemic risk resulting from weak and inadequately capitalized banks.

215. Some of the major consequences of the reforms are highlighted below:

a) Raising of the capital requirements for universal banks from GH¢120.00 million to GH¢400.00 million, representing an increase of 233.33 percent.

b) Resolution of banks that repeatedly failed to comply with regulatory provisions according to the Central Bank. This initially led to the Purchase and Assumption of UT and Capital Bank by GCB Bank Limited.

c) Revocation of the licenses of five (5) insolvent banks licenses and initial consolidation of the five (5) banks under Consolidated Bank Ghana Limited (CBG), which was created to take over their asset and liabilities. These five (5) banks were UniBank Ghana Limited, Royal Bank Ghana Limited, BEIGE Bank, Construction Bank and Sovereign Bank. Subsequently, two (2) other banks, Heritage and Premium, whose licenses were revolved were added to the portfolio of CBG.

d) BoG's approval of three mergers including the merger of First Atlantic Merchant Bank Limited and Energy Commercial Bank; merger of Omni Bank and Bank Sahel Sahara; and merger of First National Bank and GHL Bank.

e) Creation of the Ghana Amalgamated Trust Limited (GAT) scheme by the Ministry of Finance to support two (2) state-owned banks, ADB and NIB as well as the private banks (the merged Omni/Bank Sahel Sahara, Universal Merchant Bank, and Prudential Bank) selected by GAT on the basis of their solvent status and good corporate governance, trough the raising of funds to meet the new capital requirement.

f) Downgrading of the license of GN Bank (GN) from a universal bank to a savings and loans company following their inability to comply with the new minimum capital requirement.

g) Reduction in the number of universal banks from 32 to 23 at the end of December 2018.

216. Other measures being implemented by BoG to strengthen its regulatory and supervisory framework, and promote confidence in the financial system include:

a) introduction of the Basel Regulatory Capital Requirement Directive;

b) roll-out of the Basel II/III supervisory framework, and implementation of IFRS 9 by banks;

c) issuance of directives on corporate governance, and risk management;

d) enforcement of Fit and Proper Guidelines for Shareholders, Directors and Key Management Personnel of Banks and SDIs as well as other supervised Non-Bank Financial Institutions to ensure bad behavior is not recycled within the financial sector;

e) enhancement of the capacity and resources of the Banking and Supervision Department, undertake a comprehensive review and improvement of all supervisory processes, and ensure strong enforcement of prudential and conduct regulatory requirements;

f) strengthening the overall financial stability risk assessments and establish adequate measures to promote stability of the financial system;

g) implementation of the deposit insurance scheme established under the Ghana Deposit Protection Act, 2016 (Act 931);

h) introduction of Banking Sector Cyber and Information Security Guidelines to protect consumers and create a safer environment for online and e-payments products in line with the government's interoperability objective; and

i) improvement in BoG's collaboration with other regulatory bodies to prevent regulatory arbitrage.

Summary of Sectorial Financial Performance

217. The analysis in this report covers thirteen (13) out of the twenty (20) companies in the financial sector in which GoG holds equity interest. The thirteen (13) companies are made up of five (5) SOEs namely, Consolidated Bank of Ghana (CBG), Ghana Exim Bank (EXIM), Ghana Infrastructure Investment Fund (GIIF), Ghana Reinsurance (Ghana Re), and Venture Capital Trust (VCTF); seven (7) JVCs' namely, Agriculture Development Bank (ADB), First Ghana Savings and Loan (FGSL), GCB Bank Ltd (GCB), Ghana Women Fund (GWF), SIC Company Limited (SIC), SIC Life Company Limited (SIC-Life), and Standard Chartered Bank Ghana Limited (SCB) in which GoG maintains a paltry 0.12 percent shareholding and One (1) special purpose vehicle; E.S.L.A. PLC.

218. Out of the thirteen firms mentioned above, four (4) universal banks (ADB, CBG, GCB Bank Ltd., and SCB); one (1) savings and loans company (FGSL), two (2) insurance companies (SIC and SIC Life) and one (1) reinsurance firm (Ghana Re). The remaining five (5) are financial vehicles focused on infrastructure, support for women in business and Small Medium and Micro Enterprises (SMMEs).

219. Given the unique nature of its operations, the aggregate analysis for the financial sector does not include E.S.L.A. PLC. Also, the 2016 and 2017 aggregate numbers do not include those of CBG since it began full operations in 2018.

Revenue

220. The SOEs in the financial sector recorded combined revenues of **GH¢558.19 million** in 2018 compared to **GH¢385.93 million** and **GH¢310.99 million** in 2017 and 2016 respectively. This represents an increase of 44.64 percent and 24.10 percent over the 2018 and 2017 figures respectively. Three (3) SOEs in the financial sector recorded increases in their revenue as follows: EXIM Bank's revenue increased by 3.14 percent from **GH¢59.40 million** to **GH¢61.25 million**; GIIF's revenue increased by 14.21 percent from **GH¢131.97 million** to **GH¢150.72 million**; Ghana Re's revenue increased by 6.58 percent from **GH¢193.00 million** to **GH¢205.39 million**.

221. The fund management entities (EXIM, GIIF, and VCTF) contributed 38.39 percent (**GH¢214.28 million**) of the total revenue registered by SOEs in the financial sector in 2018. SOEs in the insurance (Ghana Re) and universal banking (CBG) sub-sector contributed 36.85 percent and 24.76 percent respectively of the combined revenue of SOEs in the financial sector in 2018.

222. JVCs in the financial sector also recorded a combined revenue of **GH¢3,419.64 million** in 2018 against **GH¢3,128.65 million** in 2017 and **GH¢2,658.38 million** in 2016. This represents increases of 9.30 percent and 28.64 percent over 2017 and 2016 figures respectively. With the

exception of FGSL and GWF, all the SOEs in the financial sector posted an improved revenue performance in 2018 compared to the two (2) preceding years. GWF and FGSL's revenue declined by 4.92 percent (from **GH¢0.61 million** to **GH¢0.58 million)** and 4.46 percent (from **GH¢6.72 million** to **GH¢6.42 million**) respectively.

223. Four (4) JVCs recorded increases in their revenue from 2017 to 2018 as follows: GCB's revenue increased by 14.98 percent from **GH¢1,394.73 million** to **GH¢1,603.64 million**; STANCHART's increased by 6.20 percent from **GH¢684.23 million** to **GH¢726.62 million**; SIC's increased by 9.92 percent from **GH¢161.93 million** to **GH¢177.99 million**; and SIC-Life's increased by 17.90 percent from **GH¢258.29 million** to **GH¢304.52 million** in 2018.

224. The three (3) universal banks (GCB Bank Ltd., ADB, and STANCHART), which together recorded total revenue of **GH¢2,930.13 million**, contributed the share (85.69 percent) of the combined revenue of JVCs in 2018. In 2017, the universal banks contributed 86.33 percent (GH¢2,701.10 million) of the combined revenue of JVCs in the financial sector. JVCs in the insurance sub-sector (SIC and SIC Life) contributed 14.11 percent (**GH¢482.51 million**) of the total revenue recorded by JVCs in 2018 (**GH¢3,419.64 million**).

Expenditure

225. The cost of sales of SOEs in the financial sector increased consecutively from **GH¢96.27 million** in 2016 to **GH¢129.20 million** in 2017 and then to **GH¢160.68 million** in 2018. CBG contributed 91.61 percent of the combined direct cost of SOEs in the financial sector. The fund management SOEs (EXIM, GIIF, and VCTF) did not register any direct cost throughout the last three years.

226. JVCs' combined direct cost decreased from **GH¢1,189.62 million** in 2017 to **GH¢1,116.47 million** in 2018, after it had increased from **GH¢950.74 million** in 2016. These represent a decrease of 6.55 percent in 2018 and an increase of 25.13 percent in 2017. ADB (**GH¢219.84 million** to **GH¢221.66 million**) and FGSL (recorded marginal decreases in their direct costs, whiles GCB, STANCHART, EXIM, Ghana Reinsurance and GWF recorded an increase in operating cost.

227. Similarly, the combined general and administrative expenses for the SOE's increased by 107.06 percent from GH¢90.51 million in 2017 to GH¢187.41 million in 2018. JVCs in the financial sector increased their total general and administrative expenses by 15.47 percent from GH¢907.13 million in 2017 to **GH¢1,047.49 million** in 2018.

Operating Income

228. SOEs' total operating income increased by 71.47 percent from **GH¢364.11 million** in 2017 to **GH¢624.34 million** in 2018. All the SOEs, except VCTF, posted increases in their operating income throughout the three years. VCTF's operating income for 2016, 2017 and 2018 were GH¢-0.61 million, **GH¢-3.41 million**, and **GH¢-2.21 million**. Comparatively, the JVCs' had a smaller increase of 14.47 percent from **GH¢2,198.74 million** in 2017 to **GH¢2,516.90 million** in 2018. SIC-Life posted the biggest increase (10,395.14 percent) in its operating income from **GH¢1.85 million** in 2017 to **GH¢194.16 million** in 2018.

Gross and Net Profits

229. The total gross profit for SOEs in 2018 amounted to **GH¢417.76 million**, a 45.22 percent increase from the previous year's amount of **GH¢287.67 million,** whilst the JVCs' gross profit increased by 13.99 percent from **GH¢2,213.32 million** in 2017 to **GH¢2,532.00 million** in 2018. Similarly, the total net profit of SOE's in the financial sector amounted to **GH¢235.09 million** in 2018, representing an increase of 47.44 percent compared to **GH¢159.45 million** recorded in 2017. The JVCs increased their net profit from **GH¢529.75 million** in 2017 to **GH¢725.77 million** in 2018, representing a 37.00 percent increase.

230. Despite the increase in aggregate net profit for SOEs and JVCs', the under-listed companies recorded a decline in their net profit: ADB's net profit decreased by 77.71 percent (from **GH¢26.51 million** in 2017 to **GH¢5.91 million** in 2018); STANCHART's by 25.72 percent (from GH¢283.6 million in 2017 to **GH¢210.65 million** in 2018); and FGSL's by 645.16 percent with a net loss of **GH¢-2.31 million** in 2018 from **GH¢-0.31 million** in 2017.

Assets, Liabilities and Equity

231. The combined total assets for SOEs in the financial sector increased by 263.95 percent from **GH¢2,933.55 million** in 2017 to **GH¢10,676.58 million** in 2018. This was mainly driven by improvement in current assets of **GH¢8,570.61 million** in 2018 from **GH¢2,405.20 million** in 2017, representing a 256.34 percent rise. On the other hand, total liabilities recorded a substantial increase of 1,502.94 percent to **GH¢7,550.99 million** in 2018 from **GH¢471.07 million** in 2017. Total equity also increased by 26.13 percent to **GH¢3,105.73 million** in 2018 from **GH¢2,462.37 million** in 2017.

232. The JVCs in the financial sector recorded combined total assets of **GH¢21,419.71 million** in 2018 compared to **GH¢18,579.15 million** and **GH¢14,057.17 million** in 2017 and 2016 respectively. This represents an increase of 15.29 percent and 32.17 percent over the 2017 and 2016 figures respectively. Also, their aggregate total liabilities increased by 12.40 percent from **GH¢15,996.05 million** in 2017 to **GH¢17,979.93 million** in 2018. The JVCs' equity increased from **GH¢2,583.10 million** in 2017 to **GH¢3,439.78 million** in 2018 representing an increase of 33.16 percent.

233. Of the SOEs which posted decreases in total assets, VCTF's total assets declined by 3.78 percent (from **GH¢64.21 million** in 2017 to **GH¢61.78 million** in 2018) whiles total liabilities of Ghana Re's reduced by 9.9 percent (from **GH¢200.0 million** in 2017 to **GH¢180.20 million** in 2018) and VCTF's decreased by 45.66 percent to **GH¢0.28 million** in 2018 from **GH¢0.52 million** in 2017).

234. The increase in aggregate total assets of JVCs can be attributed to growth in the asset base of GCB which recorded a 11.27 percent increase from **GH¢9,558.15 million** reported in 2017 to **GH¢10,635.05 million** in 2018, and SIC which posted an increase of 139.41 percent from **GH¢216.69 million** recorded in 2017 to **GH¢518.78 million** in 2018. On the other hand, GWF recorded a decline of 8.85 percent in its total assets from **GH¢1.75 million** recorded in 2017of **GH¢1.59 million** in 2018.

235. SOEs' total equity showed a consistent increase to GH¢3,105.73 million in 2018 from GH¢2,462.37 million in 2017 and **GH¢ 2,246.66 million** in 2016. The following companies contributed to the increase in equity: EXIM Bank's equity increased by 8.47 percent (**GH¢697.29 million** in 2018 as against **GH¢642.84 million** in 2017); Ghana Re's equity increased by 13.40 percent (**GH¢332.50 million** in 2018 as against **GH¢293.20 million** in 2017). In contrast, VCTF recorded a decline in equity by 3.44 percent (**GH¢61.51 million** in 2018 against **GH¢63.70 million** in 2017).

236. The JVCs also recorded a combined equity of **GH¢ 3,439.78 million** in 2018 as against **GH¢ 2,583.10 million** and **GH¢ 2,286.85 million** in 2017 and 2016 respectively, representing a 33.16

percent and 12.95 percent increase over 2017 and 2016 respectively. Notably, GWF was the only JVC which registered a decrease (18.75 percent) in equity from **GH¢0.80 million** recorded in 2017 to **GH¢0.65 million** in 2018.

237. Consistent with the new minimum capital requirement (from **GH¢120 million** to **GH¢400 million**), the universal banks recorded a combined increase of 52.56 percent in equity from **GH¢2,512.92 million** registered in 2017 to **GH¢3,440.11 million** in 2018. Insurance companies (SIC, SIC Life and Ghana Reinsurance) contributed to the increased in total equity of entities in the financial sector. The combined equity of the three (3) companies increased by 113.12 percent from **GH¢352.21 millio**n recorded in 2017 to **GH¢750.62 million**.

Ratios

238. The average net profit margin for SOEs in the financial sector improved significantly from -76.93 percent in 2017 to 21.47 percent in 2018. In contrast, the average net profit margin of JVCs in the financial sector declined from 12.80 percent in 2017 to 10.39 percent in 2018.

239. There was a marginal increase in the average return on equity (ROE) for JVCs from 20.51 percent recorded in 2017 to 21.10 percent in 2018. The increase in average ROE for JVCs was influenced by the 37.00 percent increase in net profit compared to 33.16 percent in equity in 2018 against the performance in 2017. SOEs, on the other hand, recorded a slightly higher increase from 6.48 percent posted in 2017 to 7.57 percent in 2018.

240. The average current ratio of SOEs fluctuated through the last three years. It increased significantly from 113.55 in 2016 to 216.05 in 2017, and the tumbled to 153.26 in 2018. These represent increase and decline of 90.27 percent and 29.06 percent respectively in 2017 and 2018. This indicates difficulty for the firms in the financial sector to meet their short-term obligation within a year. Similarly, the current ratio of JVCs showed a mixed trend from 2016 to 2018. It declined from 6.50 in 2016 to 3.42 in 2017, and then increased to 5.36 in 2018.

241. SOEs' average gearing ratio increased from -0.17 in 2017 to 2.76 in 2018 indicating a high leverage as the entities activities were funded by more debt than shareholders' equity. This make the entities in financial sector susceptible to economic downturn or change in business cycle or environment. Similarly, JVCs recorded a decline in their average gearing ratio to 2.82 in 2018 from 0.85 in 2017 and 0.47 in 2016. This indicates a higher leverage as the entities activities were funded by more debt.

Table 11: Financial Indicators of SOEs in Financial Sector

Financial Indicators, GH¢ 'M			
Indicators	**2016**	**2017**	**2018**
Turnover	310.99	385.93	558.19
Gross Profit/Loss	250.57	287.67	417.76
EBITDA	65.27	176.80	259.59
EBIT	63.86	175.45	244.49
Net Profit	44.83	159.45	235.09
Total Assets	2,455.73	2,933.55	10,676.58
Total Liabilities	209.07	471.16	7,539.28
Equity	2,246.66	2,464.54	3,140.17
Key Ratios			
Gross Profit and Turnover ratio, %	9.14	8.38	24.81
EBITDA and Turnover ratio, %	20.99	45.81	46.50
Net Profit Margin	(17.76)	(76.93)	21.47
Current Ratio	15.03	11.93	1.20
Return on Assets, ROA, %	0.85	1.81	4.82
Return on Equity, ROE, %	2.00	6.48	7.57
Return on Capital Employed	0.35	1.65	3.81
Gearing Ratio	(0.16)	(0.17)	2.76
Other Indicators			
Number of employees	-	-	-
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes
Dividends	-	-	-

Table 12: Financial Indicators of JVCs in Financial Sector

Financial Indicators, GH¢ 'M			
Indicators	**2016**	**2017**	**2018**
Turnover	2,658.38	3,128.65	3,419.64
Gross Profit/Loss	1,688.37	1,840.85	2,031.15
EBITDA	663.33	871.57	987.26
EBIT	599.64	791.16	1,016.80
Net Profit	364.09	529.74	725.77
Total Assets	14,057.17	18,579.16	21,419.70
Total Liabilities	11,770.32	15,996.05	17,979.94
Equity	2,286.85	2,583.10	3,439.77
Key Ratios			
Gross Profit and Turnover Ratio, %	60.28	50.30	50.28
EBITDA and Turnover Ratio, %	26.45	30.69	37.18
Net Profit Margin	0.84	12.80	10.39
Current Ratio	6.50	3.42	5.36
Return on Assets, ROA, %	4.72	4.69	5.32
Return on Equity, ROE, %	15.92	20.51	21.10
Return on Capital Employed	2.52	8.29	5.23
Gearing Ratio	0.47	0.85	2.82
Other Indicators			
Number of employees	-	-	-
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes
Dividends	-	-	-

Table 12: State Equity Participation in the Financial Sector (2018)

Name of Entity	Field of Activity	Turnover,	Profit/ Loss, GH¢ 'M	Total Assets, GH¢ 'M	Number of Employees	GoG Shareholding (%)
GCB Bank Limited	Financial/Banking services	1,603.64	323.13	10,635.05	0	21.36
Agriculture Commercial Bank Limited (ADB)	Financial/Banking services	599.87	5.91	3,597.4	0	32.3
Standard Chartered Bank Ghana Limited	Financial/Banking services	722.22	210.65	5,961.50	0	0.10
Consolidated Bank (Ghana) Limited	Financial/Banking services	138.21	(22.84)	7,488.73	0	N/A
Ghana Women Fund	Financial/Banking services	0.58	(0.08)	1.59	0	67.51
Ghana Reinsurance	Reinsurance services	205.70	38.60	512.70	0	100
First Ghana Savings and Loan Limited	Non-Banking Financial Services (Savings and Loans)	6.42	(2.31)	40.81	0	0
Venture Capital Trust Fund	Provision of services to SME's and agriculture Sector	2.31	(2.19)	61.78	0	100.00
Ghana Infrastructure Investment Fund (GIIF)	Fund to support infrastructure growth	150.72	167.07	1,624.12	0	100.00
SIC Life	Life Insurance	304.52	143.80	664.58	0	80.00
State Insurance Company (SIC)	General and Non-Life Insurance Services	177.99	44.66	518.78	0	40.00
Exim Bank Ghana	Export and Import Financing	61.25	54.45	1,014.28	0	N/A
ESLA PLC	Issuing Long-term Bonds and Securitizing Portion of ESLA's (Energy Sector Levy Act) Receivables	1,249.90	33.06	5,648.08	0	N/A
SIC Life	Life Insurance	304.52	143.80	664.58	0	80.00
State Insurance Company (SIC)	General and Non-Life Insurance Services	177.99	44.66	518.78	0	40.00
Exim Bank Ghana	Export and Import Financing	61.25	54.45	1,014.28	0	N/A
ESLA PLC	Issuing Long-term Bonds and Securitizing Portion of ESLA's (Energy Sector Levy Act) Receivables	1,249.90	33.06	5,648.08	0	N/A

AGRICULTURE DEVELOPMENT BANK LIMITED (ADB)

BOARD CHAIRMAN

Mr. Alex Bernasko

MANAGING DIRECTOR

Dr. John Kofi Mensah (Appointed 08/08/2017)

BOARD OF DIRECTORS

Mr. Kwabena Abankwah-Yeboah , Mrs. Mary Abla Kessie Prof. Peter Quartey, Mrs. Abena Osei-Asare, Mr. Kwesi Korboe, Hon. Dr. Mark Assibey-Yeboah, Mr. Kwabena Dapaah-Siakwan (Resigned: 16/08/2018), Nana Ama Serwaa Bonsu (Resigned: 16/08/2018), Dr. Adu Anane Antwi (Resigned: 16/08/2018), Mr. Frank Kwame Osei (Resigned: 16/08/2018), Professor David Abdulai (Resigned: 16/08/2018).

AUDITORS

Ernest & Young

BACKGROUND

ADB was the first development finance institution established by the Government of Ghana. ADB was established in 1965 by an Act of Parliament to meet the banking needs of the Ghanaian agricultural sector. Before its current name, the bank was known as the Agricultural Credit and Co-operative Bank. The bank changed its name in 1970, when the parliamentary statute was amended to grant the institution full commercial banking powers. The Bank was successfully listed on the Ghana Stock Exchange (GSE) on December 20, 2016.

OPERATIONS

ADB is a universal bank offering a full range of banking services and products in Customer, Corporate, Parastatals/ Public Sector, Small and Medium Scale (SME), Agriculture, Trade and E-Banking Services.

FINANCIAL PERFORMANCE

Revenue for ADB increased by 40.21 percent from **GH¢443.71 million** in 2016 to **GH¢622.14 million** in 2017. The company was not able to sustain the momentum gathered in the previous year and its revenue declined by 3.58 percent from **GH¢622.14 million** in 2017 to **GH¢599.87 million** in 2018.

Direct costs for the bank amounted to **GH¢221.66 million** in 2018. This was an increase of an insignificant 0.87 percent on the **GH¢219.84 million** spent on direct costs in 2017. General and administrative expenses also amounted to **GH¢343.23 million** in 2018, which represented an increase of 10.81 percent on the amount of **GH¢309.74 million** spent on administrative expenses of the bank in 2017.

ADB posted an operating profit of **GH¢34.06 million** in 2018. This was, however, a decline of 28.05 percent on the operating profits reported in 2017. The decline in the operating profits was on account of ADB's revenue declining and its inability to contain its costs.

The total asset base for the bank amounted to **GH¢3,597.40 million** in 2018, a slight increase of 1.47 percent over **GH¢3,545.14 million** recorded in 2017. Total liabilities decreased by a marginal 3.54 percent from **GH¢3,066.13 million** in 2017 to **GH¢2,957.67 million** in 2018.

ADB's current ratio stood at 0.75 in 2018. The current ratio for the bank was consistently below the optimal level of 1 over the last three-years. The gearing ratio for the bank was also 2.34 indicating that the bank relied on quite a bit of leverage to finance its operations.

ADB posted a net profit of **GH¢5.91 million** in 2018. The net profit was a 77.71 percent decline on the net profit of **GH¢26.51 million** in 2017. On account of the decline in the net profitability of the company, the net profit margin dropped from 4.26 percent in 2017 to 0.98 percent in 2018.

Main Financial Indicators of ADB

Financial Indicators, GH¢ 'M			
Indicators	**2016**	**2017**	**2018**
Turnover/Revenue	443.71	622.14	599.87
Gross Profit/Loss	278.25	406.90	387.48
EBITDA	(89.90)	65.70	56.78
EBIT	(105.71)	47.34	34.06
Net Profit	(70.03)	26.51	5.91
Total Assets	3,035.49	3,545.14	3,597.40
Total Liabilities	2,580.72	3,066.13	2,957.68
Equity	456.78	479.01	639.71
Key Ratios			
Gross Profit Margin/Profit and turnover ratio, %	62.71	65.40	64.59
EBITDA and turnover ratio, %	(20.26)	10.56	9.46
Net Profit Margin (%)	(15.78)	4.26	0.98
Current Ratio	0.90	0.92	0.75
Return on Assets, ROA, %	(2.96)	1.85	1.58
Return on Equity, ROE, %	(15.40)	5.53	0.92
Return on Capital Employed	(8.38)	2.83	0.65
Gearing Ratio	2.30	2.71	2.34
Other Indicators			
Number of employees	1,197	1,179	1,195
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes
Dividends paid	0.00	0.00	0.00

CONSOLIDATED BANK (GHANA) LIMITED

BOARD CHAIRMAN

Welbeck Abra-Appiah

MANAGING DIRECTOR

Daniel Wilson Addo

BOARD OF DIRECTORS

Daniel Wilson Addo, Hon. Ben Abdallah Banda, Kwamina Bentsi Enchil Duker, Maureeen Abla Amematekpor, Gloria Adjoa Owusu, Philip Osafo-Kwaako, Lucy Joan Quist (Resigned on 9th June, 2019), Charles Adu Boahen (Resigned on 21st November, 2018), David Klotey Collison (Resigned on 21st November, 2018).

AUDITORS

PricewaterhouseCoopers

BACKGROUND

CBG is the second largest Bank in Ghana. It was formed in 2018 after the Bank of Ghana revoked the licenses of five Ghanaian banks. On August 1, 2018, Bank of Ghana withdrew the licenses of the banks after their inability to meet the new capital requirements set by the central bank. The Banks were Construction Bank, Beige Bank, Royal Bank, UniBank and Sovereign Bank.

The assets and liabilities of the 5 banks were transferred to form the Consolidated Bank of Ghana with the Government of Ghana owning 100% of the shares of the Bank. This was after these Banks were found to have committed various regulatory breaches that resulted in the Banks becoming insolvent and hence unable to meet their obligations.

OPERATIONS

CBG Limited offers comprehensive banking solutions to address the needs of corporate and institutional clients with particular emphasis on relationship banking, corporate banking, and digital banking.

Indicator	Results (2018)
Total Assets	7.49 b
Customer Deposits	5.51 b
Investments in Securities	6.23 b
Loans & Advances	3.55 m
Equity	427 m

FINANCIAL PERFORMANCE

Revenue for CBG from its inception to December 2018 amounted to **GH¢138.21 million**. Direct costs and administrative costs amounted to **GH¢13.48 million** and **GH¢57.50 million** respectively. CBG also incurred other expenses amounting to **GH¢82.00 million** over the period.

Total assets, total liabilities and equity amounted **GH¢7,488.73 million**, **GH¢7,061.57 million** and **GH¢427.16 million** respectively.

The bank had a current ratio of 1.06 and this was an indication of the ability of the bank to meets its short term liabilities. The bank is, however, very highly leveraged as indicated by the gearing ratio of 13.91.

CBG posted a net loss of **GH¢-22.84 million** and a net loss margin of 16.53 percent in 2018.

Main Financial Indicators of Consolidated Bank (Ghana) Limited.

Financial Indicators, GH¢ 'M			
Indicators	**2016**	**2017**	**2018**
Turnover/Revenue	-	-	138.21
Gross Profit/Loss	-	-	124.73
EBITDA	-	-	(14.77)
EBIT	-	-	(28.41)
Net Profit	-	-	(22.84)
Total Assets	-	-	7,488.73
Total Liabilities			7,061.57
Equity	-	-	427.16
Key Ratios			
Gross Profit Margin %	-	-	90.25
EBITDA and turnover ratio, %	-	-	(10.69)
Net Profit Margin (%)	-	-	(16.53)
Current Ratio	-	-	1.06
Return on Assets, ROA, %	-	-	(0.30)
Return on Equity, ROE, %	-	-	(5.35)
Return on Capital Employed			(4.40)
Gearing Ratio	-	-	13.91
Other Indicators			
Number of employees on average per year	-	-	2,582
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes
Dividends paid	0.00	0.00	0.00

E.S.L.A. PLC

BOARD CHAIRMAN

Simon Dornoo

BOARD OF DIRECTORS

Alhassan Tampuli, James Demitrus, Samuel Arkhurst, Frederick Dennis.

AUDITORS

Deloitte and Touché

BACKGROUND

E.S.L.A. PLC is a Special Purpose Vehicle (SPV) incorporated as a public limited liability company to issue long-term bonds to resolve energy sector debt that arise due to banks and trade creditors. The securities issued are backed by a component of the ESLA receivables which has been assigned to the company for the settlement of coupons and principal repayments arising under the securities that are issued.

The key objective of ESLA is to help resolve the issue of indebtedness in the energy sector. The company is administered by KPMG Ghana and its board is made up of carefully selected competent and experienced individuals. The company upholds excellence, quality and professionalism as part of its core values.

OPERATIONS

Among other things, E.S.L.A. PLC is authorized to carry out the following business:

a. issue debt securities backed by receivables collected under the Energy Sector Levies Act, assigned to the Company by the Government of Ghana acting through the Ministry of Finance for the purpose of servicing the debt securities and related expenses; and

b. enter into such other arrangements and transactions in relation to the issuance of debt securities as may be necessary or required by the Government of Ghana acting through the Ministry of Finance.

The company has issued bonds with a face value of **GH¢5,664,721,000** as follows:

Bonds Issued	GH¢'000
7-year bond - November 2017	2,408,626
10-year bond - November 2017	2,375,348
10 year bond retap - January 2018	615,948
10 year bond retap – August 2018	264,799
Total	5,664,721

Buy-Backs	
Tranche E2 (September 2018)	218,267
	5,882,988

Levy collections over the period, 13 October 2017 to December 2018 amounted to approximately **GH¢1.6 billion - GH¢ 279,732,660** and **GH¢ 1,353,706,144** respectively.

Source Account	Oct - Dec (2017)	Jan - Dec (2018)	Total
EDRL	166,269,860	866,193	167,136,053
EDSA	113,462,800	467,578,412	581,041,212
PGISsA	-	885,261,539	885,261,539
Total Received	**279,732,660**	**1,353,706,144**	**1,633,438,804**

FINANCIAL PERFORMANCE[6]

ESLA PLC brought in GH¢1,249.90 million in revenue in 2018. The interest expense amounted to GH¢1,243.13 million. An amount of GH¢6.77 million was spent on general and administrative expenses.

ESLA posted a total comprehensive income of GH¢33.06 million in 2018. Total assets, total liabilities and equity amounted to GH¢5,648.03 million, GH¢5,614.96 and GH¢33.07 million respectively in 2018.

Main Financial Indicators of ESLA PLC

Financial Indicators, GH¢ 'M			
Indicators	**2016**	**2017**	**2018**
Turnover/Revenue	-	-	1,249.90
Gross Profit/Loss	-	-	0
EBITDA	-	-	44.08
EBIT	-	-	44.08
Net Profit	-	-	33.06
Total Assets	-	-	5,648.03
Total Liabilities	-	-	5,614.96
Share Capital (Ordinary Share)	-	-	132.99
Equity	-	-	33.07
Key Ratios			
Gross Profit Margin/Profit and turnover ratio, %	-	-	0.00
EBITDA and turnover ratio, %	-	-	3.53
Net Profit Margin (%)	-	-	2.64
Current Ratio	-	-	8.14
Return on assets, ROA, %	-	-	0.78
Return on equity, ROE, %	-	-	99.97
Return on Capital Employed	-	-	0.61
Gearing Ratio	-	-	152.91
Other Indicators			
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes

6 The 2018 figures are for the 15-month period ended 31 December 2018.

EXIM BANK

BOARD CHAIRMAN

Kwadwo Boateng Genfi

CHIEF EXECUTIVE DIRECTOR

Mr. Lawrence Agyinsam

BOARD OF DIRECTORS

Mr. Robert Ahomka-Lindsey, Dr. Johnson P. Asiama, Nana Appiagyei Dankawoso I, Mr Peter Kwame Abebrese, Catherine Quaidoo, Nana Adjei Mensah, Gifty Kekeli Klenam, Mr. Lawrence Agyinsam.

AUDITORS

Ghana Audit Service

BACKGROUND

The EXIM bank was established by the Ghana Export-Import Bank Act 2016 (Act 911) to support the Government of Ghana's quest to develop a sustainable export led economy. It came about as a result of a merger of 3 Government agencies namely Export Trade, Agricultural and Industrial Development Fund (EDAIF); Export Finance Company (EFC); and EXIMGUARANTY Company Limited.

EXIM's core role is to facilitate the transformation of Ghana's economy into an export led one by supporting and developing trade between Ghana and other countries, overseas investments by Ghanaian Companies.

OPERATIONS

The Bank is a development finance institution and offers seven (7) main products and services, namely:

Pre-shipment Credit, Post-shipment Credit, Contingent Liabilities, Export Development Finance, Cross-Border Investments, Project Export and Research & Advisory Services.

FINANCIAL PERFORMANCE

Revenue for EXIM bank increased by a marginal 3.11 percent from **GH¢59.4 million** in 2017 to **GH¢61.25 million** in 2018. This followed an increase of 11.49 percent from 2016 **(GH¢53.28 million)** to 2017.

General and Administrative expenses decreased significantly from **GH¢124.83 million** in 2016 to **GH¢36.19 million** in 2017 representing a decrease of 71.01 percent. The General and administrative expenses, however, increased by 94 percent from **GH¢36.19 million** in 2017 to **GH¢70.21 million** in 2018.

EXIM Bank's total assets increased consistently over the past three-year period. Total assets increased by 31.21 percent from **GH¢695 million** in 2016 to **GH¢911.93 million** in 2017, and increased further increased by 11.23 percent to **GH¢1,014.28 million** in 2018. Total liabilities also increased by 9.56 percent from **GH¢269.09 million** in 2017 to **GH¢294.82 million** in 2018.

EXIM Bank posted a net profit of **GH¢ 54.5 million** in 2018. The profit was an exponential increase of 973.96 percent over the net profit of **GH¢5.80 million** reported in 2017.

Main Financial Indicators of EXIMBANK

Financial Indicators, GH¢ 'M			
Indicators	**2016**	**2017**	**2018**
Turnover/Revenue	53.28	59.40	61.25
Gross Profit/Loss	53.28	59.40	61.25
EBITDA	(78.07)	5.80	55.34
EBIT	(79.21)	5.07	54.45
Net Profit	(79.21)	5.07	54.45
Total Assets	695.00	911.93	1,014.28
Total Liabilities	57.23	269.09	294.82
Equity	637.77	642.84	697.29
Key Ratios			
Gross Profit Margin/Profit and turnover ratio, %	0.00	0.00	0.00
EBITDA and turnover ratio, %	(146.52)	9.76	91.62
Net Profit Margin (%)	(148.65)	8.54	88.89
Current Ratio	185.13	102.46	34.90
Return on Assets, ROA, %	(11.23)	0.64	5.46
Return on Equity, ROE, %	(148.65)	8.54	90.17
Return on Capital Employed, %	(11.44)	0.56	5.49
Gearing Ratio	(0.24)	(0.36)	0.11
Other Indicators			
Number of employees	98	107	137
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes
Dividends paid	0.00	0.00	0.00

FIRST GHANA SAVINGS AND LOANS LIMITED

BOARD CHAIRMAN

Dr. John Kweku Asamoah

MANAGING DIRECTOR

Mr. William Hor

BOARD OF DIRECTORS

Mr. William Hor, Mr. Anthony Selom Dzadra, Mr. Steve Aggor, Mr. Theophilus Dorgbetor, Mrs. Hannah Quarcoopome.

AUDITORS

Deloitte and Touché

BACKGROUND

First Ghana Savings and Loans (FGSL) is a Non-Banking Financial Institution licensed to operate as a Savings and Loans Company under the Non-Bank Financial Institution Act, 2008 (Act 774) and Banking Act, 2004 (Act 673) and the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930).

The Company started as First Ghana Building Society (FGBS) in 1956. In 2006, the Society was transformed into a Limited Liability Company in order to become more competitive and also adapt to technological and economic changes in Ghana.

Currently, FGSL is a subsidiary of the National Investment Bank (NIB) which owns about ninety percent (90%) of the shares of the company and the remaining shares owned by GoG and other shareholders.

FINANCIAL PERFORMANCE

Revenue for FGSL declined by 4.52 percent from **GH¢6.72 million** in 2017 to **GH¢6.42million** in 2018.

The company managed to reduce its direct costs from **GH¢1.13 million** in 2017 to **GH¢6.42 million** in 2018 representing a decline of 43.36 percent. General and Administrative expenses, on the other hand, increased by 36.66 percent from **GH¢5.92 million** in 2017 to **GH¢8.09 million** in 2018.

FGSL posted an operating loss of **GH¢-2.31 million** in 2018. The operating loss was an exponential increase of 621.88 percent on the **GH¢-0.32 million** operating loss reported in 2017.

Total assets increased from **GH¢37.50 million** in 2017 to **GH¢40.81 million** in 2018 representing an increase of 8.83 percent. Total Liabilities also increased by 20.72 percent from **GH¢27.12 million** in 2017 to **GH¢32.74 million** in 2018.

Total Customer deposits grew by 10.57 percent from **GH¢25.28 million** in 2017 to **GH¢28.80 million** in 2018. Net Loans and Advances to customers increased by 22.33 percent from **GH¢8.33 million** in 2017 to **GH¢10.19 million** from 2018.

The current ratio decreased steadily from 1.17 in 2017 to 0.84 in 2017 to 0.69 in 2018. This decline points to the fact that the company is gradually moving towards a situation where it could face challenges in settling its short term liabilities. The company was highly leveraged with a gearing ratio of 3.79 in 2018.

The performance of the company during the year 2018 resulted in a net loss of **GH¢-2.31 million**.

Main Financial Indicators of FGSL

Financial Indicators, GH¢'M			
Indicators	**2016**	**2017**	**2018**
Turnover/Revenue	7.00	6.72	6.42
Gross Profit/Loss	6.12	5.59	5.78
EBITDA	(0.02)	(0.32)	(2.31)
EBIT	(0.02)	(0.32)	(2.31)
Net Profit	(0.29)	(0.31)	(2.31)
Total Assets	41.38	37.50	40.81
Total Liabilities	30.70	27.12	32.74
Equity	10.68	10.38	8.06
Key Ratios			
Gross Profit Margin/	87.45	83.19	90.04
EBITDA and turnover ratio, %	(0.22)	(4.80)	(35.91)
Net Profit Margin (%)	(4.21)	(4.60)	(35.91)
Current Ratio	1.17	0.84	0.69
Return on Assets, ROA, %	(0.04)	(0.86)	(5.65)
Return on Equity, ROE, %	(2.76)	(2.95)	(28.58)
Return on Capital Employed	(1.70)	(2.95)	(28.58)
Gearing Ratio	2.46	2.29	3.79
Other Indicators			
Number of employees on average per year	-	-	-
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes
Dividends paid	0.00	0.00	0.00

GCB BANK LIMITED

BOARD CHAIRMAN

Mr. Jude Kofi Arthur

MANAGING DIRECTOR

Mr. Anselm Ransford A. Sowah

BOARD OF DIRECTORS

Mr. Anselm Ransford A. Sowah, Mr. Socrates Afram, Mr. Samuel Amankwah, Mrs. Lydia Gyamera Essah, Mr. Nik Amarteifio, Nana Ama Aynsua Saara III, Mr. Emmanuel Ray Ankrah, Mr. Osmani Aludiba Ayuba, Mr. Francis Arthur-Collins, Alhaji Alhassan Yakubu, Mr. Edward Prince Amoatia Younge.

AUDITORS

Deloitte & Touché

BACKGROUND

GCB Bank Limited was founded in 1953 with 27 employees as the Bank of the Gold Coast. Initially, it focused on serving Ghanaian traders, farmers, and business people, who could not obtain financing from the expatriate banks. In 1957, when Ghana attained Independence, the bank re-branded to Ghana Commercial Bank to concentrate on commercial banking, since Bank of Ghana had been created to function as the central bank and banking regulator. In the beginning, the bank was wholly owned by the Government of Ghana, it however listed on the Ghana Stock Exchange in 1996 to allow members of the public to become shareholders.

In 2014, the bank undertook a rebranding exercise and renamed itself GCB Bank Limited. Today, GCB Bank serves the banking needs of large corporations, parastatal companies, small and medium enterprises as well as individuals. GCB Bank is the largest indigenous financial institution in Ghana with about 161 branches, and total assets valued at about **GH¢6billion**, with a market capitalization of approximately **GH¢1 billion**.

In August 2017, the Bank of Ghana, the nation's central bank, announced that it had approved a Purchase and Assumption transaction with GCB Bank Limited that transferred all deposits and selected assets of UT Bank and Capital Bank (Ghana) to GCB Bank Ltd.

GoG maintains 21.4 percent shareholding in the bank, while the remaining 78.6 percent is owned by institutional and private investors.

OPERATIONS

GCB Bank provides a wide range of products and services ranging from international money transfers, overdraft facilities, bulk cash collection, trade finance, payroll solutions, business advice, internet banking and more for startup, sole trader, entrepreneur, small and medium businesses or national or International Corporation.

FINANCIAL PERFORMANCE

Revenue for GCB increased by 14.98 percent from **GH¢1,394.73** in 2017 to **GH¢1,603.64 million** in 2018. This followed a significant revenue increase of 31.25 percent from 2016 **(GH¢1,062.69 million)** to 2017.

Similarly, GCB's direct costs also increased consistently over the past three years. Direct costs increased from **GH¢666.41 million** in 2017 to **GH¢698.58 million** in 2018 representing an increase of 4.83 percent. The increase in 2018 was, however, lower than the 49.49 percent increase on the direct costs from 2016 **(GH¢445.78 million)** to 2017.

Direct costs amounted to 43.56 percent of GCB's revenue in 2018. General and Administrative expenses in similar fashion increased by 17.41 percent from **GH¢362.81 million** in 2017 to **GH¢425.96 million** in 2018.

GCB reported an operating profit of **GH¢446.38 million** in 2018. The operating profit was a 44.51 percent increase on the **GH¢308.89 million** recorded in 2017.

The total asset base of the bank increased by 11.27 percent from **GH¢9,558.15 million** in 2017 to **GH¢10,635.05 million** in 2018. One of the main drivers of the growth in assets was a 33.33 percent growth in loans and advances to customers from **GH¢2,099.33 million** in 2017 to **GH¢2,799.04 million** in 2018.

GCB's total liabilities also increased by 10.23 percent from **GH¢8,445.00 million** in 2017 to **GH¢9,309.63 million** in 2018. The increase in liabilities is mainly attributable to a 14.73 percent increase in deposits from customers **GH¢6,842.24 million** in 2017 to **GH¢8,024.43 million** in 2018. Hence the net worth of GCB Bank in 2018 was **GH¢1,325.42 million.**

GCB reported a net profit of **GH¢ 323million** and a net profit margin of 20.15 percent in 2018 . The net profit represented an impressive 51.90

percent increase over the previous year's profit of **GH¢212.72 million**.

GCB's net profit margin had decreased from 25.07 percent in 2016 to 15.25 percent in 2017 before rising to 20.15 percent in 2018. The increase in 2018 was as a result of the increase in revenue and net profit. This represented GCB's efficiency at converting sales into actual profit.

GCB' current ratio decreased consistently to 0.63 in 2018 from 1.09 and 0.97 in 2016 and 2017 respectively. This means that GCB's liquid assets keep reducing annually thereby limiting its ability to cover its short-term liabilities.

Return on capital employed increased to 18.08 percent in 2018 from 9.70 percent in 2017 indicating an increase in the Bank's efficiency in generating profit from its capital employed.

The gearing ratio marginally dropped to 5.55 in 2018 by 16.79 percent from 6.67 in 2017 indicating a high leverage in the bank's activities funded by shareholders' capital versus decreasing creditor's funds (or debt). This reflects the 19.07 percent increase in equity (**GH¢1,325.42 million** in 2018 from **GH¢1,113.15 million** in 2017) and 0.89 percent decrease in debt (**GH¢7,356.01 million** in 2018 against **GH¢7,422.32 million** in 2017).

The interest coverage ratio for 2018 increased to 1.15 in 2018 compared to 1.06 in 2017, indicating a marginal increase in GCB's ability to pay interest on its debt with EBIT.

Main Financial Indicators of GCB Limited

Financial Indicators, GH¢ 'M			
Indicators	**2016**	**2017**	**2018**
Turnover/Revenue	1,192.92	1,394.73	1,603.64
Gross Profit/Loss	746.22	728.32	905.06
EBITDA	488.10	366.65	537.88
EBIT	446.78	308.89	446.38
Net Profit	299.01	212.72	323.13
Total Assets	6,049.60	9,558.15	10,635.05
Total Liquidities	5,034.49	8,445.00	9,309.63
Equity	1,015.11	1,113.15	1,325.42
Key Ratios			
Gross Profit Margin/ Profit and turnover ratio, %	62.55	52.22	56.44
EBITDA and turnover ratio, %	45.93	32.94	42.67
Net Profit Margin (%)	25.07	15.25	20.15
Current Ratio	1.09	0.97	0.63
Return on assets, ROA, %	8.07	3.84	5.06
Return on equity, ROE, %	29.46	19.11	24.38
Return on Capital Employed	18.30	9.70	18.08
Gearing Ratio	3.80	6.67	5.55
Other Indicators			
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes
Dividends paid	0.00	0.00	5.66

GHANA INFRASTRUCTURE INVESTMENT FUND

BOARD CHAIRMAN

Prof. C. Ameyaw-Akumfi

CHIEF EXECUTIVE DIRECTOR

Mr. Solomon Asamoah

BOARD OF DIRECTORS

Mr. Solomon Asamoah, Mr. Kofi Boakye, Mr. Andrews Agyenim Boateng, Nana Afua Kyerewaa Ababio, Ms Yvonne Sowah, Mr Tweneboa Kodua-Fokuo, Mr Yaw Odame, Ms Cecilia Gambra.

AUDITORS

PricewaterhouseCoopers

BACKGROUND

GIIF is a permanent investment vehicle established by statute to lead, promote, facilitate, fund and backstop the development of, and investment in infrastructure projects across Ghana.

Infrastructure remains a key development priority to sustain Ghana's rapid urbanization and industrial growth as well as attainment of the post 2015 development agenda and Sustainable Development Goals (SDGs).

Public sources, both domestic and international, will continue to play a vital role in financing the majority of these infrastructure investments. However, there is equal recognition by the Government of Ghana (GOG) that these sources are far too insufficient to finance the level of investment required to close the infrastructure gap. The role of private investment and Public Private Partnerships (PPPs) is therefore seen as indispensable to address this financing gap and to improve the quality of infrastructure services.

Innovative approaches to infrastructure investment and finance and sustainable public procurement will be critical to this success. The establishment of the GIIF is one such innovative approach in catalyzing other sources of finance by leveraging its capital with private sector capital for financing infrastructure projects.

The establishment of the Fund further provides the nation with the opportunity to systematically tackle the complex demands of infrastructure financing and investment. It will partner with the private sector to finance critical infrastructure projects.

FINANCIAL PERFORMANCE

GIIF recorded a 14.21 percent increase in revenue from **GH¢131.97 million** from 2017 to **GH¢150.72 million** in 2018. This followed a 19.24 percent increase in revenue from 2016 **(GH¢ 110.68 million)** to 2017.

GIIF's general and administrative expenses amounted to **GH¢12.75 million** in 2018. This represented an increase of 140.11 percent on the **GH¢5.31 million** GIIF spent on administrative expenses in 2017.

GIIF recorded operating income of **GH¢133.57 million** in 2018, which represents a 15.53 percent increase over **GH¢154.32 million** registered in 2017. Also, GIIF's net profit saw 30.26 percent increase from **GH¢128.26 million** in 2017 to **GH¢167.07 million** in 2018.

The total assets for GIIF grew by 10.93 percent from **GH¢1,464.10 million** in 2017 to **GH¢ 1,624.120 million** in 2018. GIIF's current assets **(GH¢1,620.21)** constituted approximately 99 percent of Its total assets. The total liabilities, on the other hand, amounted to just **GH¢2.41 million** in 2018. GIIF did not have any long term liabilities on its books.

GIIF's net profit margin increased to 110.85 percent in 2018 from 97.19 percent in 2017 due to the increase in net profit. The current ratio decreased from 943.11 in 2017 to 672.29 in 2018. The ability of GIIF to pay its short-term obligations is quite significant.

The gearing ratio declined consistent from -0.94 in 2016 to -74 in 2017, and then to -0.46 in 2018.

Main Financial Indicators of Ghana Investment Infrastructure Fund (GIIF)

Financial Indicators, GH¢ 'M			
Indicators	**2016**	**2017**	**2018**
Turnover/Revenue	110.68	131.97	150.72
Gross Profit/Loss	111.58	133.57	154.32
EBITDA	96.94	128.26	167.07
EBIT	96.94	128.26	167.07
Net Profit	96.94	128.26	167.07
Total Assets	1,310.10	1,464.10	1,624.12
Total Liabilities	3.56	1.55	2.41
Equity	1,306.53	1,464.80	1,621.71
Key Ratios			
Gross Profit Margin %	-	-	-
EBITDA and turnover ratio, %	87.59	97.19	110.85
Net Profit Margin (%)	87.59	97.19	110.85
Current Ratio	366.89	943.11	672.29
Return on Assets, ROA, %	7.40	8.76	10.29
Return on Equity, ROE, %	7.42	8.76	10.30
Return on Capital Employed	7.42	8.77	10.30
Gearing Ratio	(0.94)	(0.74)	(0.46)
Other Indicators			
Number of employees on average per year	8	8	8
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes
Dividends paid	0.00	0.00	0.00

GHANA REINSURANCE COMPANY LIMITED

BOARD CHAIRMAN

George Otoo

MANAGING DIRECTOR

George Y. Mensah

BOARD OF DIRECTORS

George Y. Mensah, Franklin Hayford, Francis Sapara-Grant, Jennifer Owusu, Stella Williams, Lynda Odro.

AUDITORS

PricewaterhouseCoopers

BACKGROUND

Ghana Re commenced operations in 1972 as the Ghana Reinsurance Organization and was incorporated as a Limited Liability Company on June 16, 1995. With over forty-five (45) years of operation as a reinsurance service provider, the Company has lived up to its promise of being a "reinsurer of choice" on the African continent to businesses and incidental businesses.

In addition to its head office located in Accra, Ghana, the Company currently has two regional offices in Kenya and Cameroon.

OPERATIONS

Ghana Re's group total gross premium income was **GH¢205.66 million** for year 2018 as compared to **GH¢193.01 million** recorded in 2017. This shows a growth rate of 6.6 percent in 2018. General business gross premium income recorded in 2018 was **GH¢187.16 million**. 'Fire', as a line of business, continues to be the leader, contributing 62.3 percent of the General Business premium income. This was followed by 'Other Accidents' 18.0% and 'Motor' 10.0 percent.

Life business gross premium increased from **GH¢11.31 million** in 2017 to **GH¢18.50 million** in 2018, an increase of 63.6 percent. Commission paid by the Group in year 2018 was **GH¢62.69 million**. In 2017, an amount of **GH¢50.67 million** was paid as commissions. The commission ratio for years 2018 and 2017 were 34.9 percent and 29.6 percent respectively.

Group claims incurred recorded in the year under review was **GH¢76.32m**. This compares favourably to the amount of **GH¢79.66 million** paid in 2017. Claims ratio in 2018 was 42.5 percent as against 46.6 percent in 2017.

Management expenses for the Group was **GH¢43.20m** in 2018 as against **GH¢45.05m** in 2017. This showed a reduction in management expenses ratio from 26.3 percent in 2017 to 24.0 percent in 2018. This is indicative of the success of efforts by the company to improve upon efficiency.

FINANCIAL PERFORMANCE

Ghana Re consistently recorded revenue increases over the past three-year period. The company reported a revenue of **GH¢205.70 million** in 2018, which represented a modest growth of 6.17 percent on the revenue of **GH¢193 million** reported in 2017. This was, however, a slowdown on the growth rate of 26.21 percent recorded from 2016 (**GH¢142.40 million)** to 2017.

The company's direct costs increased by 12.23 percent from **GH¢129.20 million** in 2017 to **GH¢147.20 million** in 2018. Direct costs amounted to 71.56 percent of revenue in 2018. There was a marginal decrease of 4 percent in the general and administrative expenses of the company from **GH¢45 million** in 2017 to **GH¢43.2 million** in 2018.

On account of the company keeping its costs below the revenue generated, Ghana Re reported an operating profit of **GH¢53.00 million** in 2018. The operating profit for 2018 represented a 6.79 percent increase on the operating profit of **GH¢49.4 million** reported in 2017.

Total assets increased by 3.93 percent from **GH¢493.30 million** in 2017 to **GH¢512.70 million** in 2018. Ghana Re managed to reduce its total liabilities by 9.9 percent from **GH¢200.00 million** in 2017 to **GH¢180.20 million** in 2018. The reduction in total liabilities was due to a 12.65 percent reduction in current liabilities from **GH¢ 192.90 million** in 2017 to **GH¢ 168.50 million** in 2018.

Ghana Re was in a very liquid position in 2018 as depicted by its current ratio of 2.69. The gearing ratio of 0.41 also shows that the company did not rely heavily on leverage to finance its operations.

Ghana Re posted profits consistently for the three-year period. Ghana Re reported a net profit of **GH¢38.60 million** in 2018. The net profit represented a growth of 13.43 percent on the net profit of **GH¢34.03 million** reported in 2017.

Main Financial Indicators of Ghana Reinsurance Company Limited

Financial Indicators, GH¢ 'M			
Indicators	**2016**	**2017**	**2018**
Turnover/Revenue	142.40	193.00	205.70
Gross Profit/Loss	81.07	93.14	75.14
EBITDA	48.08	49.40	53.00
EBIT	48.08	49.40	53.00
Net Profit	29.33	34.03	38.60
Total Assets	405.94	493.30	512.70
Total Liabilities	147.60	200.00	180.20
Equity	258.34	293.20	332.50
Key Ratios			
Gross Profit Margin %	45.72	41.89	33.80
EBITDA and turnover ratio, %	27.11	22.22	23.84
Net Profit Margin (%)	20.60	17.63	18.77
Current Ratio	2.26	2.28	2.69
Return on Assets, ROA, %	11.84	10.01	10.34
Return on Equity, ROE, %	11.35	11.61	11.61
Return on Capital Employed	10.83	11.33	11.21
Gearing Ratio	0.45	0.51	0.41
Other Indicators			
Number of employees on average per year	66	60	63
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes
Dividends paid	0.00	0.00	5.52

GHANA WOMEN FUND

BOARD CHAIRMAN

Nana Oye Mensa Yeboaa

BOARD OF DIRECTORS

Mrs. Ernestina Naana Hagan, Dr. Cecilia Bentsi, Mrs. Yvonne Quansah.

AUDITORS

Benning, Anang & Partners

BACKGROUND

GWF Limited was established in June 2001 as a national affiliate of a proposed Africa Women Bank (AWB), with the sole aim of providing formal credit to women, which had been identified as a major obstacle to women's economic empowerment. Nana Oye Mansa Yeboaa, the former Deputy Governor of the Bank of Ghana spearheaded the move to establish the propose bank and the fund. The National Council on Women and Development (NCWD), Ghana Association of Women Entrepreneurs (GAWE) and International Federation of Women Lawyers (FIDA), acting on behalf of all Ghanaian women were the promoters and initial subscribers of the company's shares.

The Ghana Government in line with its commitment to women empowerment initially granted a loan of GH¢100,000 (US$436,809.84) to support the setting up of the bank which was subsequently converted to equity.

The Shareholding of the fund is as follows:

Subscribers	No. of Shares	% of Shares
Government of Ghana	270,037,675	67.51%
Ghana Association of Women Entrepreneurs (GAWE)	40,000,000	10.00%
International Federation of Women Lawyers (FIDA)	40,000,000	10.00%
National Council for Women & Development (NCWD)	40,000,000	10.00%
CEEWA - Ghana	352,225	0.09%
Ghana Commercial Bank Ladies Association	704,450	0.18%
Ghana Medical Women Society	353,225	0.09%
SG SSB Bank Ladies Association	704,450	0.18%
Trade Union Congress	704,450	0.18%
Others (31 Individuals)	7,144,528	1.79%
Total	**400,000,003**	**100.0%**

OPERATIONS

GWF seeks to address issues of gender and social inequality in Ghana and enhance access to and control over resources for society in general and women in particular.

The key function of the Fund as outlined by the promoters was to wholesale credit to women's organizations and micro-credit institutions for on-lending to women at the grassroots with the ultimate goal of.063 nurturing micro enterprises operated by women into medium and relatively large scale enterprises which can access credit on commercial terms from any bank.

The loans mainly benefitted women entrepreneurs engaged in manufacturing, water and sanitation businesses, food processing, fishing, agriculture, trading and commerce in Central, Western, Brong Ahafo, Greater Accra, Volta and Northern Region.

Since 2006, GWF loan facilities have benefited 27 Rural and Community Banks in 7 Regions and covering about 619 women groups, with members numbering over thirteen thousand (13,058).

FINANCIAL PERFORMANCE

GWF reported a 4.91 percent reduction in revenue from **GH¢0.61 million** in 2017 to **GH¢0.58 million** in 2018. The reduction in revenue in 2018 followed an increase of 3.27 percent increase in the revenue reported from 2016 **(GH¢0.59 million)** to 2017.

General and Administrative expenses increased from **GH¢0.36 million** in 2017 to **GH¢0.61 million** in 2018 representing an increase of 69.44 percent.

Total Assets for the Fund decreased by 9.14 percent from **GH¢1.75 million** in 2017 to **GH¢1.59 million** in 2018. Total liabilities amounted to **GH¢0.95 million** in 2018 and did not change from the previous year.

The Fund did not overly rely on leverage to finance its operation as indicated by the gearing ratio. Over the three-year period the report covered, GWF had an average gearing ratio of 1.08. The Fund, however, had an interest coverage ratio of -5.28 indicating that it had challenges in honoring its debt payments.

GWF posted a net loss of **GH¢-0.08 million** in 2018. The loss was a massive 147.06 percent decline on the net profit of **GH¢-0.17 million** posted in 2017.

Main Financial Indicators of Ghana Women Fund (GWF)

Financial Indicators, GH¢ 'M			
Indicators	**2016**	**2017**	**2018**
Turnover/Revenue	0.59	0.61	0.58
Gross Profit/Loss	0.36	0.61	0.58
EBITDA	0.07	0.25	(0.03)
EBIT	0.05	0.23	(0.08)
Net Profit	0.04	0.17	(0.08)
Total Assets	1.53	1.75	1.59
Total Liabilities	0.90	0.95	0.95
Equity	0.63	0.80	0.65
Key Ratios			
Gross Profit Margin, %	62.16	0.00	0.00
EBITDA and turnover ratio, %	12.32	41.37	(5.19)
Net Profit Margin (%)	6.78	27.90	(13.29)
Current Ratio	33.85	17.68	15.79
Return on assets, ROA, %	2.60	9.67	(4.82)
Return on equity, ROE, %	6.34	21.25	(11.86)
Return on Capital Employed	2.68	10.24	(5.11)
Gearing Ratio	1.13	0.99	1.13
Other Indicators			
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes
Dividends paid	0.00	0.00	0.009

SIC

BOARD CHAIRMAN

Dr. Jimmy Heymann

MANAGING DIRECTOR

Mrs. Stephen Oduro

BOARD OF DIRECTORS

Mrs. Stephen Oduro, Mrs. Pamela Djamson-Tetteh, Mr. James Appietu-Ankra, Mr. Michael Adotey Addo, Mr. Daniel Ofori, Mr. Christian Tetteh Sottie, Mr. Kwabina Gyima Osei-Bonsu, Mr. Nicholas Oteng.

AUDITORS

Deloitte & Touché

BACKGROUND

SIC Insurance Company (formerly called State Insurance Corporation) is a Ghanaian insurance company. With roots dating back to 1955, the Company has been operating for more than six decades and has developed long-standing relationships with insurance brokerage firms and some independent agents, who constitute some of its primary distribution channels. SIC is listed on the Ghana Stock Exchange.

OPERATIONS

SIC is a leading provider of general or non-life insurance products in Ghana. Its business operations cover fire, motor, marine and aviation, and accident insurance. SIC also provides specialty insurance products such as hoteliers and leisure policy, a policy for the hospitality industry. SIC's business is national in scope with a visible presence in all regions of Ghana. The Company has consistently, over the span of its business life, maintained steady market leadership.

FINANCIAL PERFORMANCE

SIC recorded a Gross Written Premium/Revenue of **GH¢177.99 million** in 2018, representing a year-on-year growth of 10 percent over the **GH¢161.93 million** recorded in 2017.

Direct costs for the company reduced by 19.11 percent from **GH¢91.38 million** in 2016 to **GH¢73.92 million** in 2017. There was a further sharp decline of 83.86 percent in direct costs from **GH¢73.92 million** in 2017 to **GH¢11.93 million** in 2018. General and administrative expenses, on the other hand, did not follow the trend of the direct costs and increased from GH¢74 million in 2017 to **GH¢104.55 million** in 2018 representing an increase of 29.22 percent. This followed an increase of 15.97 percent in administrative costs from 2016 **(GH¢62.18 million)** to 2017.

There was an exponential increase of 338.97 percent in the operating profits of SIC from **GH¢14.01 million** in 2017 to **GH¢61.5 million** in 2018. The increase in the operating profits was mainly attributable to the increase in revenue and the sharp decline in direct costs.

The total asset base of the company increased by 139.41 percent from **GH¢216.69 million** in 2017 to **GH¢518.78 million** in 2018. The increase in the total assets was driven by a 251 percent increase in the short term assets from **GH¢98.02 million** in 2017 to **GH¢349.45 million** in 2018. Total Liabilities also increased by 94.48 percent from **GH¢115.52 million** in 2017 to **GH¢224.67 million** in 2018.

SIC's current ratio in 2018 was 0.93. This was a decline on the 1.03 recorded in 2017. Though the current ratio was close to the optimal level of 1, it is important for the company to ensure that the decline did not continue in the years ahead. A continuous decline in the current ratio of the company could cause a liquidity problem for the company in the near future.

SIC posted a net profit of **GH¢44.66 million** in 2018. This was a remarkable 293.13 percent increase on the net profit of **GH¢11.36 million** reported in 2017. The net profit posted in 2018 represented a profit margin of 25.09 percent.

Main Financial Indicators of SIC

Financial Indicators, GH¢ 'M			
Indicators	**2016**	**2017**	**2018**
Turnover/Revenue	160.11	161.93	177.99
Gross Profit/Loss	50.99	62.12	53.39
EBITDA	6.56	14.01	61.50
EBIT	6.56	14.01	61.50
Net Profit	5.41	11.36	44.66
Total Assets	187.37	216.69	518.78
Total Liabilities	106.22	115.52	224.67
Equity	81.15	101.17	294.11
Key Ratios			
Gross Profit Margin, %	31.85	38.36	30.03
EBITDA and turnover ratio, %	4.10	8.65	34.55
Net Profit Margin (%)	3.38	7.01	25.09
Current Ratio	1.01	1.03	0.93
Return on assets, ROA, %	3.50	6.47	11.85
Return on equity, ROE, %	0.07	0.11	0.15
Return on Capital Employed, %	6.50	11.21	13.29
Gearing Ratio	0.62	0.48	0.50
Other Indicators			
Number of employees	-	468	618
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes
Dividends paid	0.00	0.00	0.00

SIC LIFE

BOARD CHAIRMAN

Mr. Akwasi Aboagye Atuah

CHIEF EXECUTIVE DIRECTOR

Mrs. Elizabeth Wyns - Dogbe

BOARD OF DIRECTORS

Mrs. Elizabeth Wyns – Dogbe, Mr. Stephen Oduro, Mr. Nick Twum Ampofo, Mrs. Felicia Gyamfi Ashley, Capt. (Rtd) Odiatuo Kankam Bempong.

AUDITORS

KPMG

BACKGROUND

SIC Life Company Limited (SIC Life) originally existed as the Life Division of the reputable multi-line insurer, the SIC Insurance Company Limited. In conformity with the provision of the Insurance Act 2006, Act 724, SIC Life was established as a fully licensed Life Insurance Company in 2007.

OPERATIONS

SIC Life is the largest life insurance company in the country. The company offers innovative, value-priced life insurance and other financial products while ensuring optimal returns to our shareholders.

FINANCIAL PERFORMANCE

SIC Life's revenue increased by 17.90 percent from **GH¢258.29 million** in 2017 to **GH¢304.52 million** in 2018. The growth in revenue was a continuation of the trend set between 2016 **(GH¢212.96 Million)** and 2017 where revenue increased by 21.29 percent.

Direct costs grew by 20.90 percent from **GH¢176.23 million** in 2017 to **GH¢213.06 million** in 2018. General and Administrative expenses also increased by 13.84 percent from **GH¢46.62 million** in 2017 to **GH¢53.07 million** in 2018.

SIC life posted an operating profit of **GH¢151.43 million** in 2018. The operating profit represented an astronomical 3,646.60 percent increase on the operating loss of **GH¢-4.27 million** recorded in 2017.

Total Assets for the company increased by 50 percent from **GH¢442.94 million** in 2017 to **GH¢664.58 million** in 2018. There was also a 11.44 percent increase in total liabilities from **GH¢485.10 million** in 2017 to **GH¢540.85 million** in 2018.

The company was highly geared with a gearing ratio of 4.14 in 2018. This points to the fact that SIC life relies on a considerable amount of leverage to finance its operations.

SIC life posted a net profit of **GH¢143.80 million** in 2018 and a profit margin of 47.22 percent.

Main Financial Indicators of SIC Life

Financial Indicators, GH¢ 'M			
Indicators	**2016**	**2017**	**2018**
Turnover/Revenue	212.96	258.29	304.52
Gross Profit/Loss	65.93	82.06	91.46
EBITDA	(93.58)	(4.27)	151.43
EBIT	(93.58)	(4.27)	151.43
Net Profit	(94.57)	(4.30)	143.8
Total Assets	368.23	442.94	664.58
Total Liabilities	408.94	485.10	540.58
Equity	(40.71)	(42.16)	124.00
Key Ratios			
Gross Profit Margin/ Profit and turnover ratio, %	30.96	31.77	30.00
EBITDA and turnover ratio, %	(43.94)	(1.65)	49.73
Net Profit Margin (%)	(44.41)	(1.66)	47.22
Current Ratio	6.83	1.90	18.07
Return on assets, ROA, %	(25.41)	(0.96)	22.79
Return on equity, ROE, %	232.32	10.20	115.96
Return on Capital Employed	(26.18)	(0.98)	22.28
Gearing Ratio	(9.80)	(9.55)	4.14
Other Indicators			
Number of employees on average per year	-	542	528
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes
Dividends paid	0.00	0.00	0.00

STANDARD CHARTERED BANK

BOARD CHAIRMAN

Dr. Emmanuel Oteng Kumah

MANAGING DIRECTOR

Mansa Nettey

BOARD OF DIRECTORS

Dr. Emmanuel Oteng Kumah, Mansa Nettey, Felix Addo, David Adepoju, Kweku Nimfah-Essuman, Henry Baye, Professor (Mrs.) Akua Kuenyehia, Harriet-Ann Omobolanle Adesola, Ishmael Yamson.

AUDITORS

KPMG

BACKGROUND

Standard Chartered is Ghana's oldest commercial bank and has been listed on the Ghana Stock Exchange since 1991. The Bank began its operations in 1896 as the Bank of British West Africa and served as the Central Bank in the pre-independence era until 1953.

Being Ghana's premier bank, Standard Chartered has been at the cutting edge of financial market development supporting trade and investment activities of customers and clients. The Bank supports diverse sectors of the economy, leading international loan syndications to finance key economic activities such as Cocoa production and the emerging Oil and Gas sector as well as several community engagement initiatives.

OPERATIONS

Standard Chartered bank offers comprehensive banking and innovative solutions to address the needs of corporate and institutional clients with particular emphasis on relationship banking. The Bank has three client segments, Corporate and Institutional Banking, Retail Banking and Commercial Banking supported by five product groups – Transaction Banking, Financial Markets, Retail Products, Wealth Management and Corporate Finance.

FINANCIAL PERFORMANCE

Standard Chartered brought in **GH¢726.62 million** as revenue in 2018. This represented an increase of 6.20 percent on the revenue generated in 2017 **(GH¢684.23million)**.

Direct costs for the bank amounted to **GH¢139.22 million** in 2018, representing an increase of 7.94 percent on the direct costs of **GH¢128.98 million** reported in 2017. General and Administrative expenses also increased by 6.96 percent from **GH¢154.31 million** in 2017 to **GH¢165.05 million** in 2018.

The increase in the costs of the bank from 2017 to 2018 led to a decrease in its operating profits. Operating profit decreased by 23.39 percent from **GH¢425.28 million** in 2017 to **GH¢325.82 million** in 2018.

The total asset base of the bank amounted to **GH¢5,961.50 million** in 2018. This represented an increase of 27.80 percent on the total assets of **GH¢4,776.98 million** in 2018. The growth in the total assets of the bank was largely on the back of a 30.23 percent increase of its current assets

Total liabilities of the bank increased by 27.42 percent from **GH¢3,586.23 million** in 2017 to **GH¢4,913.68 million** in 2018. The increase in total liabilities was mainly due to the increase in customer deposits by 26 percent from **GH¢3,420 million** in 2017 to **GH¢4,300 million** in 2018.

The bank relied on debt to finance its operations in 2018 as shown by the gearing ratio of 2.27. However, it is worth noting that the gearing ratio of the bank has reduced consistently over the past three-year. The gearing ratio was 2.81 in 2016 and 2.35 in 2017.

STANCHART's interest coverage ratio decreased to 2.63 in 2018 from 3.63 and 3.85 in 2017 and 2016 respectively. Despite the gradual decline from 2016 to 2018, the bank is still capable of servicing its outstanding debt.

STANCHART posted a net profit of GH¢210.65 million in 2018 with a net profit margin of 28.99 percent. The net profit was, however, a decline of 34.63 percent on the profit of GH¢283.60 million posted in 2017.

Main Financial Indicators of Standard Chartered Bank (SCB) Ghana Limited.

Financial Indicators, GH¢ 'M			
Indicators	**2016**	**2017**	**2018**
Turnover/Revenue	641.09	684.23	726.62
Gross Profit/Loss	540.50	555.25	587.40
EBITDA	352.10	429.55	333.45
EBIT	345.56	425.28	325.82
Net Profit	224.51	283.60	210.65
Total Assets	4,373.56	4,776.98	5,961.50
Total Liabilities	3,608.35	3,856.23	4,913.68
Share capital			132.99
Equity	765.22	920.76	1,047.82
Key Ratios			
Gross Profit Margin/Profit and turnover ratio, %	84.31	81.15	80.84
EBITDA and turnover ratio, %	56.72	63.47	46.77
Net Profit Margin (%)	35.02	41.45	28.99
Current Ratio	0.62	0.64	0.67
Return on Assets, ROA, %	8.05	8.99	5.59
Return on Equity, ROE, %	29.34	30.80	20.10
Return on Capital Employed	26.41	27.99	16.00
Gearing Ratio	2.81	2.35	2.27
Other Indicators			
Financial report in compliance with IFRS (Yes/No)	**Yes**	**Yes**	**Yes**
Dividends paid	0.00	0.00	0.00

VENTURE CAPITAL TRUST FUND

BOARD CHAIRMAN

Mr. Kofi Sekyere

CHIEF EXECUTIVE DIRECTOR

Mr. Yaw Owusu-Brempong

BOARD OF DIRECTORS

Mr. Yaw Owusu-Brempong, Dr. John Kofi Mensah, Ms. Afua Asabea Asare, Mrs. Efua A. Appenteng, Hon. Fuseini Issah, Mr. Ekow Afedzie, Mr. Brian Frimpong, Mr. Franklin Owusu Asafo – Adjei.

AUDITORS

AADS Consult

BACKGROUND

VCTF was established by the Venture Capital Trust Fund ACT, 2004, (ACT 680) to provide financing to Small and Medium Enterprises (SMEs). The objective of VCTF is to promote and support the private sector as an equal partner in achieving the country's developmental goals by easing access to long-term funding to SME's.

OPERATIONS

In accordance with its ACT, VCTF is expected to provide financial resources for the development and promotion of venture capital financing for SMEs in Ghana by providing financing to eligible Venture Capital Finance Companies (VCFCs) to support SMEs; and providing monies to support other activities and programs for the promotion of venture capital financing.

The Trust Fund is also involved in direct investment in the Agriculture sector through a Value Chain Financing model using Nuclear Farmer-Out grower scheme.

VCTF runs three funds namely Ebankese Venture Fund, Oasis Africa Fund and Fidelity Equity Fund II.

Ebankese and Fidelity funds returned capital to the Trust Fund as shown below:

Fund	Amount Returned
Ebankese	GH¢959,200
Fidelity	USD 64,532

*******Oasis Africa Fund***

After making its first two investments in Everpure Ghana and Legacy Girls College in 2016 and 2017 respectively, no new investments have been made in the period under review. Regular monitoring and reporting on the fund by the fund manager was executed as planned.

FINANCIAL PERFORMANCE

Revenue for Venture Capital Trust Fund (VCTF) increased sharply to GH¢2.31 million in 2018 compared to GH¢4.63 million in 2016 and GH¢1.56 million in 2017 representing an increase of 48.08 percent in 2018 and decrease of 50.11 percent.

The Trust Fund spent **GH¢ 3.74 million** on general and administrative expenses in 2018. This represented a decrease 6.73 percent on the GH¢3.74 million spent on administrative expenses in 2018.

In line with the revenue increase, VCTF's net loss improved from **GH¢-3.29 million** in 2017 to **GH¢-2.19 million** in 2018, representing a reduction of 72.23 percent. The General/ Administration expenses decreased from GH¢4.01 million to **GH¢3.74 million** in 2017 and 2018 respectively.

Total assets for the Fund decreased marginally to **GH¢61.78 million** in 2018 from **GH¢64.21 million** in 2017 representing 3.78 percent decline. VCTF's total liabilities also decreased by 46.15 percent to **GH¢0.28 million** in 2018 from **GH¢0.52 million** in 2017.

The Fund's current ratio increased to 57.36 in 2018 from 32.39 in 2017 indicating the Funds' improvement in meeting its short term liabilities within a year. The high current ratio was because of the marginal reduction of 6.18 percent in VCTF's current assets and 46.15 percent in its current liabilities.

Return in capital employed improved to -3.56 percent in 2018 from -12.42 percent in 2017. There was a marginal drop in gearing ratio of -0.23 in 2018 from -0.24 in 2017. The lower leverage/negative gearing ratio indicates that the Fund had huge amount of equity compared to its debt.

Main Financial Indicators of Venture Capital Trust Fund (VCTF)

Financial Indicators, GH¢ 'M			
Indicators	**2016**	**2017**	**2018**
Turnover/Revenue	4.63	1.56	2.31
Gross Profit/Loss	4.63	1.56	2.31
EBITDA	(1.68)	(6.65)	(1.05)
EBIT	(1.96)	(7.28)	(1.62)
Net Profit	(2.24)	(7.91)	(2.19)
Total Assets	44.69	64.21	61.78
Total Liabilities	0.67	0.52	0.28
Equity	44.02	63.70	61.51
Key Ratios			
Gross Profit Margin/Profit and turnover ratio, %	0.00	0.00	0.00
EBITDA and turnover ratio, %	(36.23)	(427.36)	(45.38)
Net Profit Margin (%)	(48.33)	(508.01)	(94.63)
Current Ratio	14.95	32.39	57.36
Return on assets, ROA, %	(3.75)	(10.36)	(1.70)
Return on equity, ROE, %	(5.08)	(12.42)	(3.56)
Return on Capital Employed	(5.08)	(12.42)	(3.56)
Gearing Ratio	(0.08)	(0.24)	(0.23)
Other Indicators			
Number of employees on average per year	27	27	24
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes
Dividends paid	110.9	110.9	127.0

Box 6: Spotlight on Consolidated Bank Ghana Limited (CBG)

Key Achievements

(a) Returns to Shareholders

(b) Customer Retention

(c) In less than a year, seven banks have been successfully integrated into one Bank

(d) Achieved profitability in less than a year, thus increasing shareholder value.

(e) Over 90% of customers who were onboarded by CBG have been retained.

Background

Established by the Ministry of Finance (MOF) pursuant to Section 127 (10) & (11) of the Banks and Specialized Deposit- Taking Institutions Act, 2016 (Act 930, the Consolidated Bank Ghana Limited (CBG) was granted a universal banking license by the Bank of Ghana - (BoG) on 1st August 2018. CBG was capitalized with GH¢450 million ($90 million) by Ministry of Finance (MOF). CBG was originally an amalgamation of seven (7) banks which have their operating licenses revoked by the regulator, Bank of Ghana in August 2018. These were Sovereign Bank (erstwhile); UniBank Ghana Limited (erstwhile); Royal Bank Ghana Limited (erstwhile); The Beige Bank Ghana Limited (erstwhile); The Construction Bank Ghana Limited (erstwhile).

The Bank of Ghana (BoG) appointed Nii Amanor Dodoo of KPMG as a separate Receiver for each of the banks, pursuant to section 123 of the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930). CBG was then issued with a Ministry of Finance bond of GH¢7.6billion ($1.52billion) to cover the funding gap under the separate purchase and assumption agreements entered into with the Receiver. The bond was issued in two tranches of GH¢3.2billion ($0.64billion) and GH¢4.4billion ($0.88billion) respectively. Mr. Daniel Wilson was appointed the Managing Director of the Bank

Mr Welbeck Abra-Appiah is the Chairman of the Board of Directors.

On 4th January 2019, BoG announced the revocation of the banking licenses of Heritage Bank and Premium Banks and added the erstwhile banks to the CBG portfolio. On the same date, BOG appointed Vish Ashiagbor of PWC as a separate Receiver for each of the banks respectively, under section 123 of the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930). A bond of GH¢1.4billion ($0.28billion) was issued by MOF for the funding gap under separate purchase and assumption agreements entered into with the Receiver.

The CBG Management Team fielded questions from the editorial team as captured below:

1. What is the overarching vision and mission of CBG?

The vision is to be the most trusted bank in Ghana. Mission is to be the preferred Ghanaian Bank providing simple, secure and differentiated banking experience to our customers.

2. Given that CBG has been in existence for barely 10 months and came in at a time of tremendous upheavals in the banking sector, how would you describe the journey so far?

Consolidating 7 banks into one bank is not an easy task, however, with hard work and dedication, we have achieved stability on all fronts. We have a team of talented and dedicated staff who continue to work tirelessly to provide exceptional customer experience. Our cherished customers continue to stand with us as we find innovative ways to integrate our technology and product offering.

3. CBG is obviously the creation of seven separate banks - each with its own unique identity, business model, operational strategy and vision. Can you give us a sense of what it is like to attempt to successfully blend together and assimilate the different cultures and the inherent attributes/ characteristics of the individual banks into one wholesome unit capable of thriving in the highly competitive banking sector?

Cultural change is perhaps one of the most difficult areas of change for any organization because it is not tangible. Culture is made up of ideas, customs and behaviors which is learned or passed down over a period of time. However, as behavior is learnt, new behaviors can also be learned to forge a new culture and this is the path we are embarking on. We have a dedicated team spearheading our Transformation Agenda to provide the needed emphasis and importance of successfully blending the 7 banks. The key is to allow the very people that will live the culture, our staff, to be part of the change process, to own and drive the various change initiatives and to be fully engaged in the change process.

4. How would you describe the operating environment given the manner of your inception and the large-scale changes that have taken place within the banking over the past two and half years in particular?

Ghana's banking industry is beginning to show signs of robustness amid tighter regulation after the implementation of the recent regulatory changes. The impact evident in the higher Capital Adequacy Ratio of 21.4% recorded at the end of April 2019 compared to 18.9% in 2018 on a year-on-year basis. Similarly, Non-Performing Loans (NPL) ratio has declined to 18.9% in April 2019 from 23.5% in 2018 on a year-on-year basis. There has also been a general improvement in liquidity of banks as well as in Cost-to-Income ratio.

Corporate governance has also been given a greater emphasis with the introduction of new policy directives from the Central Bank to embed sound governance principles among banks and other deposit-taking institutions.

On the economic front, real GDP growth has increased from 5.5% in December 2017 to 6.8% in December 2018 driven by positive real sector growth. Inflation has averaged 9.5% over the last one year while benchmark interest rate (91-day T-Bills) has seen a marginal increase to 14.7% from the 13.3% recorded in April 2018 on a year-on-year basis. The relative stability in inflation and interest rates over the period has bolstered the performance of the local currency against its major trading counterparts like the USD and EUR and GBP; recording a year-to-date depreciation of only 5.27% against the USD as at the end of April 2019 compared to prior periods. To sum up, the key elements of the operating environment, interest rates, exchange rates, consumer confidence are favourable and our expectation is that this trend will continue.

5. Do you have in place long-term strategy as in a five/ ten-year strategic business plan? How do you see yourself in the next five years?

Yes, we have a three-year strategy in place to position the bank to be the most trusted bank for our customers, regulators, employees and shareholders. By this envisioned time, we would have positioned CBG as a bank of choice, digitally transformed our operating model and driven business growth focusing on key areas like deposits, assets, fees and cost containment.

INFRASTRUCTURE STRUCTURE

242. The proper functioning of any economy requires an efficient, well maintained and sustainable infrastructure as the quality of infrastructure positively influences business location, incomes of various sectors of the economy, quality of life for various communities and investments. Ghana's infrastructure is, however, being rapidly outpaced by the increasing population growth and continuous migration to urban centres.

Challenges

243. Ghana, however, faces several challenges including inadequate infrastructure services; inadequate ICT infrastructure across the country, unreliable utilities (power supply, water), disparities in infrastructure services and quality of life between rural and urban communities, inadequate air transport infrastructure, inefficiencies in intermodal infrastructure, relatively weak economic infrastructure, obsolete technology, and poor state of education infrastructure..

Policy Objectives and Strategies to Address Challenges of the Infrastructure Sector

244. The policy objectives, strategies and flagship initiatives being implemented by government to address the challenges in the infrastructure sector include:

(a) ensuring continuous expansion and upgrading of road infrastructure;

(b) provision of critical public infrastructure such as feeder roads, electricity and water;

(c) implementation of the Infrastructure for Poverty Eradication Programme (IPEP);

(d) leveraging private sector resources and expertise for the provision of economic and social infrastructure in an integrated manner;

(e) development and implementation of a timely and effective preventive maintenance plan for all public infrastructure;

(f) development of irrigation infrastructure to absorb water released by the annual spillage of the Bagre dam in Burkina Faso;

(g) implement the Accelerated Programme for the Rationalisation and Expansion of Educational Infrastructure;

(h) expanding private sector participation in the development and management of seaport facilities;

(i) expanding port infrastructure to minimise congestion and turnaround time;

(j) establishment of a new deep water port to enhance economic activities in the oil and gas industry;

(k) construction of new harbours in James Town in the Greater Accra Region and Keta in the Volta Region; and

(l) implementation of ports and harbours master plans.

Table 13: State Equity Participation in the Infrastructure Sector (2018)

Name of Entity	Field of Activity	Turnover, GH¢ 'M	Profit/ Loss, GH¢ 'M	Total Assets, GH¢ 'M	Number of Employees	GoG Shareholding (%)
Architectural and Engineering Services Limited	Construction supervision for the rehabilitation of various accommodation properties.	9.96	(4.22)	30.62	0	100%
Community Water and Sanitation Agency	Production of portable Water supply and sanitation service in the country	64.61	2.68	74.34	0	100%
Ghana Airports Company Limited	Facilitating of aircrafts, passengers and mail and cargo movement	524.51	20.42	7,152.14	1431	100%
Ghana Highway Authority	Construction of Safe and reliable trunk road network	1,491.02	(4.36)	2,219.54	0	100%
Ghana Ports and Harbours Authority	Maintaining and regulating seaports in Ghana	1,212.23	194.68	11,042.35	0	100%
National Theatre of Ghana	Servicing of exhibitions, backstage and publication	3.73	(0.04)	1.96	0	100%
PSC Tema Shipyard	Servicing of ship repairs and maintenance	38.91	4.43	35.85	278.00	100%
State Housing Company Limited	Building of house and estate management service.	27.92	10.63	57.17	57.17	100%
TDC Company Limited	Planning, development and construction of towns and cities in and outside Ghana.	75.74	24.22	258.16	258.16	100%

Summary of Sectoral Financial Performance: Infrastructure Sector

245. The analysis for the infrastructure sector covered nine (9) out of the eleven (11) companies in which GoG has equity interests. These were:

(a) Architectural and Engineering Services Limited (AESL);

(b) Community Water and Sanitation Agency (CWSA);

(c) Ghana Airports Company Limited (GACL);

(d) Ghana Highway Authority (GHA);

(e) Ghana Ports and Harbours Authority (GPHA);

(f) National Theatre of Ghana (NTG);

(g) PSC Tema Shipyard (PTS);

(h) State Housing Company Limited (SHC); and

(i) TDC Company Limited (TDC).

Revenue

246. Total revenue for the infrastructure sector consistently increased during the last three years. The sector posted a revenue figure of **GH¢3,448.63 million** in 2018, an improvement on the 2017 and 2016 performance of **GH¢2,966.34 million** and **GH¢2,962.91 million** respectively. These represent increases of **GH¢482.29 million** (16.25 percent) in 2018 **GH¢3.4 million** (0.12 percent) in 2017. The three (3) biggest contributors to the revenue performance in 2018 were GHA (**GH¢1,491.02 million**, GPHA **(GH¢1,212.23 million)**, and GACL **(GH¢524 million)**. CWSA recorded the highest increase in their revenue from GH¢35.73 million in 2017 to **GH¢64.61 million** in 2018 representing an increase of 80.83 percent.

Expenditure

247. SOEs' cost of sales fluctuated throughout the last three (3) years, declining from **GH¢2,357.04 million** in 2016 to **GH¢2,254.51 million** in 2017, and then increasing to **GH¢2,595.25 million** in 2018. These represent decrease and increase of 4.35 percent and 15.11 percent in 2017 and 2018 respectively. Again, GHA **(GH¢1,488.90 million**), GPHA **(GH¢889.75 million** and GACL **(GH¢171.59 million)** were the biggest contributors to the combined direct costs of the SOEs in the infrastructure sector.

248. The combined general and administrative expenses for the SOEs increased consistently from **GH¢310.42 million** in 2016 to **GH¢329.54 million** in 2017, and then rose significantly to **GH¢430.20 million** in 2018. These represent increases of 6.16 percent and 30.55 percent in 2017 and 2018 respectively. GACL **(GH¢204.55 million)**, GPHA (GH¢130.20 million), and CWSA **(GH¢28.01 million**) contributed 84.32 percent of the total general and administrative expenses of SOEs in the infrastructure sector.

Operating Income

249. SOEs' operating income saw substantial increases both in 2017 and 2018. It increased from **GH¢27.03 million** in 2016 to **GH¢127.72 million**, rising further to **GH¢209.33 million** in 2018. These represent increases of 372.51 percent and 63.90 percent in 2017 and 2018 respectively. The operating income for 2018 was hugely accounted for by CWSA **(GH¢36.60million)** and GACL **(GH¢148.37million)**, both of which accounted for over 40 percent operating income for 2018.

Gross and Net Profits

250. The gross profit for 2018 amounted to **GH¢853.38 million** which was an improvement of GH¢141.54 million (19.88 percent) on the 2017 gross profit of **GH¢711.84 million**. The improvement in gross profit for some entities, such as GACL (from **GH¢303.12 million** in 2017 to **GH¢352.92 million** in 2018), GPHA (from GH¢277.73 million in 2017 to **GH¢322.48 million** in 2018) and CWSA (from **GH¢35.73 million** in 2017 to **GH¢64.61 million** in 2018) accounted for the increased gross profit for the sector. All firms within the sector made improvements on their gross profit positions between 2017 and 2018 except NTG (from **GH¢0.46 million** in 2017 to gross loss **GH¢-0.04 million** in 2018) and GHA (from **GH¢5.33 million** in 2017 to gross profit of **GH¢2.12 million** in 2018).

251. The net profit of SOEs amounted to **GH¢248.44 million,** representing an increase of 59.37 percent and 12.34 percent respectively over the corresponding amounts recorded in 2017 and 2016. GPHA **(GH¢194.68 million)**, TDC **(GH¢24.22 million)**, and GACL **(GH¢20.42 million)** were the biggest contributors to the net profit performance for the infrastructure sector in 2018.

Assets and Liabilities

252. Total assets for the sector amounted to **GH¢2,0872.13 million** in 2018 compared to the 2017 figure of **GH¢19004.87million**, which was an increase of 9.83 percent **(GH¢1,867.26 million)**. The increase was as a result of enhanced total asset holdings for some firms including GACL (from **GH¢5,724.35 million** to **GH¢7,152.14 million)** and GPHA (from **GH¢10,054.87 million** to **GH¢11,042.35 million)**. Again, GACL, GPHA and GHA **(GH¢2,219.54 million)** were the top three contributors of the sectors total assets in 2018.

253. The sector's non-current asset figure for 2018 amounted to **GH¢17,367.82 million** representing a **GH¢10,804.35million** (164.61 percent) increase from the 2017 figure of **GH¢6,563.47 million**. The increase in non-current assets was due to the increase in the non-current asset portfolio of GACL and GPHA over the period under the review.

254. The sector's total liabilities increased by **GH¢1,231.88 million** from an amount of GH¢7,181.68 million in 2017 to **GH¢8,413.56million** in 2018. Net debt increased from **GH¢6647.03 million** in 2017 to G**H¢7 820.77 million** in 2018. The sectors aggregate balance sheet shows an increase in its equity from **GH¢11,823.19 million** in 2017 to **GH¢12,460.07 million** in 2018.

Ratios

255. The average net profit margin stood at 6.87 percent in 2018, which was an improvement over the 2017 performance of 5.77. Five (5) firms including AESL (-42.37 percent), NTG (-1.07 percent), GHA (-0.29 percent), GACL (3.89 percent), and CWSA (4.15 percent) performed below the sector's average.

256. The infrastructure sector also posted a decline in its return on assets ratio from 4.23 percent in 2017 to 3.33 percent in 2018. This is clear indication that the firms on average experienced a decline on their profits per total asset holdings. However, despite the average decline, the performance of some companies such as CWSA (3.61 percent), TDC (9.38 percent) and PTS (12.36 percent) were an improvement on their 2017 performances of -0.47 percent, 4.62 percent, and 0.56 percent respectively.

257. Though there was an improvement in the average current ratio for the infrastructure sector from 6.90 in 2017 to 11.00 in 2018, some firms such as AESL (0.93) and GACL (0.95) posted a decline in current ratio performance in comparison to their 2017 outputs of 1.11 and 2.29 respectively.

ARCHITECTURAL AND ENGINEERING SERVICES LIMITED

BOARD CHAIRMAN

Dr. Samiu Kwadwo Nuamah

MANAGING DIRECTOR

Arc. Samuel Yaw Akoto

BOARD OF DIRECTORS

Stella Naa Dzagble Arthiabah, Carlien Dorcas Bou–Chedid, Theresa Tufuor, Samiu Kwadwo Nuamah, Basco A. Kante, Arc. Samuel Yaw Akoto, Florence B. Kumi-Sekyi.

AUDITORS

AAK Services

BACKGROUND

The Architectural & Engineering Services Limited (AESL) is a practicing professional group of consulting Architects, Civil, Structural, Electrical and Mechanical Engineers, Land and Quantity Surveyors.

The company is wholly owned by GoG.

OPERATIONS

To meet the needs of a broad range of clients, its practice has developed a multi-disciplinary approach to building and engineering consultancy and to provide effective nation-wide coverage. The company has offices located in all the ten regions of the country.

FINANCIAL PERFORMANCE

The company recorded a revenue of GH¢9.96 million in 2018 representing an increase of 9.33 percent on the revenue of GH¢9.11 million recorded in 2017. This was a rebound on the revenue decline of 26.78 percent from 2016 (GH¢ 11.55 million) to 2017.

General and administrative expenses increased from GH¢13.86 million in 2017 to GH¢14.22 million in 2018, indicating a 2.60 percent increase.

The company recorded a decrease in operating loss in 2018 as a result of revenue increasing at a faster rate than general and administrative expenses. Operating loss for the year decreased by 10.32 percent from GH¢-4.75 million in 2017 to GH¢-4.26 million in 2018.

Total assets reduced by 9.00 percent in 2018 from GH¢33.65 million in 2017 to GH¢30.62 million in 2018. The company recorded declines in both non-current (3.05 percent) and current (8.40ercent) assets in 2018.

Total liabilities, on the other hand, increased by 5.53 percent from GH¢21.53 million in 2017 to GH¢22.72 million in 2018. The total liabilities increased for the second year in a row and was up by 53.31 percent between 2016 (GH¢14.82 million) and 2017. The company also recorded an increase in net debt for 2018 from GH¢20.76 million in 2017 to GH¢21.86 million in 2018 representing an increase of 5.30 percent.

AESL's current ratio in 2018 was 0.93, which was down from 1.11 from 2017. The current ratio had a declining trend over the three-year period from 1.39 in 2016. AESL would need to adopt steps to ensure that the decline does not continue or it will inevitably lead to a liquidity problem. The company recorded 0.93 for the gearing ratio in 2018, which signifies that most of the company's operations were funded by internally generated funds.

The company recorded net losses throughout the review period. AESL's net loss increased net loss to GH¢-4.22 million in 2018 from GH¢3.97 million in 2017. The increase in the net loss represented a 6.30 percent increase for the year.

Main Financial Indicators of Architectural and Engineering Services

Financial Indicators, GH¢ 'M			
Indicators	**2016**	**2017**	**2018**
Turnover	11.55	9.11	9.96
Gross Profit/Loss	11.55	9.11	9.96
EBITDA	-2.71	-4.75	-4.26
EBIT	-2.71	-4.75	-4.26
Net Profit/Loss	-1.85	-3.97	-4.22
Total Assets	30.91	33.65	30.62
Total Liabilities	14.82	21.53	22.72
Equity	16.09	12.12	7.90
Key Ratios			
Gross profit margin, %	0.00	0.00	0.00
Net profit Margin, %	(0.11)	(0.33)	(0.53)
Operating Capital	5.84	2.29	-1.63
Return on Operating Capital,%	-31.68	-173.36	258.90
Equity/assets %	0.52	0.36	0.26
Return on Assets %	-5.99	-11.80	-13.78
Current ratio	1.39	1.11	0.93
Gearing ratio	0.87	1.71	2.77
Return on Capital Employed (%)	-11.50	-32.76	-53.42
Total Asset Turnover	0.37	0.27	0.33
Interest Coverage Ratio	-	-	-
Other Indicators			
Dividend	0.00	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes

COMMUNITY WATER AND SANITATION AGENCY (CWSA)

BOARD CHAIRMAN

Mr. Kwesi A. Yankey.

CHIEF EXECUTIVE

Ing. Worlanyo Kwadjo Siabi

BOARD OF DIRECTORS

Ing. Worlanyo Kwadjo Siabi (MV), Mr. Remy Bonpira Puoru, Mr. Casmos Balazuma kambozie, Mr. Donnan K. Tay, Mr. Patrick Acheampong, Naaba Moses Abaare Appiah IV. Mrs. Vida Duti, Mad. Rose Afua Appenteng.

AUDITORS

Deloitte & Touché.

BACKGROUND

The community water and sanitation division (CWSD), a semi-autonomous Unit under the Ghana Water and Sewerage Corporation (GWSC) was established to manage rural water and sanitation delivery.

The entity was later transformed into the now autonomous Community Water and Sanitation Agency (CWSA) by an Act of Parliament, Act 564 in December 1998, with the mandate to facilitate the provision of safe drinking water and related sanitation services to Rural Communities and Small Towns in Ghana.

Community Water and Sanitation Agency (CWSA) is a state-owned entity.

OPERATIONS

CWSA facilitates the implementation of the National Community and Sanitation Programme (NCWSP) using the decentralized structures at the district and community levels as prescribed in the Act of Parliament, Act 564.

FINANCIAL PERFORMANCE

CWSA recorded a revenue of **GH¢64.61 million** in 2018. This was an increase of 80.83 percent on the revenue of **GH¢35.73 million** recorded in 2017. Before this improvement, the agency recorded a decline in revenue of 39.41 percent between 2016 **(GH¢58.97 million)** and 2017.

General and administrative expenses increased from G**H¢20.64 million** in 2017 to **GH¢28.01 million** in 2018 indicating an increase of 35.71 percent.

CWSA's operating income increased by 145.54 percent from **GH¢15.09 million** in 2017 to **GH¢36.60 million** in 2018. This increase was attributable to revenue increasing at a faster rate than general and administrative expenses. This improvement was after the company posted a decrease in operating income by 664.86 percent between 2017 and 2016 **(GH¢42.94 million)**.

The total asset base for CWSA increased by 82.25 percent from **GH¢ 40.79 million** in 2017 to GH¢74.34 million in 2018. This was driven by increases in both non-current (706.05 percent) and current (24.25 percent) assets. Non-current assets accounted for 37.62 percent of total assets in 2018.

Total liabilities increased significantly by 258.96 percent from GH¢2.51 million in 2017 to GH¢9.01 million in 2018. Current liabilities made up 6 percent of total liabilities for 2018 and declined from GH¢0.74 million in 2017 to GH¢0.54 million in 2018. Net debt increased from GH¢34.81 million in 2017 to GH¢37.36 million in 2018 signifying a 7.33 percent increase.

The current ratio for the year was 85.87. This was abnormally high due to CWSA having very little current liabilities on its balance sheet. Gearing ratio for the year was 0.57 which indicates that most of its operations were funded by internally generated resources.

There was a significant increase of 1,510.83 percent in net profit. The agency moved from a net loss of GH¢-0.19 million in 2017 to a net profit of GH¢2.68 million in 2018.

Main Financial Indicators of Community Water and Sanitation Agency

Financial Indicators, GH¢ 'M			
Indicators	**2016**	**2017**	**2018**
Turnover	58.97	35.73	64.61
Gross Profit/Loss	58.97	35.73	64.61
EBITDA	6.12	-0.19	2.21
EBIT	6.12	-0.19	2.21
Net Profit/Loss	6.13	-0.19	2.68
Total Assets	51.76	40.79	74.34
Total Liabilities	13.28	2.51	9.01
Equity	38.48	38.28	65.33
Key Ratios			
Gross Profit Margin, %)	100.00	100.00	100.00
Net profit Margin, %	6.00	-0.53	4.15
Operating Capital	47.35	36.58	45.83
Return on Operating Capital,%	12.93	-0.52	4.82
Equity/assets %	0.74	0.94	0.88
Return on Assets %	11.82	-0.47	3.61
Current ratio	54.81	50.43	85.87
Gearing ratio	0.91	0.91	0.57
Return on Capital Employed (%)	12.05	-0.47	3.63
Total Asset Turnover	1.14	0.88	0.87
Interest Coverage Ratio	-	-	-
Other Indicators			
Dividend	0.00	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes

GHANA AIRPORTS COMPANY LIMITED (GACL)

BOARD CHAIRMAN

Madam Oboshie Sai Cofie

BOARD OF DIRECTORS

Mr. John Dekyem Attafuah (MD), Mr. Kwadwo Owusu -Tweneboah, Mr. Kwabena Mantey Jactey Nyarko, Mr. David Osei Yeboah, Mr. Ofori Kofi Newman, Madam Nana Ama Botchway, Grp. Capt. Fred Odoi – Wellington, Ms. Christiana Edmund.

AUDITORS

Deloitte & Touché.

BACKGROUND

Ghana Airports Company Limited (GACL) was established as a result of the decoupling of the existing Ghana Civil Aviation Authority (GCAA) in line with the modern trends in the aviation industry.

The company was registered in January 2006 with the responsibility of planning, developing, managing and maintaining all airports and aerodromes in the country namely Kotoka International Airport (KIA) and the regional airports namely Kumasi, Tamale, Sunyani as well as various airstrips. The Company commenced business on 1st January, 2007.

GoG is the sole shareholder of GACL, which falls under the purview of the Ministry of Aviation.

OPERATIONS

Aircraft movement for 2018 was 7,707, up by 288 movements or 3.9 percent against the 7,419 movements projected for the period. In the year 2018, passenger throughput of 547,599 is 11,682 passenger or 2.2 percent above the target of 535,917 passengers considered for the period.

FINANCIALS PERFORMANCE

GACL recorded a revenue of **GH¢524.51 million** in 2018, up by 19.01 percent from the revenue of **GH¢440.72 million** recorded in 2017.

Direct costs increased by 24.69 percent from **GH¢137.61 million** in 2017 to **GH¢171.59 million** in 2018. General and administrative expenses increased by 35.82 percent from **GH¢150.60 million** in 2017 to **GH¢204.55 million** in 2018.

Operating profit declined in 2018 as direct costs and general and administrative expenses increased at a faster pace than revenue. Operating profit reduced slightly from **GH¢152.52 million** in 2017 to **GH¢148.37 million** in 2018 signifying a decline of 2.72 percent.

Total assets of GACL expanded by 6.31 percent from **GH¢6,727.35 million** in 2017 to **GH¢7,152.14 million** in 2018. Non-current assets accounted for 96.89 percent of total assets in 2018 and increased from **GH¢6,406.53 million** in 2017 to **GH¢6,929.93 million** in 2018. Current assets, however, declined by 30.73 percent from **GH¢320.82 million** in 2017 to **GH¢222.22 million** in 2018.

Total liabilities increased between 2017 and 2018 by 25.95 percent, rising from **GH¢1,603.46 million** in 2017 to **GH¢2,019.63 million** in 2018. Net debt of GACL also increased by 26.62 percent from **GH¢1,579.06 million** in 2017 to **GH¢1,999.38 million** in 2018.

The current ratio of 0.95 for 2018 was down from 2.29 from 2017. GACL needs to take steps to get back to the optimal level or risk facing liquidity challenges if the decline continues. The company recorded a gearing ratio of 0.39 in 2018.

Net profit declined throughout the three-year review period. Net profit declined from **GH¢89.20 million** in 2017 to **GH¢20.42 million** in 2018 representing a significant decrease of 77.11 percent. The net profit margin was 3.89 percent in 2018.

Main Financial Indicators of Ghana Airports Company Limited

Financial Indicators, GH¢ 'M			
Indicators	**2016**	**2017**	**2018**
Turnover	363.03	440.72	524.51
Gross Profit/Loss	263.60	303.12	352.92
EBITDA	198.34	154.78	148.37
EBIT	198.34	152.52	148.37
Net Profit/Loss	152.92	89.20	20.42
Total Assets	5845.45	6727.35	7152.14
Total Liabilities	874.33	1603.46	2019.63
Equity	4971.12	5123.90	5132.51
Key Ratios			
Gross profit margin %	72.61	68.78	67.29
Net profit Margin, %	42.12	20.26	3.89
Operating Capital	-424.12	-1282.64	-1797.41
Return on Operating Capital,%	-36.06	-6.96	-1.14
Equity/assets %	0.850	0.762	0.718
Return on Assets %	2.62	1.33	0.29
Current ratio	7.87	2.29	0.95
Gearing ratio	0.15	0.31	0.39
Return on Capital Employed (%)	0.03	0.01	0.00
Total Asset Turnover	6.21	6.55	7.33
Interest Coverage Ratio	0.00	33.89	3.53
Other Indicators			
Number of employees	1,154	1,144	1,431
Dividends	0.00	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes

GHANA HIGHWAY AUTHORITY (GHA)

BACKGROUND

The Ghana Highway Authority(GHA) was established as a body corporate by with responsibility for the administration, control, development and maintenance of the country's trunk road network totaling about 13,367km and related facilities.

Ghana Highway Authority (GHA) is a state-owned entity.

OPERATIONS

In 2018, GHA's 13,367km trunk roads made up of about 33 percent of Ghana's total road network of 40,186 km.

FINANCIAL PERFORMANCE

GHA's revenue increased from **GH¢1,300.94 million** in 2017 to **GH¢1491.02 million** in 2018 representing an increase of 14.61 percent.

Direct costs increased from **GH¢1,259.61 million** in 2017 to **GH¢1,488.90 million** in 2018 representing an increase of 18.20 percent. This came after direct costs were reduced by 15 percent between 2016 (**GH¢1,524.30 million**) and 2017 (**GH¢1,295.61 million**). General and administrative expenses, however, decreased by 20 percent from **GH¢8.10 million** in 2017 to **GH¢6.48 million** in 2018.

GHA recorded an operating loss in 2018. The operating loss increased by 57.40 percent from **GH¢-2.77 million** in 2017 to **GH¢-4.36 million** in 2018.

Total assets of GHA increased from **GH¢1,631.52 million** in 2017 to **GH¢2,219.54 million** in 2018 to representing an increase of 36.04 percent. Current assets made up 97.78 percent of total assets for the year.

The company increased its total liabilities by 37.38 percent in 2018, increasing from **GH¢1,577.67 million** in 2017 to **GH¢2,167.34 million** in 2018. GPHA does not have any long term liabilities on its books. Net debt increased by 37.33 percent from **GH¢1,567.88 million** in 2017 to **GH¢2,153.16 million** in 2018.

The current ratio of 1.0 for 2018 shows that the company was in a position to meet its short-term financial obligations. Net debt far outweighed equity of GHA in 2018 with a gearing ratio of 39.96.

GHA recorded a net loss of **GH¢-4.43 million** in 2018. This was a further 57.4 percent increase in the net loss of **GH¢-2.77 million** recorded in 2017.

Main Financial Indicators of Ghana Highway Authority

Financial Indicators, GH¢'M			
Indicators	**2016**	**2017**	**2018**
Turnover	1529.72	1300.94	1491.02
Gross Profit/Loss	5.41	5.33	2.12
EBITDA	-2.62	-2.77	-4.36
EBIT	-2.62	-2.77	-4.36
Net Profit/Loss	-2.62	-2.77	-4.36
Total Assets	742.58	1631.52	2219.54
Total Liabilities	686.91	1577.67	2167.34
Equity	55.67	53.85	53.88
Key Ratios			
Gross profit margin (%)	0.35	0.41	0.14
Net profit Margin, %	-0.17	-0.21	-0.29
Operating Capital	10.48	5.85	2.98
Return on Operating Capital,%	-25.03	-47.35	-146.26
Equity/assets %	0.07	0.03	0.02
Return on Assets %	-0.35	-0.17	-0.20
Current ratio	1.02	1.00	1.00
Gearing ratio	11.94	29.12	39.96
Return on Capital Employed (%)	-4.71	-5.14	-8.35
Total Asset Turnover	2.06	0.80	0.67
Interest Coverage Ratio	-	-	-
Other Indicators			
Dividend	0.00	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes

GHANA PORTS AND HARBOURS AUTHORITY (GPHA)

BOARD CHAIRMAN

Mr. Peter Mac Manu

BOARD OF DIRECTORS

Hon. Jacqueline Buah, Mr. Michael Luguje, Captain Ebenezer Afadzi, Mrs. Sandra Opoku, Mr. Twumasi - Ankrah Selby, Ms. Benonita Bismark, Mr. Adam Imoru Ayarna, Nana Dr. Appiagyei Dankawo, Mr. John Essel, Mr. Samuel K. Arhin.

AUDITORS

CFY Partners

BACKGROUND

Ghana Ports and Harbours Authority (GPHA) is a Statutory Corporation established under the Provisional National Defence Council Law (PNDCL 160) of 1986 to build, plan, develop, manage, maintain, operate and control ports in Ghana.

Government of Ghana is the only shareholder with 100 percent shareholding.

OPERATIONS

Some statutory functions of the GPHA include:

a) Ownership, administration and regulation of the port estates

b) Planning the use of port lands

c) Regulation of port operations and the use of the ports.

The volume of cargo handled by the two ports (Tema and Takoradi) in the first quarter of 2019 was 7,123,761 tonnes. This represented a favourable variance of 129,068 tonnes or 1.85 percent against a target of 6,994,693 tonnes. The cargo traffic outturn also represented a favourable variance of 1,207,371 tonnes or 20.41 percent as against the 5,916,390 tonnes handled in the first quarter of 2018.

FINANCIAL PERFORMANCE

GPHA recorded an increase in revenue of 13.61 percent from **GH¢1,066.99 million** in 2017 to **GH¢1,212.23 million** in 2018.

Direct costs increased from **GH¢789.26 million** in 2017 to **GH¢889.75 million** in 2018 representing an increase of 12.73 percent. General and administrative expenses for 2018 was **GH¢130.20 million**, up by 50.09 percent on the **GH¢89.15 million** recorded in 2017.

GPHA's operating loss decreased between 2017 and 2018 by 68 percent from **GH¢-65.51 million** in 2017 to **GH¢-20.96 million** in 2018. It was the second year in a row the company managed to reduce its operating loss.

The total asset base expanded by 7.5 percent from **GH¢10,271.10 million** in 2017 to **GH¢11,042.35 million** in 2018. Both non-current (6.33 percent) and current assets (25.65 percent) appreciated in 2018, driving the increase in the total assets base of GPHA.

GPHA increased its total liabilities by 5.71 percent from **GH¢3,713.08 million** in 2017 to **GH¢4,078.19 million**. Net debt also increased from **GH¢3,385.36 million** in 2017 to **GH¢3,563.04 million** in 2018 marking an increase of 5.25 percent. This increase came after a decline in net debt between 2017 and 2016 (**GH¢3415.42 million**) by an insignificant 0.88 percent.

The company recorded a current ratio of 2.14 in 2018, which indicates that the company was in a position to pay off its short-term obligations. It also posted gearing ratio of 0.51 which shows that GPHA operated with a minimal level of leverage.

GPHA posted an impressive net profit growth of 271.95 percent from **GH¢52.34 million** in 2017 to **GH¢194.68 million** in 2018. The net profit margin in 2018 was 16.06 percent.

Main Financial Indicators of Ghana Ports and Harbours Authority

Financial Indicators, GH¢ 'M			
Indicators	**2016**	**2017**	**2018**
Turnover	908.22	1,066.99	1,212.23
Gross Profit/Loss	201.47	277.73	322.48
EBITDA	419.05	542.28	516.51
EBIT	150.58	288.19	303.27
Net Profit/Loss	56.56	52.34	194.68
Total Assets	10,054.87	10,271.10	11,042.35
Total Liabilities	3713.08	3857.89	4078.19
Equity	6,341.79	6,413.21	6,963.97
Key Ratios			
Gross Profit Margin, %	22.18	26.03	26.60
Net profit Margin, %	6.23	4.91	16.06
Operating Capital	126.66	284.68	419.64
Return on Operating Capital,%	0.56	0.51	1.76
Equity/assets %	0.63	0.62	0.63
Return on Assets %	0.56	0.51	1.76
Current ratio	1.36	1.83	2.14
Gearing ratio	0.54	0.53	0.51
Return on Capital Employed (%)	0.58	0.53	1.82
Total Asset Turnover	9.03	10.39	10.98
Interest Coverage Ratio	2.24	4.52	4.11
Other Indicators			
Number of employees	2,407	2,387	2,789
Dividends	0.00	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes

NATIONAL THEATRE OF GHANA (NTG)

BOARD CHAIRMAN

Nana Fredua-Agyeman Ofori-Atta

BOARD OF DIRECTORS

Madam Amy Frimpong, Hon. Abass Ridwan Daude, Prof. Dzodzi Tsikata, Nana Ekua Apeatsewah II, Prof. Kofi Agyekum, Madam Ruby B. Buah, Mr. Prince Selorm Tsegah, Mr. Kofi Adu.

AUDITORS

Ghana Audit Service

BACKGROUND

The Theatre employs about 95 people, 10 percent of whom are paid through the Theatre's own resources. The Theatre has an annual operational budget of GH¢1.4 billion with about 39 percent of the Theatre's funding coming from GOG while the other 61 percent comes from venue rentals, investments, sponsorships and gate proceeds.

OPERATIONS

The Theatre employs about 95 people, 10 percent of whom are paid through the Theatre's own resources. The Theatre has an annual operational budget of GH¢1.4 billion with about 39 percent of the Theatre's funding coming from GOG while the other 61 percent comes from venue rentals, investments, sponsorships and gate proceeds.

FINANCIAL PERFORMANCE

NTG's revenue decreased from GH¢3.82 million in 2017 to GH¢3.73 million in 2018 marking a decline of 2.36 percent. Before the current year decline, NTG recorded an increase in revenue by 14.71 percent between 2017 and 2016 (GH¢3.33 million).

In spite of the decline in revenue, directs costs increased by 12.20 percent from GH¢3.36 million in 2017 to GH¢3.77 million in 2018.

The company posted an operating loss of **GH¢ -0.15 million** in 2018. This was a 141.67 percent decline from the operating profit of **GH¢0.36 million in 2017**.

The total asset base of NTG declined by 12.89 percent from **GH¢2.25 million** in 2017 to **GH¢1.96 million** in 2018. Total liabilities declined by 35.82 percent from GH¢ 0.91 million in 2017 to **GH¢ 0.67 million** in 2018. The company did not have any long term liabilities on its books. Net debt also decreased by 35.90 percent from **GH¢0.78 million** in 2017 to **GH¢0.50 million** in 2018.

The current ratio of 0.51 indicates that the entity was not very liquid and was likely to have trouble settling its short-term liabilities. The gearing ratio for 2018 was 0.39 and shows that NTG used a minimal level of leverage in running its business operations.

NTG recorded a net loss of **GH¢-0.04 million** in 2018 which was a decline of 108.16 percent on the net profit of **GH¢0.49 million** in 2017.

Main Financial Indicators of National Theatre of Ghana

Financial Indicators, GH¢ 'M			
Indicators	**2016**	**2017**	**2018**
Turnover	3.33	3.82	3.73
Gross Profit/Loss	0.15	0.46	-0.04
EBITDA	0.22	0.56	0.07
EBIT	0.15	0.46	-0.04
Net Profit/Loss	0.16	0.49	-0.04
Total Assets	1.99	2.25	1.96
Total Liabilities	1.14	0.91	0.67
Equity	0.85	1.34	1.29
Key Ratios			
Gross profit margin, %)	4.50	12.04	-1.07
Net profit Margin, %	4.80	12.83	-1.07
Operating Capital	-1.09	-0.84	-0.33
Return on Operating Capital,%	-13.71	-54.63	12.12
Equity/assets %	0.43	0.60	0.66
Return on Assets %	8.04	21.78	-2.04
Current ratio	0.04	0.07	0.51
Gearing ratio	1.20	0.58	0.39
Return on Capital Employed (%)	0.19	0.37	-0.03
Total Asset Turnover	1.67	1.70	1.90
Interest Coverage Ratio	-	-	-
Other Indicators			
Dividend	0.00	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes

PSC TEMA SHIPYARD (PTS)

BOARD OF DIRECTORS

No Board

AUDITORS

The Auditor – General

BACKGROUND

The Tema Shipyard and Dry-dock was established in 1965 by the Government of Ghana (GoG) during the construction of the Tema Harbour as part of the overall infrastructure requirement for the country's maritime industry. At its inception, it operated as part of the port authority until 1970 when GoG assigned its management to a statutory corporation created under a Legislative Instrument as a state-owned enterprise.

In 1997, the Shipyard was divested to Malaysians by 60 percent. However, in 2012, GoG acquired all the shares owned by the Malaysians making PTS a 100 percent GoG ownership. Again, Ghana Ports and Harbours Authority (GPHA) took over full operations of the Shipyard under the directive of Cabinet in 2016.

Over the years, PSC Tema Shipyard services an average of thirty vessels annually. The Company has 278 employees.

OPERATIONS

The services offered by PTS include ocean cargo, repair services, and responsive customer services such as dry-docking, general engineering services and lay berth among others. In 2018, the Company worked on 34 vessels with average turnaround time of 28 days.

FINANCIAL PERFORMANCE

PTS recorded a revenue increase of 36.81 percent from **GH¢28.44 million** in 2017 to **GH¢38.91 million** in 2018.

Direct costs increased by 26.71 percent from **GH¢16.36 million** in 2017 to **GH¢20.73 million** in 2018. General and administrative expenses also increased from **GH¢11.61 million** in 2017 to **GH¢13.42 million** in 2018 signifying an increase of 15.59 percent. This followed a 56.74 percent decrease General and administrative expenses decreased from 2016 (**GH¢26.84 million**)

PTS posted a 912.77 percent increase in operating income from **GH¢0.47 million** in 2017 to **4.76 million** in 2018.

The company increased its total assets base from **GH¢23.16 million** in 2017 to **GH¢35.85 million** in 2018 representing an increase of 54.79 percent. Current assets made up 65 percent of the company's total assets in 2018 and increased by 73.81 percent. Non- current assets also increased from **GH¢9.72 million** in 2017 to **GH¢12.49 million** in 2018 representing an increase of 28.50 percent.

Total liabilities increased by 36.69 percent from **GH¢22.54 million** in 2017 to **GH¢30.81 million** in 2018. Current liabilities remained unchanged between 2016 and 2017. Net debt increased from **GH¢16.31 million** in 2017 to **GH¢24.27 million** in 2018 indicating an increase of 48.8 percent.

PTS recorded a current ratio of 2.34 in 2018 indicated that the company had the capability to settle its short-term financial obligations on time. The gearing ratio for the period was 4.82 which indicates that PTS ran a highly leveraged business.

The company recorded an exponential increase of 3307.69 percent in net profit from **GH¢0.13 million** in 2017 to **GH¢4.43 million**. The margin on the net profit was 11.39 percent.

Main Financial Indicators of PSC Tema Shipyard

Financial Indicators, GH¢ 'M			
Indicators	**2016**	**2017**	**2018**
Turnover	25.11	28.44	38.91
Gross Profit/Loss	10.79	12.08	18.18
EBITDA	-6.68	1.37	7.22
EBIT	-7.38	0.62	6.00
Net Profit/Loss	-2.42	0.13	4.43
Total Assets	21.94	23.16	35.85
Total Liabilities	21.46	22.54	30.81
Equity	0.49	0.61	5.04
Key Ratios			
Gross profit margin (incl. changes in value, %)	42.97	42.48	46.72
Net profit Margin, %	-9.64	0.46	11.39
Operating Capital	1.26	2.21	13.37
Return on Operating Capital,%	-192.06	5.88	33.13
Equity/assets %	0.02	0.03	0.14
Return on Assets %	-11.03	0.56	12.36
Current ratio	1.11	1.20	2.34
Gearing ratio	31.69	26.74	4.82
Return on Capital Employed (%)	-22.60	1.09	17.13
Total Asset Turnover	1.14	1.23	1.09
Interest Coverage Ratio	-	-	-
Other Indicators			
Number of employees	272	272	278
Dividends	0.00	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes

STATE HOUSING COMPANY (SHC)

BOARD CHAIRMAN

Mr. Benjamin Owusu Mensah

MANAGING DIRECTOR

Mr. Kwabena Ampofo Appiah

BOARD OF DIRECTORS

Mr. Kwabena Ampofo Appiah, Mr. Earl Ofori Atta, King Prof. Odaifo Welentsi III, Dr. Maame Adwoa Gyekye, Oheneba Owusu Afriyie IV, Mr. Gustav Kwakye, Rev Osei Yaw, Hon. Kwaku Ampratwum Sarpong.

AUDITORS

Gogoe & Associates

BACKGROUND

State Housing Company (SHC) was established originally as the Gold Coast Housing Corporation in 1956 under the Gold Coast Housing Corporation Ordinance 1955 (No.31) with a mandate to "increase the availability of dwelling houses in Ghana".

In July 1995, SHC was converted into a Limited Liability Company under the Statutory Corporations (Conversion of Companies) Act, 1993. It was duly registered under the Companies Code 1963 on July 10, 1995 and structured to operate as profitable and self-sufficient commercial enterprise.

FINANCIAL PERFORMANCE

Revenue for SHC increased by 6 percent from GH¢26.34 million in 2017 to GH¢27.92 million in 2018. Direct costs increased by 26.71 percent from GH¢16.36 million in 2017 to GH¢20.73 million in 2018. General and administrative expenses also increased from GH¢4.08 million in 2017 to GH¢6.28 million in 2018 indicating a significant increase of 53.92 percent.

Direct costs and general and administrative expenses grew at a faster rate than revenue for the year resulting in a 7.14 percent decline in operating income. The operating income reduced from GH¢18.92 million in 2017 to GH¢17.57 million in 2018 after it increased by 51.60 percent between 2016(GH¢12.48 million) and 2017.

Total assets of SHC increased by 22.87 percent from GH¢46.53 million in 2017 to GH¢57.17 million in 2018. Current assets accounted for 77.73 percent of total assets and increased by 23.38 percent between 2018 and 2017. Non-current assets increased from GH¢ 10.51 million in 2017 to GH¢12.73 million in 2018 representing a 21.12 percent increase.

Total liabilities increased by 5.63 percent from GH¢17.57 million in 2017 to GH¢18.65 million in 2018. Current liabilities constituted 100 percent of total liabilities and increased by 8.87 percent from GH¢17.57 million in 2017 and GH¢18.85 million in 2018. Net debt increased from GH¢7.97 million in 2017 to 9.63 million in 2018 indicating an increase of 20.83 percent.

The current ratio for the year was 2.38 shows that the company had enough liquidity to cover its short-term financial obligations. The gearing ratio for the year was 0.25 and shows that company had taken up minimal debt to run its operations.

SHC posted a net profit of GH¢10.63 million with a net profit margin of 38.07 percent in 2018. The net profit for the year represented a 5.14 percent increase over the previous year's net profit.

Main Financial Indicators of State Housing Company

Financial Indicators, GH¢ 'M			
Indicators	**2016**	**2017**	**2018**
Turnover	25.13	26.34	27.92
Gross Profit/Loss	20.41	23.39	24.35
EBITDA	7.16	10.89	11.63
EBIT	6.82	10.50	11.13
Net Profit	6.48	10.11	10.63
Total Assets	35.68	46.53	57.17
Total Liabilities	16.38	17.57	18.85
Equity	19.30	28.96	38.33
Key Ratios			
Gross profit margin (%)	81.22	88.80	87.21
Net profit Margin, %	25.79	38.38	38.07
Operating Capital	14.36	18.89	25.79
Return on Operating Capital,%	45.13	53.52	41.22
Equity/assets %	0.54	0.62	0.67
Return on Assets %	18.16	21.73	18.59
Current ratio	1.90	2.10	2.38
Gearing ratio	0.65	0.28	0.00
Return on Capital Employed (%)	32.83	34.39	27.60
Total Asset Turnover	0.70	0.57	0.49
Interest Coverage Ratio	0.00	0.00	0.00
Other Indicators			
Number of employees	136	145	145
Dividend	0.00	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes

TDC DEVELOPMENT COMPANY LIMITED (TDC)

BOARD CHAIRMAN

Elizabeth Mansa Banson (Ms.)

BOARD OF DIRECTORS

Valerie Barbara Ashitey (Ms.), Hon. Seth Abladey, Alice Abena Ofori-Atta.

AUDITORS

Adom Boafo & Associates.

BACKGROUND

The TDC Development Company Limited (TDC) was set up in 1952 by an Act of Parliament with the sole responsibility to plan and develop about 63 square miles of public land for various land cases and also manage the township that had been created to provide accommodation to those that would be engaged in these economic operations.

In 2017, TDC was converted into a Limited Liability Company following Cabinet's approval with enhanced mandate to expand its operational and geographical scope beyond the Tema Acquisition Area. GoG is the only shareholder with 100% shareholding.

TDC is constrained by the exhaustion of the Tema Acquisition Area land bank, rampant encroachment on the Company's land bank and overlapping roles with the Metro and Municipal Assemblies. To address some of these challenges, TDC is extending operations beyond the Tema Acquisition Area, regularising encroached plots, taking legal action against encroachers, and publishing by-laws of TDC on land acquisition or purchase of TDC lands. Government of Ghana is the only shareholder with 100% shareholding. In 2017, TDC was converted into a Limited Liability Company following Cabinet's approval with enhanced mandate to expand its operational and geographical scope beyond the Tema Acquisition Area.

OPERATIONS

The operational results of TDC for 2018 are discussed below.

1. COMMUNITY 26 HOUSING PROJECT (KPONE AFFORDABLE HOUSING PROJECT)

Works progressed steadily in 2018, which saw the completion of 11 blocks out of the 24 blocks which were handed over to the Company with the other remaining blocks at various stages of completion.

2. COMMUNITY 1, SITE 3 INFILLING PROJECT

This project consists of the construction of 4No.X 16 apartments mainly 2 and 3 bedrooms.

The phase 1 of the project was completed and put on sale. Two (2) blocks were been sold with the other two committed during2018.

Work progressed steadily at 78% on the second phase of the project which was anticipated to be completed by the end of 2019.

3. TDC TOWERS

The Towers which has about 7,355m^2 net lettable floor space was completed. This comprises 2 banking halls, 4 large stores, 4 floors of office space, a restaurant and a 300-seater conference hall.

The building registered 15.52 percent occupancy rate in 2018 with discussions ongoing with potential occupants.

4. DEMOLITION EXERCISE AT KAIZER FLATS, COMMUNITY 4, TEMA

The demolition of four (4) Kaizer Flat Blocks and its associated canopy walkways were successfully executed. Plans were underway to demolish the remaining nine (9) blocks.

FINANCIAL PERFORMANCE

Revenue for TDC increased consistently throughout the three-year review period. Revenue increased by 39.61 percent from GH¢54.25 million in 2017 to GH¢75.74 million in 2018. This was a further increase on the 43.33 percent revenue growth recorded from 2016 (GH¢ 37.85 million) to 2017.

Direct costs increased to GH¢16.94 million in 2018 from GH¢9.36 million in 2017 representing an increase of 80.98 percent. The company managed to reduce its general and administrative expenses by 14.16 percent from GH¢31.50 million in 2017 to GH¢27.04 million in 2018.

TDC recorded a huge improvement in operating income from **GH¢13.39 million** in 2017 to **31.76**

million in 2018 representing a growth of 137.19 percent. This was as a result of revenue increasing at a faster pace than direct costs and the company being able to cut-back on its general and administrative expenses for the year.

Total assets increased from **GH¢228.52 million** in 2017 to **GH¢258.16 million** in 2018 representing a 12.97 percent increase in the asset base. This increase was propelled by an increase in current assets which constituted 72 percent of total assets from **GH¢154.67 million** in 2017 to GH¢187.16 million in 2018 indicating an increase of 21 percent. Non-current assets, however, decreased from **GH¢73.85 million** in 2017 to **GH¢71.0 million** in 2018 representing a mere decline of 3.86 percent.

TDC managed to reduce its total liabilities from **GH¢77.60 million** in 2017 to **GH¢66.34 million** in 2018 representing a reduction of 14.51 percent. Current liabilities constituted 98 percent of TDC's total liabilities. Net debt also declined for the year, decreasing from **GH¢34.10 million** in 2017 to **GH¢11.57 million** in 2018 representing a percentage change of 66.07 percent.

TDC had a current ratio of 2.88 which indicates that the company had enough liquidity to cover its short-term liabilities. Gearing ratio of 0.06 points to the fact that the company had very little debt and financed most of its operations from its internal resources.

TDC's net profit more than doubled in 2018 from **GH¢10.55 million** in 2017 to **GH¢24.22 million** in 2018. The net profit margin in 2018 was 31.98 percent.

Main Financial Indicators of TDC Development Company Limited

Financial Indicators, GH¢ 'M			
Indicators	**2016**	**2017**	**2018**
Turnover	37.85	54.25	75.74
Gross Profit/Loss	33.97	44.89	58.80
EBITDA	7.17	13.39	31.76
EBIT	7.17	13.39	31.76
Net Profit/Loss	5.79	10.55	24.22
Total Assets	196.79	228.52	258.16
Total Liabilities	64.66	77.60	56.34
Equity	132.13	150.92	191.82
Key Ratios			
Gross profit margin, %	89.75	82.75	77.63
Net profit Margin, %	15.30	19.45	31.98
Operating Capital	60.57	78.32	122.07
Return on Operating Capital,%	9.56	13.47	19.57
Equity/assets %	0.67	0.66	0.74
Return on Assets %	2.94	4.62	9.38
Current ratio	1.96	2.03	2.88
Gearing ratio	0.31	0.23	0.06
Return on Capital Employed (%)	0.04	0.07	0.13
Total Asset Turnover	0.19	0.24	0.29
Interest Coverage	0.00	5.27	48.12
Other Indicators			
Number of employees	389	370	324
Dividend	1.25	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes

Box 7: Ghana Infrastructure Investment Fund (GIIF)

Company Overview

The Ghana Infrastructure Investment Fund ("GIIF" or "Fund") is a body corporate with perpetual succession and a common seal wholly owned by the Republic of Ghana and established pursuant to the Ghana Infrastructure Investment Fund Act ("the Act"), 2014, (Act 877). The objective of the Fund is to mobilize, manage, coordinate and provide financial resources to (a) catalyse the development of critical infrastructure in Ghana; and (b) generate a financial return for shareholders.

Although called a fund, it should be noted that GIIF is not a private equity fund in the usual sense (fixed-life, GP and LP structure, etc), but rather a permanent capital investment vehicle. The Fund is independent from Government (has a fully private sector Board of Directors) and the following powers per the GIIF Act:

(a) Create sub-funds, affiliates or subsidiaries in any jurisdiction in furtherance of the object of the Fund.

(b) Invest in, purchase, maintain, divest from, sell or otherwise realize assets and investments of any kind.

(c) Borrow and raise money, on its own or in partnership with its affiliates, from domestic and international financial markets.

GIIF is a body corporate wholly owned by the Republic of Ghana and established pursuant to the Ghana Infrastructure Investment Fund Act, 2014, Act 877. The Act was passed by the Parliament of the Republic of Ghana on July 21, 2014 and duly assented to by the President of the Republic of Ghana on August 15, 2014. The Fund is a permanent capital investment vehicle, initially capitalized at US$250 million, with a mandate to identify, develop, invest, mobilize and manage investments in a diversified portfolio of infrastructure assets in Ghana for national development, in a profitable and sustainable way. The Fund is flexible in the instruments of financing it can use, from equity to debt and anything in between. This means it can offer innovative financing solutions for projects anywhere along the project life cycle (early Project Development to acquisitions and refinancing), which is very useful in the Ghanaian/African environment, often characterized by limits on the different financing pools necessary for sustainable infrastructure financing.

GIIF's activities include attracting investments through the domestic and international capital and financial markets to complement its funding in the financing of infrastructure projects in Ghana. GIIF is commercially minded and seeks to generate a market return for its investors and stakeholders. Given the need to raise private capital with its embedded returns criteria, to complement its initial public funds, GIIF does not offer concessional funding to projects but prices for risk and in line with the market. This dual role of needing to be commercially sustainable (trying to avoid losses and therefore conducting thorough Due Diligence before financing), whilst being close to, and having access to the highest levels of, government (which can be very useful in unblocking impediments in the investment process), makes GIIF a powerful player in Ghana and an ideal partner for private sector investors, especially international ones. It also makes GIIF a very useful vehicle through which to channel funds, especially international funds, to well-structured infrastructure projects in Ghana. In short, GIIF is an ideal investment/ financing partner for those who wish to build exposure to the Ghanaian market through funding strong infrastructure projects.

Current Developments

Initial Funding and transactions closed to date:

GIIF drew US$250 million from the Government of Ghana (GoG) in 2014. The fund also received US$75m from the ABFA (Petroleum Revenue Management Act). Hence total initial fund size is $325m. Since then, in conjunction with its financial advisers, the Fund has established the policies, management and Corporate Governance structures as prescribed by the GIIF Act. A new Board, as well as the current CEO Solomon Asamoah, a seasoned infrastructure financing specialist with over 20 years of closing such transactions across Africa, were appointed in May 2017 to take over the process of growing the Fund into a mature entity with a broad portfolio across the national infrastructure sectors. Strong progress has been made.

As at December 2018, GIIF had already deployed capital into seven separate projects (six of them since May 2017) covering the Transportation, Energy, Hospitality and ICT sectors:

Investment Portfolio

Project Name	Sector	Amount Approved		Total Project Cost
		Debt $(m)	Equity $(m)	$(m)
Ghana Airports Company(GACL)	Transportation	30	-	450
Maaha Beach Resort	Tourism	4	4	16.7
Western Corridor Fibre Project	ICT	26	8	42
African Finance Corporation (AFC)		-	10	-
Atuabo Power Project	Energy	15	15	70
Takoradi Port Expansion- On-Dock	Transportation	58	-	485
Oil Jetty Terminal Project	Transportation	32	-	70
Rotan Power	Energy	-	5.5	1000
Airport City Pullman Project	Tourism	5	10	116
Woodfields Fuel Storage	Oil and Gas	15	-	90.6
	TOTAL	**185**	**52.5**	
	GRAND TOTAL	**237.5**		**2,340.30**

Box 7: Ghana Infrastructure Investment Fund (GIIF)

(a) The Maaha Beach resort: a 135-room multi-purpose beach resort at Anokyi near Atuabo in the Ellembele District of the Western region of Ghana. The Fund has invested US$4m of debt and US$4m of equity.

(b) The Ghana Airport Company Limited (GACL): This project involves the development of the new international Terminal 3 at Kotoka Airport and the rehabilitation and upgrade of other airports and aerodromes managed by the GACL, including Kumasi, Tamale, Ho, and Wa airports. The Fund provided US$30m of debt which enabled the US$200 million Development Finance Institution ("DFI") tranche with the African Development Bank ("AfDB") and the Development Bank of Southern Africa ("DBSA") to reach financial close.

(c) Rotan Power project: A 660MW combined cycle gas to power project near Takoradi in the Western Region of Ghana. The plant will be built in two phases of 330MW each. This project is expected to be the largest and lowest cost producer in Ghana's history. GIIF purchased a 10% equity stake in the project development company and is working with the sponsors to reach financial close.

(d) The Western Corridor Fibre Optic project: Involves the development, finance, construction and operation of an ultra-modern backhaul/broadband communication infrastructure, covering the entire western corridor of Ghana (over 881 km) to be integrated with existing infrastructure across the other parts of the country. The project will also eventually provide fibre connectivity to the offshore Oil and Gas enclave off Takoradi.

(e) Pullman Airport City Accra Hotel: This development will feature 214 hotel rooms and suites; and 149 serviced apartments under the Pullman Living brand. It will be the first dual hospitality offering in Ghana responding to a growing demand for extended-stay accommodation in Accra.

(f) Atuabo Power project: The Project is the design, development, financing, construction, operation and maintenance of a 31-MW first phase of a 93-MW power Independent Power Producer (IPP) plant that will use the flared gas from Ghana's oil fields as a fuel source. This will therefore eliminate flaring, with all the environmental benefits that will follow. The power will be sold under a 20-year Power Purchase Agreement (PPA) to the Electricity Company of Ghana, the sole off-taker.

(g) Takoradi Port Expansion Project (including Oil Jetty Terminal Project): A concession to expand and develop the port was awarded to a private sector group in 2017, who formed a joint-venture with the Ghana Ports and Harbours Authority (GPHA). This expansion includes the development, construction and operation of new on and off dock container handling terminals and a multipurpose terminal, which will significantly increase handling capacity at the port.

The Fund has also established a robust pipeline of future infrastructure projects, totaling over US$1 billion, including in the transportation, Energy, Heavy Industries, Power, ICT and Logistics sectors.

Investment Approach

GIIF's focus is to unlock private sector financing for (mainly public) infrastructure projects in Ghana. Therefore, projects considered must be financially viable. The investments are predominantly in the equity and debt of infrastructure projects in Ghana on a non-recourse or limited recourse basis. This includes commercially viable Public Private Partnerships ("PPPs"), concessions, joint venture & strategic investment vehicles which promote private financing of infrastructure with GIIF providing comfort and leadership to both sides.

GIIF also looks to leverage its funds to crowd-in other sources of funding and also carefully manages risks so as to help ensure the optimal capital structures of investments. As a national investment vehicle, GIIF also looks to ensure there is maximum qualified local participation in the ownership, management and operations of the project. A driving philosophy of GIIF is to back local Ghanaian and foreign sponsors to execute world class infrastructure projects within Ghana.

Ghanaian infrastructure represents a significant opportunity for both investors and for the Ghanaian economy to grow and realize good investment returns. Indeed, infrastructure as an investment asset class in its own right in Ghana is now beginning to be recognized as an underserved sub-sector that could provide attractive returns as well as providing significant benefits for the economy and improve the quality of people's lives. Many long-term investors such as pension funds and insurance companies have expressed appetite in such assets (as long as they are suitably de-risked first). Hence a significant opportunity for GIIF is to create, develop and de-risk such assets before selling to such 3rd party investors and recycling its funds to create additional new such assets. However, it is clear that significant funding is required to execute such a strategy. Given that GIIF has already demonstrated its ability to source, structure and invest in such assets in Ghana, it is now looking to raise additional funding to increase its effectiveness and reach in this important area.

When looking at GIIF's investments to date and growth trajectory, it has become clear that with over US$237 million already committed, GIIF needs to raise additional funds to its initial US$250million equity received from the Government of Ghana ("GoG"). It is estimated that at GIIF's current investments and growth trajectory, it will need to conservatively raise at least US$900 million in debt funding to deploy its projected investment program by year 2026.

Governance Structure

Ownership and Governance

Established and seeded by the Government of Ghana (GoG), GIIF is currently fully government-owned. The Board of directors is the supreme organ of the Fund and consists of a chairperson, the CEO of the Fund, and seven other directors appointed by the President of Ghana. The Board receives counsel from an Advisory Committee mainly in view of aligning the Fund with national policy guidelines on infrastructure investment. The Advisory Committee, (which meets twice a year) is comprised of the Minister of Finance as the Chairperson, the Governor of the Bank of Ghana, the Director-General of the National Development Planning Commission, and two other persons from the private sector, one of whom must be a woman.

As best practice, the Board of the Fund is currently composed of the following committees, to facilitate efficient decision making and exercise control, including;

the Investment and Finance Committee, the Risk and Compliance Committee, the HR & Legal Committee, and the Audit Committee.

Box 7: Ghana Infrastructure Investment Fund (GIIF)

The key functions of the Committees include the following:

The Investment and Finance Committee

a) Ensuring that relevant credit risk assessments are considered as part of the transaction approval process.
b) Assessing investees and the quality of the due diligence performed.
c) Managing the portfolio of existing investees.
d) Managing any eventual divestment processes that likely to take place.
e) Controlling company budgets and annual accounts.
f) Capital raising.
g) Management of government funds.
h) Treasury management.

The Audit Committee

a) Monitoring in and outflows
b) Reviewing the Fund's budgets, expenses, and accounts
c) Ensuring that the Fund operates an adequate Governance, Risk and Control systems
d) Ensuring and overseeing that financial reports meet IFRS and other requirements
e) Safeguarding assets of the Fund
f) Ensures that audit recommendations are implemented

The Risk and Compliance Committee

a) Approving credit risk limits and limit exemptions;
b) Reviewing credit and market risk and taking appropriate actions in response to issues identified, including limit changes;
c) Receiving and addressing reports of credit limit breaches.

The Human Resource and Legal Committee

a) Human Resource Management Monitoring
b) Recruitment
c) Compensation
d) Compliance

Vision, Mission and Objectives

The object of the Fund is to mobilize, manage, coordinate and provide financial resources for investment in a diversified portfolio of infrastructure projects in Ghana for national development. Infrastructure remains a key development priority to sustain Ghana's rapid urbanization and industrial growth as well as the attainment of the post-2015 development agenda and Sustainable Development Goals (SDGs). Public sources, both domestic and international, will continue to play a vital role in financing most of these infrastructure investments. However, there is equal recognition by the Government of Ghana (GOG) that these sources fall considerably short of the investment required to close the infrastructure gap. The role of private investment and specifically PPPs is therefore seen as indispensable to address this financing gap and to improve the quality of infrastructure services.

For the purposes of achieving the objectives of the Fund, GIIF will engage in activities determined by the Board, including:

a) undertaking investments for the development of infrastructure to promote economic growth and attract investments;
b) the management and investment of contributions made to the Fund;
c) reinvesting into the Fund to generate returns, the profits and proceeds from investment of moneys of the Fund;
d) ensuring in respect to its investment, the development of skills in infrastructure development, including project design, project management, financing and investment, consistent with the object of the Fund;
e) leveraging the capital of the Fund by attracting investments through the domestic and international capital and financial markets; pursuing the best possible financial returns on investments having regard to internationally recognised best practices for
f) asset allocation and risk management, protecting, in the long term, the economic value of the capital and assets of the Fund; and
g) the cost of capital of the Fund and other incidental
h) the provision of debt and equity financing;
i) the provision of risk mitigation instruments;
j) the management of assets entrusted to it; and
k) any other activity determined by the Board to achieve the object of the Fund

Funding

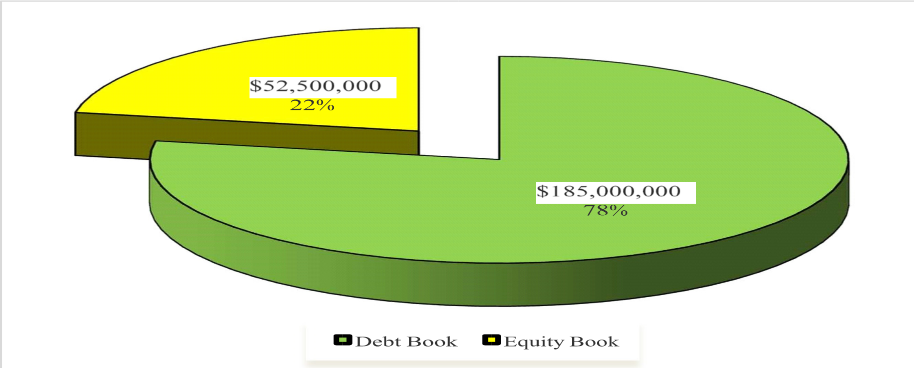
The Act provides for the following sources of funding for GIIF;

a) an amount of money equivalent to two and one-half percentage points of the existing Value Added Tax revenue;
b) an amount of money not exceeding twenty-five percent of Annual Budget Funding Amount to be applied to amortization and direct infrastructure expenditure;
c) repayment inflows of moneys on-lent by the Ministry of Finance to government ministries, departments and agencies or state-owned enterprises, for capital project or infrastructure development;
d) proceeds from the disposal of state-owned equity investments;
e) grants, donations, gifts and other voluntary contributions to the Fund;
f) fees or other moneys earned by the Fund in pursuance of its functions under the GIIF Act;
g) money that accrues to the Fund from investment made by the Fund;
h) moneys borrowed and raised from local and international capital market or from its affiliates;
i) money that may become lawfully payable to the Fund or any other property that may become lawfully vested in the Board for the Fund;
j) and any other moneys that the Minister of Finance with the approval of Parliament determines to be paid into the Fund

Box 7: Ghana Infrastructure Investment Fund (GIIF)

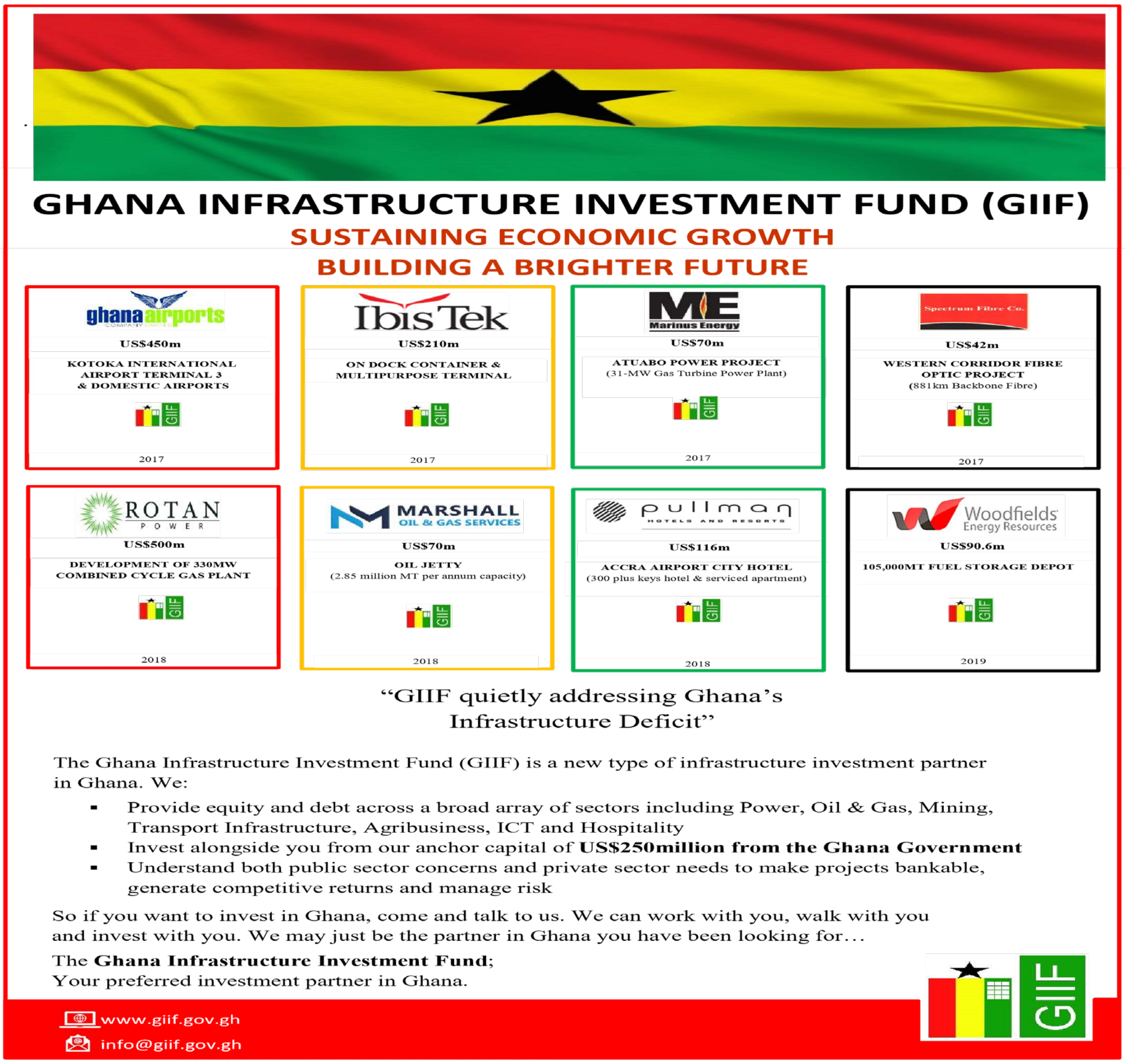
Seed Fund

In 2014, the Fund received US$250m in seed capital from the Government of Ghana. The seed capital was converted into GH¢ equivalent. However, the GoG has indicated its preference for GIIF to be independently financially self-sufficient and seek future funding from outside of further government allocations.



Social Impact

An amount of $237.5m has committed of which the likely jobs to be created is circa 105,200. The likely jobs per sector are as follows: Tourism (150); Transportation (4,350); Energy (700); and ICT (100,000).



MANUFACTURING/ INDUSTRY SECTOR

258. Compared to industrialized countries Ghana's manufacturing sector, just as others in sub-Saharan Africa, is not as advanced. The sectors contribution to Ghana GDP varied over time declining from 9.5 percent in 2017 to 4.1 percent in 2018 according to figures from the Ghana Statistical Services (GSS). The sector has particularly faced a number of challenges including unreliable electricity supply; erratic pattern of sources of economic growth; persistent decline in the crop sub-sector share of GDP; high cost of doing business; and high cost of credit; lack of access to long-term financing for businesses; lack of supportive economic infrastructure; an increase in petroleum production, and manufacturing sector utilisation of idle capacity caused by the energy crisis; poor linkage of the services sector (especially the finance and insurance sub-sector) to agriculture among others.

259. These challenges have posed enormous impediments in the sectors growth over the recent years. Government of Ghana has therefore, in a bid to revamp the sector, put in place a number of policies. These include:

(a) implementation of the government's flagship One District, One Factory industrial initiative;

(b) implementation of a National Industrial Revitalisation Programme with a stimulus package for industry;

(c) establishment of an Industrial Development Fund (IDF);

(d) institution of incentive schemes for renewable energy projects for industrial development;

(e) establishment of an integrated aluminium industry, using Ghana's natural resources in bauxite, hydro, gas and its existing smelter;

(f) establishment of foundry-based manufacturing and precision machine tooling, using computer-aided design (CAD)/computer-aided manufacturing and computer numerical control (CNC) systems; and

(g) establishment of a National Apprentice Recruitment Agency.

260. The Ministry of Trade and Industry formulates, implements, monitors and evaluates policies for the manufacturing sector. The Ministry as part of its functions also advocates for the private sector and is mandated to implement programs aimed at ensuring the private sector growth in Ghana. The Ministry is also responsible for:

(a) policy formulation;

(b) facilitating enterprise development including SMEs;

(c) development and enforcement of standards in trade and industry;

(d) promoting and facilitating Ghana's internal and export trade with emphasis on diversification and value-addition; and

(e) promoting and facilitating Ghana's active participation in Global Trade.

261. Other government and regulatory agencies which support the implementation of policy objectives, strategies and initiatives in the sector are discussed below.

GHANA Export and Import Bank (EXIM)

262. The Ghana EXIM Bank evolved as a result of a merger of the Export Trade, Agricultural and Industrial Development fund (EDAIF), the Export Finance Company and Exim Guaranty Company Limited. The EDAIF was established in 2002 under Act 582 to provide financial resource to export oriented activities especially non-traditional products and the development and promotion of agriculture relating to agro-processing and agro-processing industry to give the agricultural sector an additional attention and support.

263. The EFC, on the other hand, was established as a special purpose vehicle to provide financial and other related support to the Non-Traditional Export Sector (NTEs) of the Ghanaian economy while the EXIM Guaranty was established in 1994 to provide credit guarantees and general financial risk management solutions SMEs. Government in an effort to see a fully operational and growing sector therefore created the Ghana Export-Import (GEXIM) Bank. The Ghana Export-Import Bank (GEXIM) was launched to bolster the GoG's quest for a feasible and sustainable export-led economy.

Ghana Standards Authority (GSA)

264. The Ghana Standards Authority is mandated to ensure the nation's quality infrastructure. It does so through the four pillars of metrology, standards, testing and quality assurance. About three of Ghana Standards Authority Laboratories have received and maintained international accreditation in the areas of mass, temperature and pressure. There are programs in place to ensure that GSA labs are in a position to certify that exporters meet specific export standards and requirements.

National Board for Small Scale Industries (NBSSI)

265. The National Board for Small Scale Industries is the Government organization responsible for the promotion and development of micro and small enterprises in Ghana. About 2,750 entrepreneurs have benefited from counselling and advisory services offered by the Business Advisory Centres since 2009.

266. There are several other institutions rendering support services to the manufacturing sector. These include the Association of Ghana Industries (AGI), the Ghana National Chamber of Commerce and Industry (GNCCI), the Private Enterprise Foundation (PEF) and the Federation of Association of Ghanaian Exporters (FAGE).

Table 14: State Equity Participation in the Manufacturing Sector (2018)

Name of Entity	Field of Activity	Turnover,	Net Profit/ Loss, GH¢ 'M	Total Assets, GH¢ 'Mill	Number of Employees	GoG Shareholding (%)
Ghana Cylinder Manufacturing Company	Manufacturing of LPG cylinders and related products.	6.89	(1.77)	51.18	61	100%
GIHOC Distilleries Company Limited	Production/export alcoholic beverages.	62.58	1.93	59.98	212	100%
Ghana Supply Company Limited	Supplying of goods and service (commercially) for clients.	1.74	0.07	20.72	35	100%
Ghana Trade Fair Company Limited	Organization of world class fairs and exhibitions.	3.76	0.26	4.19	0	100%
Ghana Water Company Limited	Production and distribution of portable water throughout the country.	934.03	(668.33)	13,635.29	0	100%
Precious Mineral Marketing Company	Buying and selling of precious minerals such as gold and diamond etc.	23.20	1.15	41.42	0	100%
Volta Aluminium Company	Supplying of raw materials for Ghana's downstream aluminium industry.	467.53	(153.64)	1,359.77	0	100%
GHACEM	Supplying of quality cement in Ghana.	1,267.17	141.47	533.74	0	5%

Summary of Sectoral Financial Performance: Manufacturing Sector

267. This review is based on reported financial figures for eight (8) SOEs and one (1) JVC. The SOEs include Ghana Cylinder Manufacturing Company (GCMC), GIHOC Distilleries (GIHOC), Ghana Trade Fair Company Limited (GTFCL), Ghana Supply Company Limited (GSCL), Ghana Water Company Limited (GWCL), Precious Mineral Marketing Company (PMMC), and Volta Aluminium Company Limited (VALCO). GHACEM is the only JVC in the manufacturing sector.

Total Revenue

268. Total revenue for SOEs in the manufacturing sector increased throughout the last three years. The sector posted a combined revenue figure of **GH¢1,499.73 million** in 2018, an improvement of **GH¢173.32 million** (13.07 percent) over the 2017 performance of **GH¢1,326.42 million** and **GH¢227.16 million** (17.85 percent) on 2016 performance of **GH¢1272.58 million**. The increase in revenue for the sector was accounted for by the improved performance of entities such as GWCL (from **GH¢917.81 million** to **GH¢934.03 million**), GIHOC (from **GH¢45.45 million** to **GH¢62.58 million)** and VALCO (from **GH¢336.03 million** to **GH¢467.53 million)**. GSCL was the only SOE to have posted a reduction in its revenue from **GH¢1.92 million** in 2017 to **GH¢1.74 million** in 2018.

Expenditure

269. The combined direct cost of SOEs in the manufacturing was **GH¢1,282.91 million**, which represented an increase of 12.18 percent and 28.55 percent over the 2017 and 2016 figures of **GH¢1,143.62 million** and **GH¢997.96 millio**n respectively. GWCL **(GH¢622.56 million)**, VALCO **(GH¢608.54 million)**, and GIHOC **(GH¢46.16 million)** contributed 99.56 percent of the total direct cost of the manufacturing sector for 2018. GHACEM, the only JVC in the sector posted direct cost of **GH¢978.38 million**, which represents an increase of 13.07 percent over the corresponding figure for 2017 **(GH¢865.29 million)**.

270. SOEs reported a total general and administrative expenses of **GH¢237.38 million** in 2018, representing a 28.43 percent **(GH¢52.55 million)** and 14.36 percent **(GH¢29.81 million)** increase from the 2017 and 2016 figures of GH¢184.83 million and **GH¢207.57 million** respectively. GWCL posted the highest administrative and general expense of **GH¢195.72 million** in 2018 from a figure of **GH¢162.30 million** in 2017, which represented a 20.59 percent increase.

271. GHACEM's general and administrative expense for 2018 was **GH¢110.78 million**, an increase of 34.15 percent over the 2017 amount of **GH¢82.58 million**.

Operating Income

272. The sector's operating income, which measures the profitability of the company's core business showed a negative trend over the three-year period under review. The sector posted an operating income of **GH¢-808.03 million**, which was a deterioration of 2.62 percent and 7,458.75 percent compared to the operating income recorded in 2017 **(GH¢-787.40 million)** and 2016 **(GH¢-10.69 million)** respectively. The negative operating income for 2018 was largely accounted for by GWCL **(GH¢-668.33 million)** and VALCO **(GH¢-155.57 million)**, both of which contributed over 60 percent of the negative operating income for 2018. In sharp contrast, GHACEM posted an increase of 8.20 percent in its operating income from **GH¢164.52 million** in 2017 to **GH¢178.01 million**.

Gross and Net Profit

273. SOEs in the manufacturing sector posted a total gross profit of **GH¢216.77 million**, which was an improvement (18.59 percent) over the 2017 performance **(GH¢182.79 million)**. The improvement in gross profit for such entities as GWCL (from **GH¢252.25 million** to **GH¢311.47 million**), PMMC (from **GH¢14.40 million** to **GH¢22.42 million**), and GIHOC (from **GH¢10.86 million** to **GH¢16.42 million**) accounted for the improved gross profit performance.

274. VALCO was the only firm which posted gross loss within the sector, increasing its gross loss by 40.41 percent from **GH¢-100.46 million** in 2017 to **GH¢-141.06 million** in 2018. All other firms including GWCL (from **GH¢252.25 million** to **GH¢311.47 million)**, GCMC (from **GH¢1.00 million** to **GH¢2.01 million**), and GTFC (from **GH¢2.82 million** to **GH¢3.76 million)** posted improved gross profit between 2017 and 2018. GHACEM, the only JVC in the sector, reported a gross profit figure of G**H¢288.79 million** in 2018. This was an improvement of **GH¢41.69 million** (16.87 percent) from the 2017 figure of **GH¢247.10 million**.

275. SOEs in the manufacturing sector posted a combined net loss of **GH¢-820.33 million**, which represented a further deterioration of the net loss position of 2017 (**GH¢-806.59 million)** and 2016 **(GH¢-9.88 million)**. GWCL **(GH¢-668.33 million)**, and VALCO **(GH¢-153.64 million)** were the biggest contributors to the combined net loss for the manufacturing sector. GIHOC **(GH¢1.93 million)**, GSCL **(GH¢0.07 million)**, GFTCL **(GH¢0.26 million)**, and PMMC **(GH¢1.15 million)** posted net profits in 2018.

Assets and Liabilities

276. Total assets for SOEs in the manufacturing sector amounted to **GH¢15,172.55 million** in 2018 compared to the 2017 figure of **GH¢15,405.21 million**, representing a decline of **GH¢232.66 million** (1.5 percent). VALCO **(GH¢1359.77million)** and GWCL **(GH¢13635.29 million),** GCMC **(GH¢51.18 million)**, and GIHOC **(GH¢59.98 million)** were the top four contributors to the sector's total assets for 2018. The sector's non-current asset figure for 2018 amounted to GH¢13690.73 million representing a **GH¢534.33million** (3.76 percent) decrease from the 2017 figure of **GH¢14225.06 million**. The decline in non-current assets was due to the decline in the non-current asset portfolio of GWCL **(GH¢13,116.66 million** to **GH¢12,509.36 million)**, GIHOC **(GH¢24.03 million** to **GH¢22.79 million),** and GSCL **(GH¢18.20 million** to **GH¢17.73 million)** from 2017 to 2018.

277. On the other hand, GHACEM's total and non-current assets increased by 6.15 percent and 8.47 percent respectively from **GH¢502.81 million** and **GH¢275.42 million** in 2017 to **GH¢533.74 million** and **GH¢298.74 million**

278. The sector's SOEs' combined total liabilities increased by 30.46 percent (GH¢736.79 million) from an amount of GH¢2,419.13 million in 2017 to **GH¢3,155.92 million** in 2018. The net debt followed a similar pattern by increasing from **GH¢2,346.03 million** in 2017 to **GH¢3,074.65 million** in 2018 representing an increase of 31.06 percent **(GH¢728.62 million)**. The sectors aggregate balance sheet shows a decrease in its equity from **GH¢12,986.12 million** in 2017 to **GH¢ 12,016.64 million** in 2018, indicating a decline of 7.47 percent. There was a significant drop in equity figure for GWCL **(GH¢12,336.87 million** in 2017 to **GH¢11,440.91 million** in 2018).

279. GHACEM, the only JVC in the sector, recorded total liability of **GH¢200.30 million** in 2018. This was an increase of 23.94 percent **(GH¢38.69 million)** from the 2017 figure of **GH¢161.61 million**. Consequently, GHACEM's equity declined by 2.27 percent from **GH¢341.20 million** in 2017 to **GH¢333.44 million**.

Ratios

280. SOEs in the manufacturing sector, on the average, posted significant improvements in their return on assets ratio in 2018, which stood at 0.60 percent compared to -2.70 percent in 2017 and -4.34 percent in 2016. This was clear indication that the firms on average made on their profits their per asset holdings. Despite the average improvements, the performance of such companies as GCMC (-3.47 percent) and GSCL (0.34 percent) were below the sector's average performance. VALCO consistently performed below the sector average for the past the (3) years. GHACEM posted a return on assets ratio of 34.56 percent, which was a marginal improvement over its 2017 performance (33.65 percent)

281. Net profit margin averaged 7.71 percent in 2018 for SOEs in the manufacturing sector in comparison to the 2017 figure of 2.32 percent. The improved average net profit margin was significantly influenced by GWCL (from 92.13 percent to 93.62 percent) for 2018. The average current ratio for SOEs in the sector for 2018 was 1.17, which represented a slight improvement over 2017 (1.14). Despite the improvement, such firms such as GIHOC (1.06), GCMC (0.17) and GTFC (0.58) all performed below the sector average for 2018.

FINANCIAL PERFORMANCE OF INDIVIDUAL ENTITIES: MANUFACTURING SECTOR

GHANA CYLINDER MANUFACTURING COMPANY (GCMC)

BOARD CHAIRMAN

Alhaji Abubakar Abdul Rahman

BOARD OF DIRECTORS

Mad. Frances Esiam, Hon. Angelina Baiden–Amissah (Mrs), Mr. Crisler Akwei Ankrah, Hon. Wahab Suhiyini Wumbei, Awulae Annor Adgaye III, Nana Forson Danson, Mr. Kwadwo N. Poku, Mr. Michael Abbiw.

AUDITORS

Ghana Audit Service

BACKGROUND

The Ghana Cylinder Manufacturing Company (GCMC) Limited was incorporated under the Companies Code 1963 (Act 179) on 14th May 1998 as a Private Limited Liability Company. GCMC is expected to produce Liquefied Petroleum Gas cylinders for both domestic and export markets.

The company was set up primarily to promote wider usage of LPG as a substitute for charcoal and firewood in an effort to curtail the environmental challenges of degradation, deforestation and desertification caused by our over reliance on the use of use of firewood which was accounting for over 71 percent of domestic energy consumption. With its establishment and prudent policies, LPG utilization has increased from 6 percent in 2010 to about 23 percent in 2017.

It is 100 percent owned by the Government of Ghana.

OPERATIONS

The operational results for the company in 2018 are given below:

CYLINDERS	2018 SALES IN UNITS	2018 SALES IN VALUE (GH¢)
6 Kg	58,645	3,604,767.00
14.5 Kg	1,724	195,829.00
COOK STOVES		
Aware Pa	2,097	130,521.00
Osugyeni	7,895	338,982.00
Awareso	15	762.00
REGULATORS		
Thread	3,000	36,000.00
Normal	52,104	720,110.00
OTHERS		
Super Burners	34,291	182,502.00
Clamp	1,764	18,142.00
Hose (Yards)	130,550	330,719.00
Clips	8,600	12,280.00
LPG	241,114	1,323,504.00

FINANCIAL PERFORMANCE

GCMC's revenue declined consistently throughout the three-year period. Revenue declined by 11.42 percent from **GH¢7.88 million** in 2017 to **GH¢6.89 million** in 2018. This was after the company recorded a 16.61 percent decrease in revenue between 2016 **(GH¢9.145 million)** and 2017.

GCMC managed to reduce its direct costs by 28.97 percent from **GH¢6.87 million** in 2017 to **GH¢4.88 million** in 2018. General and administrative expenses, however, increased by 28.10 percent from **GH¢2.74 million** in 2017 to **GH¢3.51 million** in 2018.

GCMC posted an operating loss of **GH¢-1.43 million** in 2018 due to its decreasing revenue and increasing administrative costs. The operating loss in 2018 was a 16.37 percent lower than the loss recorded in 2017 **(GH¢-1.71 million)**.

Total assets for the company increased by 127.67 percent from **GH¢22.48 million** in 2017 to **GH¢51.18 million** in 2018. The increase in the total assets was due to a 230.42 percent increase in non-current assets from **GH¢14.17 million** in 2017 to **GH¢46.82 million** in 2018. Non-current assets accounted for 91.48 percent of total assets in 2018.

GCMC's total liabilities increased by 53.47 percent from **GH¢18.29million** in 2017 to **GH¢28.07million** in 2018. Hence, the net worth of GCMC in 2018 was **GH¢23.11 million**.

The current ratio of GCMC in 2018 was 0.17 and indicates that the company was facing liquidity issues and was not likely to be able to meet its short term liabilities on time. Gearing ratio of 1.18 in 2018 shows that company used a fair bit of leverage to finance its operations.

GCMC posted a net loss of **GH¢-1.77 million** in 2018. The loss was however a 30.31 percent reduction on the net loss of **GH¢-2.54 million** recorded in 2017.

Main Financial Indicators of Ghana Cylinder Manufacturing Company

Financial Indicators, GH¢ 'M			
Indicators	**2016**	**2017**	**2018**
Turnover	9.45	7.88	6.89
Gross Profit/Loss	2.70	1.00	2.01
EBITDA	1.27	-1.38	-1.09
EBIT	0.99	-1.71	-1.43
Net Profit/Loss	-0.14	-2.54	-1.77
Total Assets	20.91	22.48	51.18
Total Liabilities	14.17	18.29	28.07
Equity	6.74	4.20	23.11
Key Ratios			
Gross profit margin, %	28.57	12.69	29.23
Net profit Margin, %	-1.48	-32.23	-25.76
Operating Capital	-0.72	-5.91	-20.85
Return on Operating Capital,%	19.44	42.98	8.51
Equity/assets %	0.32	0.19	0.45
Return on Assets %	-0.67	-11.30	-3.47
Current ratio	0.92	0.58	0.17
Gearing ratio	1.89	4.30	1.18
Return on Capital Employed (%)	-1.15	-30.75	-6.83
Total Asset Turnover	0.45	0.35	0.13
Interest Coverage	0.79	-4.14	-
Other Indicators			
Number of employees	55	58	61
Dividend	0.00	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes

GHACEM

BOARD CHAIRMAN

Mr. Daniel Gauthier

BOARD MEMBERS

Mr. Morten Gade, Nana Prah Ageynsaim VI, Mr. I.E Yamson, Mr. Gary Whitehead, Aba-Cus Services Ghana Ltd, Mr. Hakan Gurdal.

AUDITORS

Ernst & Young

BACKGROUND

GHACEM is the leading cement company in Ghana. The Company was established in 1967 and has played an important role of building Ghana through more than 50 years.

OPERATIONS

GHACEM has and continues to invest millions of dollars in its two plants in Tema and Takoradi to increase its production capacity as well as meet the demands of Ghanaians. GHACEM aims at maintaining its cherished position as the nation builders and Ghana's biggest cement manufacturing supplying the market with consistently quality cement grades that offer great value.

FINANCIAL PERFORMANCE

GHACEM recorded a revenue of **GH¢1,267.17 million** in 2018 compared to a revenue of **GH¢1,112.39 million** in 2017 representing a 13.91 percent year-on-year increase.

Direct costs of GHACEM increased consistently throughout the three-year period. Direct costs increased by 13.07 percent from **GH¢865.29 million** in 2017 to **GH¢978.38 million** in 2018. This followed an 11.41 percent increase in direct costs from 2016 **(GH¢776.65 million)** to 2017. Direct costs represented 77.21 percent of the company's revenue in 2018.

General and administrative expenses also increased by 34.15 percent from **GH¢82.58 million** in 2017 to **GH¢ 110.78 million** in 2018.

GHACEM's operating income increased slightly from **GH¢164.78 million** in 2017 to **GH¢178.01 million** in 2018 representing an increase of 8.20 percent. The increase was a rebound on the decrease in operating income recorded from 2016 **(GH¢227.42 million)** to 2017.

The total asset base of the company increased by 6.15 percent from **GH¢502.81 million** in 2017 to **GH¢533.74 million** in 2018. Total liabilities increased by 24.22 percent from **GH¢161.61 million** to **GH¢200.76 million**. Net debt also increased significantly by 72.69 percent from **GH¢39.03 million** in 2017 to **GH¢67.40 million** in 2018.

The current ratio of 1.66 for 2018 indicates that the company had the capability of covering its short-term financial obligations. Gearing ratio recorded for the period was 0.20 which shows that the company relied mostly on its internal resources to finance its operations. GHACEM had a healthy interest coverage ratio of 5.93 in 2018.

GHACEM recorded a net profit of **GH¢141.47 million** and a net profit margin of 11.16 percent in 2018. Net profit increased by 28.36 percent from 2017 (**GH¢110.21 million**) to 2018.

Main Financial Indicators of GHACEM

Financial Indicators, GH¢ 'M			
Indicators	**2016**	**2017**	**2018**
Turnover	1,072.73	1,112.39	1,267.17
Gross Profit/Loss	296.08	247.10	288.79
EBITDA	233.03	169.18	184.49
EBIT	233.03	169.18	184.49
Net Profit/Loss	189.86	110.21	141.47
Total Assets	535.97	502.81	533.74
Total Liabilities	200.04	161.61	200.30
Equity	335.92	341.20	333.44
Key Ratios			
Gross profit margin (incl. changes in value, %)	27.60	22.21	22.79
Net profit Margin, %	17.70	9.91	11.16
Operating Capital	126.17	133.14	118.53
Return on Operating Capital,%	150.48	82.77	119.36
Equity/assets %	0.63	0.68	0.62
Return on Assets %	43.48	33.65	34.56
Current ratio	1.69	1.94	1.66
Gearing ratio	0.08	0.11	0.20
Return on Capital Employed (%)	53.75	30.57	40.02
Total Asset Turnover	2.00	2.21	2.37
Interest Coverage Ratio	11.71	6.45	5.93
Other Indicators			
Number of employees	-	-	-
Dividends	-	-	-
Financial report in compliance with IFRS (Yes/ No)	Yes	Yes	Yes

GIHOC DISTILLERIES COMPANY LIMITED (GIHOC)

BOARD CHAIRMAN

Ebenezer Fritzgerald Bartels Ebo

BOARD OF DIRECTORS

Gifty Ama Asantewaa Ayeh, George Kwame Aboagye, Moses Osei-Bonsu, Annette Obenewaah Adutwum, Samuel Dubik Mahama.

AUDITORS

AKUS Chartered Accountants

BACKGROUND

GIHOC Distilleries Company Limited was the first distillery in West Africa. Established by the pre-independence Industrial Development Corporation IDC in 1958 as the State Distilleries Corporation for the manufacturing of alcoholic drinks, it became a division of the then Ghana Industrial Holding Corporation in 1968.

In 1980, the distillery together with 15 other divisions of GIHOC were re-registered and incorporated as a Limited Liability Company and a wholly owned subsidiary of GIHOC, under the Companies Code, 1963 (ACT 179).

OPERATIONS

GIHOC is a limited liability company wholly owned by Government of Ghana with its operations under the purview of the Ministry of Trade and Industry.

The principal activity of the company includes the marketing, distilling, blending and bottling of alcoholic and non-alcoholic beverages for sale.

Some of the key products includes:

- Kaiser Schnapps
- Chevalier Brandy
- Castle Bridge Gin
- Mandingo Bitters
- Herb Afrik Bitters
- Takai Liqueur
- Buccaneer Rum
- Sorento Sweet Vermouth
- Meridian Natural Mineral Water
- Apet Dry Gin

Currently, GIHOC enjoys 26 percent of the Ghanaian market share in the distilled alcoholic beverages industry and is looking to adopt a number of growth-oriented strategies in order to increase its market share. GIHOC has over the years received numerous awards in the field of Corporate Social Responsibility, Environmental, and Good Management Practices.

In the recent times, some of the awards received by GIHOC are as follows:

a) 2015 Innovative product of the year - Herbadingo Brand;

b) 2018, product of the year in the Gin Category - Castle Bridge Gin Brand

FINANCIAL PERFORMANCE

GIHOC's revenue increased from **GH¢45.45 million** in 2017 to **GH¢62.58 million** in 2018 representing an increase of 37.69 percent. The increase in revenue was a bounce back from the 12.05 percent decline in the company's revenue between 2016 **(GH¢51.68 million)** and 2017.

Direct costs increased by 33.45 percent from **GH¢34.59 million** in 2017 to **GH¢46.16 million** in 2018. General and administrative expenses also increased by a significant 60.16 percent from **GH¢2.51 million** in 2017 to **GH¢4.02 million** in 2018.

GIHOC recorded an operating income of **GH¢9.40 million** in 2018. This represented a significant 70.91 percent increase over the **GH¢5.50 million** recorded in 2017.

The total asset base of the company increased significantly from **GH¢34.49million** in 2017 to **GH¢59.98million** in 2018 representing an increase of 73.91 percent. The growth in the total assets was occasioned by a more than three-fold increase (226.86 percent) in current assets from **GH¢10.46 million** in 2017 to **GH¢37.19 million** in 2018.

There was a 154.90 percent growth in total liabilities from **GH¢15.21 million** 2017 to **GH¢38.77 million** in 2018. The increase in total liabilities was attributable to a 298.98 percent increase in short-term liabilities from **GH¢8.79 million** in 2017 to **GH¢35.01 million** in 2018. The company's net debt, in similar fashion, increased by 167.33 percent from **GH¢14.08 million** in 2017 to **GH¢37.64 million** in 2018.

GIHOC's current ratio in 2018 was 1.06 which indicates that the company was capable of covering its short-term liabilities. However, the gearing ratio of 1.77 indicates that the company relied heavily on leverage to fund its operations. It is important that the company employed an effective debt management strategy to ensure that its books are not weighed down by debt.

GIHOC posted a net profit of **GH¢1.93 million** on a net profit margin of 3.08 percent in 2018. The profit for the year was a 60.83 percent increase over the profit of **GH¢1.20 million** reported in 2017.

Main Financial Indicators of GIHOC Distilleries Company Limited

Financial Indicators, GH¢ 'M			
Indicators	**2016**	**2017**	**2018**
Turnover	51.68	45.45	62.61
Gross Profit/Loss	12.56	10.86	16.42
EBITDA	10.25	9.82	11.81
EBIT	7.44	6.97	8.81
Net Profit/Loss	1.24	1.20	1.93
Total Assets	42.71	34.49	59.98
Total Liabilities	24.63	15.21	38.77
Equity	18.08	19.28	21.21
Key Ratios			
Gross profit margin (incl. changes in value, %)	24.30	23.89	26.24
Net profit Margin, %	2.40	2.64	3.80
Operating Capital	3.73	1.67	2.18
Return on Operating Capital,%	33.24	71.86	88.53
Equity/assets %	0.42	0.56	0.35
Return on Assets %	2.90	3.48	3.22
Current ratio	1.29	1.19	1.06
Gearing ratio	1.30	0.73	1.77
Return on Capital Employed (%)	4.13	4.67	7.73
Total Asset Turnover	1.21	1.32	1.04
Interest Coverage Ratio	2.57	3.63	3.22
Other Indicators			
Number of employees	169	179	212
Dividend	0.00	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes

GHANA SUPPLY COMPANY LIMITED (GSCL)

BOARD CHAIRMAN

Major Daniel Sowa Ablorh-Quarcoo

MANAGING DIRECTOR

Mr. Abraham Binapadam Jawol

BOARD OF DIRECTORS

Mr. Abraham Binapadam Jawol, Madam Mabel Mensah, Madam Gloria Irene Amaki Payida, Mr. Oubourr Kutando, Mr. Felix Adu, Mrs. Dorcas N. A. Taylor, Madam Ernestina Swatson Eshun.

AUDITORS

Ahima-Adonteng & Associates

BACKGROUND

Ghana Supply Company Limited (GSCL), formerly known as Ghana Supply Commission, was originally established in 1960 as a centralized procurement agency for the Government of Ghana. It was the main national buyer for all Government Ministries, Departments and Agencies (MDAs) as well as State Owned Enterprises (SOEs).

OPERATIONS

The company deals in seven major areas including Procurement Consultancy; Procurement Audit/ Value for Money Assessment (VFM); Supply of Goods; Shipping, Forwarding and Clearing of Merchandise; Warehousing and Haulage Services; Training of Stores and Procurement Personnel; Provision of services to the Oil and Gas Industry.

The operational results for the company in 2018 are given in the table below:

Indicator	Unit	Year			Percentage Incr/(Dec) 2016-2017	Percentage Incr/(Dec) 2017-2018
		2016	2017	2018		
Total Logistics Services						
Clearing - Goods GSCL branch Tema port	Ton	2,319.47	1,925.07	1,467.62	(89.8)	(22.72)
Clearing - Goods GSCL branch Airport	Ton	458.76	157.23	335.54	(65.73)	113.41
Training	No.	3	0	2	(300)	0.00
Procurement	No.	0.00	00	0.00	0.00	0.00

Table (2016-2018) Financial Performance

Performance Indicator	Unit	Year			Percentage Incr/(Dec) 2016 -2017	Percentage Incr/(Dec) 2017-2018
		2016	2017	2018		
Total Revenue	GH¢	721,758.02	2,221,431.23	2,721,950.55	165.65	-51.43
Operating expenses	GH¢	2,742,564.65	2,610,823.15	2,709455.93	-4.80	4.80
Net Operating Profit	GH¢	-2,020,806.63	-389,391.92	12,494.62	-65.68	78.73
Other Income	GH¢	3,851,846.68	304,074.53	1,278,315.36	-92.11	(92.11)
Net Profit Before Tax	GH¢	1,831,040.05	-389,391.92	12,494.62	-121.27	(121.27)
Net Profit After Tax	GH¢	1,831,040.05	-389,391.92	12,494.62	-121.27	(121.27)

Over the years, the operations of the company have undergone tremendous changes following amendments in the procurement laws and regulations which have had serious impact on the company.

FINANCIAL PERFORMANCE

The company recorded a revenue of **GH¢1.74 million** for 2018, which was a decline of 9.38 percent on the revenue of **GH¢1.92 million** recorded for 2017. This followed a huge decline of 72.59 percent on revenue from 2016 **(GH¢6.35 million)** to 2017.

Notwithstanding the decreases in revenue, general and administrative expenses increased by 19.92 percent from **GH¢2.61 million** in 2017 to **GH¢3.13 million** in 2018.

GSCL posted an operating loss of **GH¢-1.39 million** in 2018. The loss was a 101.45 percent increase on the operating loss of **GH¢-0.69 million** in 2017. The operating loss was on account of general and administrative costs increasing while revenue was decreasing.

The total assets of GSCL decreased by 4.43 percent from **GH¢21.68 million** in 2017 to **GH¢20.72 million** in 2018. Both non-current (2.58 percent) and current (14.61 percent) assets declined during the year. GSCL managed to reduce its total liabilities by 20.32 percent from **GH¢4.33 million** in 2017 to **GH¢3.45 million** in 2018.

The current ratio of 2.31 for 2018 shows that the company had enough short-term assets to cover its short-term liabilities. The company had very little leverage as depicted by its gearing ratio of 0.16.

The company reported a net profit of **GH¢0.07 million** in 2018 from a net profit of **GH¢0.39 million** in 2017 indicating a decline of 82.05 percent. It was the decrease in a row after profit declined by 72.73 percent between 2016 **(GH¢1.43 million)** and 2017.

Main Financial Indicators of Ghana Supply Company Limited

Financial Indicators, GH¢ 'M			
Indicators	**2016**	**2017**	**2018**
Turnover	6.35	1.92	1.74
Gross Profit/Loss	6.35	1.92	1.74
EBITDA	3.03	-0.69	-1.39
EBIT	3.03	-0.69	-1.39
Net Profit/Loss	1.43	0.39	0.07
Total Assets	19.79	21.68	20.72
Total Liabilities	3.62	4.33	3.45
Equity	16.16	17.34	17.27
Key Ratios			
Gross Profit Margin	0.00	0.00	0.00
Net Profit Margin, %	22.52	20.31	4.02
Operating Capital	-0.70	1.62	1.69
Return on Operating Capital,%	-204.29	24.07	4.14
Equity/assets %	0.82	0.80	0.83
Return on Assets %	7.23	1.80	0.34
Current ratio	0.81	1.87	2.31
Gearing ratio	0.17	0.17	0.16
Return on Capital Employed (%)	8.84	1.97	0.36
Total Asset Turnover	0.32	0.09	0.08
Interest Coverage	-	-	-
Other Indicators			
Number of employees	34	37	35
Dividend	0.00	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes

GHANA TRADE FAIR COMPANY LIMITED (GTFCL)

BOARD CHAIRMAN

Mr. Daniel Mckorley.

BOARD OF DIRECTORS

Dr. Agnes Kwakoa Adu, Nii Kpobi Tettey-Tsuru III, Madam Gloria Annoh-Wiafe, Mr. Tobby Amankwah, Mr. Kofi Lawson Tomyi, Mrs. Ruth Ofosuah Quaynor Addisson, Madam Fatimatu Abubakar, Mr. Hubert Sevor.

AUDITORS

D-Smith Consult

BACKGROUND

The Ghana Trade Fair Company Limited was set up as part of government's effort to industrialize the economy. The first international fair which was held in 1967 had the objective of promoting inter-Africa trade and attracting foreign international investors. In 1989 it became the Ghana Trade Fair Authority under the PNDC Law 215. Subsequently, it earned its status as a Limited Liability Company in 1997.

OPERATIONS

The company organizes periodic trade events that seek to provide a doorway to the country's growing markets, promote non-oil exports, and develop the trade industry, among others.

Government is the sole shareholder of this entity.

FINANCIAL PERFORMANCE

Revenue for GTFCL increased consistently throughout the three-year review period. Revenue increased by 33.33 percent from **GH¢2.82 million** in 2017 to **GH¢3.76 million** in 2018.

General and administrative expenses increased by 69.35 percent from **GH¢1.24 million** in 2017 to **GH¢2.10 million** in 2018.

Operating income increased for 2018 as the increase in revenue surpassed the increase in general and administrative expenses. Operating income increased marginally from **GH¢1.58 million** in 2017 to **GH¢1.66 million** in 2018 indicating an increase of 5.06 percent.

Total assets decreased from **GH¢4.37 million** in 2017 to **GH¢4.19 million** in 2018 representing a decline of 4.12 percent. Current assets which made up 80 percent of the total assets of GTFCL declined slightly by 2.05 percent from **GH¢3.42 million** in 2017 to **GH¢3.35 million** in 2018.

Total liabilities reduced by 6.90 percent from **GH¢6.23 million** in 2017 to **GH¢5.80 million** in 2018. The company did not have any long term liabilities on its books. Net debt followed a similar pattern to total liabilities, reducing from **GH¢5.93 million** in 2017 to **GH¢5.57 million**, representing a decline of 6.07 percent.

The current ratio of 0.58 points to the fact that the company likely faced liquidity challenges during the year. There was a moderate improvement of 4 percent in net profit from **GH¢0.25 million** in 2017 to **GH¢0.26million** in 2018.

Main Financial Indicators of Ghana Trade Fair Company Limited

Financial Indicators, GH¢ 'M			
Indicators	2016	2017	2018
Turnover	1.37	2.82	3.76
Gross Profit/Loss	1.37	2.82	3.76
EBITDA	0.43	1.58	1.66
EBIT	0.43	1.58	1.66
Net Profit/Loss	-0.45	0.25	0.26
Total Assets	3.61	4.37	4.19
Total Liabilities	5.73	6.23	5.80
Equity	-2.11	-1.87	-1.60
Key Ratios			
Gross Profit Margin, %	100.00	100.00	100.00
Net profit Margin, %	-32.85	8.87	6.91
Operating Capital	-3.41	-2.81	-2.45
Return on Operating Capital,%	13.20	-8.90	-10.61
Equity/assets %	-0.58	-0.43	-0.38
Return on Assets %	-12.47	5.72	6.21
Current ratio	0.40	0.55	0.58
Gearing ratio	-2.62	-3.17	-3.48
Return on Capital Employed (%)	21.23	-13.44	-16.15
Total Asset Turnover	0.38	0.65	0.90
Interest Coverage Ratio	-	-	-
Other Indicators			
Dividend	0.00	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes

GHANA WATER COMPANY LIMITED (GWCL)

BOARD CHAIRMAN

Hon. Alexander Afenyo-Markin

MANAGING DIRECTOR

Ing. Dr. Clifford A. Braimah

BOARD MEMBERS

Ing. Dr. Clifford A. Braimah, Hon. Kwame Ampofo Twumasi, Mr. Michael AYesu, Mr. Joseph Obeng-Poku, Mr. Forster Kum-Ankamah Sarpong, Ms. Maria Aba Lovelace-Johnson, Naba Sigri Bewong, Mr. Clement Alosebuno Kaba, Mrs. Serena Kwakye-Mintah, Mr. Alex K. B. Bonney.

AUDITORS

A & D Associates

BACKGROUND

Ghana Water and Sewerage Corporation (GWSC) was established in 1965 under the Act of Parliament (Act 310) as a public utility entity. The establishment was by a recommendation of the World Health Organization after a severe water shortage was recorded in the country in 1959. After the crisis, GoG signed an agreement with the World Health Organization to conduct a study into the water sector development in the country.

In 1987, after the Ghana Water and Sewerage Corporation had suffered series of inefficient years due to lack of adequate funding from the Government of Ghana, a Five-Year Rehabilitation and Development Plan for the water sector was developed, launching the project, Water Sector Restructuring Project (WSRP).

The project was developed to improve management and increase efficiency in the sector. This led to the establishment of some entities which were to ensure the objectives for the project were achieved. These entities were, Environmental Protection Agency, Water Resources Commission, Public Utilities Regulatory Commission and Community Water and Sanitation Agency.

Pursuant to the Statutory Corporations (Conversion of Companies) Act 461, 1993, as amended by L.I 1648, Ghana Water and Sewerage Corporation was converted into a limited liability company in July, 1999 with GoG being the 100 percent stakeholder.

OPERATIONS

Ghana Water Company Limited operates eighty-eight urban water supply systems across the country. The average production per day is eight-hundred and seventy-one thousand, four hundred and sixty-nine cubic meters (871.469 m3/192 million gallons) per day.

With a nationwide urban demand of one million, one hundred and thirty-one thousand, eight hundred and eighteen point one eight cubic meters (1,131,818 m3/249 million gallons) per day, the company is currently being able to meet 77 percent of urban demand for potable water.

The company has initiated three separate water supply projects at Kumawu, Kwahu Ridge, and Konongo. According to Ghana Water Company Ltd, the project are set to achieve a combined production of 10.6 million gallons per day and serve several communities including 190,000 inhabitants in Konongo, Odumase, Agogo, Domeabra Hwidiem and other several minor communities.

Ghana Water Company Ltd launched its paperless billing and payment policy to tackle the delays in the processes. This is to encourage electronic platform interaction with customers and to migrate unto a system where bills and payments are undertaken electronically.

FINANCIAL PERFORMANCE

GWCL recorded revenue of **GH¢934.03 million** in 2018, which was a slight increase of 1.77 percent over the 2017 revenue of **GH¢917.81 million**. This followed a decline of 0.54 percent in revenue between 2016 **(GH¢922.59 million)** and 2017.

The company managed to reduce its direct costs by 6.46 percent from **GH¢665.56 million** in 2017 to **GH¢622.56 million** in 2018. General and administrative expenses, however, increased from **GH¢162.30 million** in 2017 to **GH¢195.72 million** in 2018 representing an increase of 20.59 percent.

GWCL posted an operating profit of **GH¢115.75 million** in 2018. This was an increase of 28.68 percent on the previous year's performance **(GH¢89.95 million)**. The slight improvement was as a result of increasing revenue and decreasing direct costs in 2018.

The total assets of GWCL decreased in 2018 by 2.66 percent from **GH¢14,008.09 million** in 2017 to **GH¢13,635.29 million** in 2018. The decrease in total assets was mainly due to a 4.63 percent decline in non-current assets from **GH¢13,116.66 million** in 2017 to **GH¢12, 509.36 million** 2018.

Total liabilities increased by 31.30 percent from **GH¢1,671.22 million** in 2017 to **GH¢2,194.38 million** in 2018. Similarly, net debt also increased by 31.22 percent from **GH¢1,628.35 million** in 2017 to **GH¢2,136.72 million** in 2018.

The current ratio of GWCL was 0.89 in 2018 and was below the optimal level required. It is important for the management of the company to take measures to increase the liquidity of the company. The gearing ratio of 0.19 shows that the company did not rely on leverage but rather used its internally generated funds to finance its operations.

The performance of the company culminated in a net loss of **GH¢-668.33 million** in 2018. This was however a 3.45 percent decrease on the net loss of **GH¢-692.23** recorded in 2017.

Main Financial Indicators of Ghana Water Company Limited

Financial Indicators, GH¢ 'M			
Indicators	**2016**	**2017**	**2018**
Turnover	922.59	917.81	934.03
Gross Profit/Loss	329.08	252.25	311.47
EBITDA	230.80	845.54	874.47
EBIT	175.78	89.95	115.75
Net Profit/Loss	101.13	-692.23	-668.33
Total Assets	3470.18	14008.09	13635.29
Total Liabilities	1427.74	1671.22	2194.38
Equity	2042.44	12336.87	11440.91
Key Ratios			
Gross profit margin (%)	35.67	27.48	33.35
Net profit Margin, %	10.96	92.13	93.62
Operating Capital	-51.41	-84.22	-133.95
Return on Operating Capital,%	-196.71	-821.93	-498.94
Equity/assets %	0.59	0.88	0.84
Return on Assets %	2.91	6.04	6.41
Current ratio	0.93	0.91	0.89
Gearing ratio	0.67	0.13	0.19
Return on Capital Employed (%)	3.73	-5.31	-5.40
Total Asset Turnover	0.27	0.07	0.07
Interest Coverage Ratio	8.95	3.38	4.56
Other Indicators			
Dividend	0.00	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes

PRECIOUS MINERAL MARKETING COMPANY (PMMC)

BOARD CHAIRMAN

Hon. Kiston A. Kissi

BOARD OF DIRECTORS

Hon. Samuel E. Ashong-Narh, Lawyer Nana Akwesi Awuah, Hon. Alhaji Sulemana Alhassan, Hon. Kofi Mensah Demitia, Alhaji Musah Fuseini-Codjoe, Lawyer Komla Onny, Hon. Samuel Evans Ashong Narh, Madam Mavis Nkansah Boadu, Madam Emefa Janet Obro-Adibo.

AUDITORS

Intellisys.

BACKGROUND

PMMC was established in 1963 as the Diamond Marketing Board assigned for the purchasing and marketing of the country's diamonds. The company was incorporated in 1965 by LI 401.

In 2000, it was converted by Act 461 into a limited liability company. In 2016, PMMC was appointed as the government assayer. The company is under the purview of the Ministry of Lands and Natural Resources.

OPERATIONS

PMMC assays all gold leaving the country. The company operates a jewelry production business under a subsidiary named the PMMC Jewelry Ltd (PJL).

The operational results (gold assayed) for the company in 2018 are given in the table below.

MONTH	WEIGHT (KGS)
JAN	6,794.53
FEB	6,348.28
MAR	6,173.78
APR	6,104.58
MAY	6,765.01
JUN	5,918.21
JUL	6,025.17
AUG	7,008.08
SEP	6,356.68
OCT	6,803.53
NOV	6,594.78
DEC	4,837.14
Total	**75,729.77**

FINANCIAL PERFORMANCE

PMMC posted a 59.89 percent increase in revenue from **GH¢14.51 million** in 2017 to **GH¢23.20 million** in 2018. Prior to this increase, PMMC recorded a 36.42 percent dip in revenue between 2016 **(GH¢22.82 million)** and 2017.

The direct costs of the company accounted for only 3.36 percent of its revenue for 2018 at an amount of **GH¢0.78 million**. It was an increase of 609.09 percent from the amount of **GH¢0.11 million** recorded in 2017. General and administrative expenses for the year amounted to **GH¢14.83 million**.

PMMC's operating profit declined from **GH¢14.40 million** in 2017 to **GH¢8.04 million** in 2018 representing a 44.17 percent decrease. The decline was as a result of the general and administrative expenses incurred for the first time in 2018 and increase in direct costs for the year.

The total asset base for PMMC increased from **GH¢38.83 million** in 2017 to **GH¢41.42 million** in 2018 representing an increase of 6.67 percent. Increases in both non-current (1.75 percent) and current (19.30 percent) assets accounted for the increase in the total asset base of the company. Current assets represented 31.34 percent of the total assets of the company.

The company increased its current liabilities from GH¢61.31 million in 2017 to **GH¢62.75 million** in 2018 marking a slight increase of 2.35 percent. Hence, the company posted a negative net worth of **GH¢21.33 million** in 2018. Its net debt also increased in 2018 by a marginal 2.59 percent from **GH¢60.70 million** in 2017 to **GH¢62.27 million** in 2018.

PMMC was liquid and in a position to cover its short term liabilities as shown by its current ratio of 1.16.

The company posted its first net profit during the three-year period in 2018 with an amount of **GH¢1.15 million**. The profit was an increase of 118.23 on the net loss of **GH¢-6.31 million** recorded in 2017.

Main Financial Indicators of Precious Mineral Marketing Company

Financial Indicators			
Indicators	**2016**	**2017**	**2018**
Turnover	22.82	14.51	23.20
Gross Profit/Loss	13.83	14.40	22.42
EBITDA	13.83	14.40	8.04
EBIT	13.83	14.40	8.04
Net Profit/Loss	-7.36	-6.31	1.15
Total Assets	33.75	38.83	41.42
Total Liabilities	54.67	61.31	62.75
Equity	-16.02	-22.48	-21.33
Key Ratios			
Gross profit margin (%)	0.61	0.99	0.97
Net profit Margin, %	-32.25	-43.49	4.79
Operating Capital	-6.00	-4.21	1.75
Return on Operating Capital,%	-122.67	-149.88	-65.71
Equity/assets %	-0.41	-0.58	-0.51
Return on Assets %	-21.81	-16.25	2.78
Current ratio	0.63	0.72	1.16
Gearing ratio	-3.40	-2.70	-2.92
Return on Capital Employed (%)	-42.13	-26.58	3.81
Total Asset Turnover	0.68	0.37	0.56
Interest Coverage Ratio	-	-	-
Other Indicators			
Number of employees	-	-	55
Dividend	0.00	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes

VOLTA ALUMINUM COMPANY (VALCO)

BOARD CHAIRMAN

Prof. George Amah.

BOARD OF DIRECTORS

Mr. Daniel Acheampong, Prof. Andrews Seth Aryettey, Ms. Brenda Semevo, Mr. Danny A. Anang, Dr. Francis B. Dakura.

AUDITORS

PricewaterhouseCoopers

BACKGROUND

VALCO was established in 1967 by the first President of Ghana, Dr. Kwame Nkrumah towards the realization of the vision of an integrated aluminum industry in the country.

The company is wholly owned by GoG.

OPERATIONS

VALCO currently operates 20 percent of its capacity of 200,000 metric tonnes of primary aluminum annually and consumes 3.5 percent of the total power generated in the country with power constituting about 34 percent of the total operational costs of the company at five (5) cents/kwh.

The company has the capacity to employ over 1,200 despite its current employment rate of 574 Ghanaians. VALCO is a limited liability company with a total land area of about 600 acres.

FINANCIAL PERFORMANCE

VALCO brought in **GH¢467.53** of revenue in 2018. This was a 39.13 percent increase on the **GH¢336.03 million** reported in 2017. This was an increase in the revenue growth of 30.08 percent from 2016 **(GH¢258.32 million)** to 2017.

Direct costs increased by 39.42 percent from **GH¢436.49 million** in 2017 to **GH¢608.54 million** in 2018. General and administrative expenses increased by 7.55 percent from **GH¢13.43 million** in 2017 to **GH¢14.52 million** in 2018.

VALCO reported an operating loss of **GH¢-155.57 million** in 2018. The operating loss for the year was a 36.60 percent increase on the operating loss of **GH¢-113.39 million** reported in 2017. Increases in both direct costs and general and administrative expenses contributed to the increase in the operating loss for the year.

The total asset base of the company amounted to **GH¢1,359.77 million** in 2018 compared to the 2017 figure of **GH¢1,275.27 million** indicating an increase of 6.63 percent. There were increases in both non-current (4.07 percent) and current (13.14 percent) assets fin 2018.

Total liabilities increased by 28.04 percent from **GH¢642.54 million** in 2017 to **GH¢822.70 million** in 2018. Hence, VALCO posted a net worth of **GH¢537.07 million** in 2018. Current liabilities which made up 85.57 percent of total liabilities in 2018 increased from **GH¢517.16 million** in 2017 to **GH¢703.49 million** in 2018 representing a 36.03 percent increase. Net debt increased from **GH¢615.90 million** in 2017 to **GH¢802.45 million** in 2018 marking a percentage increase by 30.29.

The current ratio of 2.02 in 2018 signifies that VALCO was in a strong position to cover its short-term liabilities. The gearing ratio for 2018 was 1.49 and indicates that the company relied on leverage to fund its operations.

The company posted a net loss of **GH¢-153.64 million**. This was a further increase in net loss by 43.12 percent over the 2017's loss of **GH¢-107.35 million**. Net loss margin for the year was 32.86 percent compared to 2017's net loss margin of 31.95 percent.

Main Financial Indicators of Volta Aluminium Company

Financial Indicators, GH¢'M			
Indicators	**2016**	**2017**	**2018**
Turnover	258.32	336.03	467.53
Gross Profit/Loss	-91.27	-100.46	-141.06
EBITDA	-137.12	-113.89	-155.57
EBIT	-137.12	-113.89	-155.57
Net Profit/Loss	-105.73	-107.35	-153.64
Total Assets	1241.82	1275.27	1359.77
Total Liabilities	537.81	642.54	822.70
Equity	704.01	632.78	537.07
Key Ratios			
Gross profit margin (%)	-148.49	-132.08	-145.49
Net profit Margin, %	40.93	31.95	32.86
Operating Capital	-183.77	-264.94	-408.51
Return on Operating Capital,%	-57.53	-40.52	-37.61
Equity/assets %	2.38	219.21	190.47
Return on Assets %	-8.51	-8.42	-11.30
Current ratio	2.30	2.15	2.02
Gearing ratio	3.11	4.30	7.21
Return on Capital Employed (%)	-12.66	-14.16	-23.41
Total Asset Turnover	87.41	116.41	165.81
Interest Coverage ratio	-	-	-
Other Indicators			
Dividend	0.00	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes

Box 8: Revamping the PSC Tema Shipyard - The Road Map

Background

The PSC Tema Shipyard (PTS) is a strategic national asset established in 1965 to play a leading role in the maritime and oil and gas industries of Ghana, for the promotion of the nation's industrialization agenda. The facility is located on a 48. 45-acre land, with two docks (100,000 dwt and 10,000dwt) dry-docking capacity. The functions of the company are (a) Ship Repair and Dry docking; (b) New shipbuilding; and (c) Steel and Aluminium Fabrication.

Unfortunately, the objectives of the facility could not be achieved by successive administrations, and this informed the Government of Ghana's (GoG) decision to consider a private participation, by diversifying to a Malaysians company (Penang Shipyard and Construction – PSC) in 1997. The divestiture program also failed to fulfil the objectives of the Shipyard. The Ghana government therefore intervened again by buying back all the shares in salvage of the company. So, in June, 2016, the government of Ghana handed over the Shipyard to the Ghana Ports and Harbours Authority (GPHA) to operate and manage. This was after government had taken over full ownership of the Shipyard by buying back the 60 percent shareholding of PSC/Boustead, Malaysia in 2012, who were in a partnership arrangement with the government for the management and operation of the shipyard. Government further initiated the process of finding a Strategic Investor to mobilize private capital, but by 2016, the search program was abandoned as the proposals received did not meet the GoG's expectations.

Business Areas and Focus

PTS has three main business areas, two of which are Greenfield businesses; namely Heavy Steel Engineering/Fabrication and Shipbuilding.

Ship Repair Business

There is adequate in-house technical knowledge for the excellent performance of the ship repair and dry-docking activity. Although there is the challenge of obsolete equipment, the yard is making progress with the existing facilities. In order to ensure maximum benefit from the facility, it is recommended that the facility is fully revamped to meet modern standards and all international requirements.

Heavy Steel Engineering and Fabrication

Fabrication is a huge potential for PTS. The continental shelf of Ghana has seen increased oil and gas activity since the Jubilee Field discovery in 2007. There are currently over seventeen (17) active Petroleum Agreements for offshore concessions mostly in the Western Basin. This development provides strong demand for oil and gas fabrication works. In the past, small modular parts for the existing FPSOs have been constructed by entities like Subsea 7 situate in the port of Takoradi amongst others. Some were fabricated in inland areas around Takoradi and transported by road to the port for onward shipment to the deep-water facilities. Not all sizes of modules can be fabricated and handled in that manner. TSY has the advantage of a waterfront facility to directly ship fabricated modules offshore.

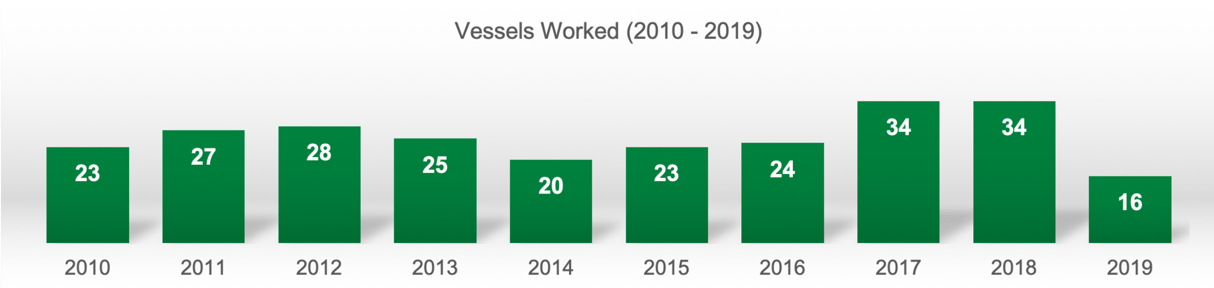
Ship Building

It is reported that crafts were once built at the TSY when it was Tema Shipyard and Drydock Corporation (TSDC between 1973 -1979). Today, new building potentials to be explored include - PSV's, OSV's, Port Tugs, Fishing Vessel and Barges. There is adequate land space for new buildings and the 150-tonne capacity slipway can be expanded and re-furbished for the construction and launching of steel fishing vessels for the local fishing industry as well as supply vessels for off-shore oil and gas business, among others.

Interventions by the Ghana Ports and Harbours authority (GPHA)

By a cabinet decision in 2016, the Ghana Ports and Habours Authority (GPHA) was tasked to take over the management and leadership of the Shipyard – a decision which fell in line with original governance structure of the Shipyard, when it operated as part of the Port Authority until 1970 when the government of Ghana assigned the management to the Tema Shipyard and Drydock Corporation, a statutory corporation created under Legislative Instrument (L.I 676) as a state-owned enterprise. The buying back of the 60 percent shares from PSC/Boustead, Malaysia in 2012, who were in a partnership arrangement with the government for the management and operation of the shipyard, cost the Government of Ghana over Six Million Dollars ($6 Mill), and was fully paid for by GPHA.

GPHA officially took over the management of the Shipyard on 1st July 2016 and instituted various reforms to improve the performance of PST. These include reorganization of the management team, assessment and procurement of critically needed equipment and tools, deployment of a radical marketing plan to enhance the image and sales of the Shipyard to both local and the international market, and the effective management of labor agitations that had characterized the yard for decades. The prudent management skills employed by the GPHA management is reflected in the high vessel and financial turnover of the Shipyard from 2016 to date.



Box 8: Revamping the PSC Tema Shipyard - The Road Map

Key Achievements (2016 – 2019)

The obvious gains that were realized over the period (2016 – 2018) were due to the important commercial and operational link between Ports and Shipyard management. Ports and Shipyards are complementary facilities in the advanced maritime countries and offer customers and stakeholders an effective integration and convenience. Both facilities require similar skills and experiences to manage and operate; and therefore, results in efficiencies in investments when integrated at the right level. This was the major advantage PTS enjoyed by having GPHA manage the facility along with the port operations. Beyond the effective management skill and expertise, there was the efficient use of machinery and tools.

Examples are the sharing of hoisting equipment; common use of land space for storage and workshops, processes and knowledge sharing and transfers among others. Further, most of the nineteen (19) critical equipment requested from GPHA to re-tool the Shipyard to keep it running, were procured. One 45-tonne crane, Two Aerial Platform (Cherry Pickers), One Air Compressor unit and Welding machinery among others were delivered. By the first quarter of 2019 the following were also delivered to PTS:

a) 6 Airless spraying machines

b) 1 Ultra high pressure hydro blasting machine, diesel

c) 1 Ultra high pressure hydro blasting machine, electric

d) HP electric hydraulic pumps and jacks (set)

e) Rubber expansion joint for Dock II

f) Dewatering pump and accessories for Dock I pump house

g) SKF hydraulic cylinder pump and jacks (set)

Also, the company successfully passed all the necessary audits and received the ISO - Integrated Management System (IMS) certification in August 2018. These include ISO 9001: 2015 (Quality Management Systems); ISO 14001: 2015 (Environmental Management Systems); and ISO 45001: 2018 (Occupational Health and Safety). Besides, the frequent labour unrests that characterized TSY in the past years are hopefully settled. In January 2018, the Labour Commission successfully organized a Verification exercise to settle the long standing labour disputes that had characterized the Shipyard. The union that won with the majority votes, acquired the Bargaining Certificate to work with management on issues of concern. Customers and other stakeholders now enjoy the speed and effectiveness that goes along with staff unity and good relations.

Again, Information, Communication and Technology (ICT) culture in the Shipyard improved drastically. A project to have the whole yard networked for internet and telecommunication is almost complete. A server was obtained to get a domain for the Shipyard. Following that all company software is now transferred unto the server, ensuring easy and safer access. In addition, responding to the growing oil and gas upstream fabrication and construction works, and towards the Shipyard's objectives to fully participated in upstream oil and gas fabrication, the PTS applied for, and obtained the Petroleum Commission's License, in 2018 and renewed it for 2019/2020.

Furthermore, a number of training programs were undertaken to upgrade staff skills and improve efficiency. This was as a result of a new training focus and culture established in PTS, and the results are gradually improving competency in the organization. The aim of the training move was to prepare all staff to effectively perform on their roles and also meet international standards. In 2019 alone, by mid-June, over 23 different training programs were successfully undertaken, and this involved the entire workforce in varying degrees.

Financial reporting to the Ministry of Finance by the Shipyard has been up to date, with the submission of signed audited accounts year to date. Most recently, the 2018 Financial Statement have also been duty audited by the Auditor General. The organization has adopted the International Financial Reporting Standards (IFRS) since 2015.

PTS's Takeover by Ministry of Transport

At its thirty-fourth (34th) meeting of May 31, 2018, Cabinet made a decision to resume the processes for the procurement of a Strategic Investor (SI) to partner the GoG to implement the project of turning around the fortunes of PTS. Accordingly, the GoG has directed the MoT to take-over the direct oversight of the operation and management of the Shipyard from the Ghana Ports and Harbours Authority (GPHA), which had assumed a caretaker role of the Shipyard since 2016 and oversee the implementation of the turnaround project.

Pending Challenges

The challenges that have and continue hamper the maximization of the potential of the company include the following:

a) Absence of a governing Board to give clear-cut policy direction and guide the implementation of key actions including re-naming of the entity and revision of the documentation to reflect GoG's current 100% shareholding following its takeover.

b) Lack of requisite equipment and tools remain a major challenge for the timely delivery of projects.

c) Lack of adequate training and certification of staff for specialized works and repairs, and the overreliance on third parties for such services, delay the project days and reduce revenue for the Yard.

The Search for Strategic Investor

The GoG has since classified the Shipyard as a Strategic National Asset (i.e. an asset with significant potential to have a multiplier effect on Ghana's economy) and seeks to rehabilitate and upgrade PTS into a modern well-equipped Shipyard to:

a) Attract relevant business to the Shipyard;

b) Ensure that this strategic asset contributes significantly to the economy of Ghana; and

c) Carry out its mandate to undertake its authorized business.

In particular, it is the expectation of the GoG that the Shipyard will be equipped to do the following:

a) Ship repairs, refitting and dry-docking;
b) Steel and aluminum fabrication;
c) Ship building and;
d) Metal and general engineering services

Box 8: Revamping the PSC Tema Shipyard - The Road Map

The GoG as part of its policy to promote private sector led growth and development of the economy and to help realize the significant potential of the Shipyard, wishes to partner with a Strategic Investor (SI) to develop and upgrade the Shipyard to enable it fully perform its core as well as related functions. In particular, the GoG expects that following the upgrade and efficient operations, the Shipyard:

a) can fully take advantage of opportunities in the oil and gas industry and help to promote local content and improve Ghana's competitiveness in West Africa's offshore oil and gas industry; and

b) take advantage of down-stream aluminum fabrication component of the Integrated Bauxite and Aluminum industry.

The GoG expects that the SI will transform the Shipyard both physically and in terms of operations into a modern, well equipped facility which should be the first and obvious choice for any ship owner operating on or passing by the entire shoreline of the Western coast of the African Continent. Consequently, the Ministry of Transport (MOT) engaged the services of a Transaction Advisor (TA) to facilitate the processes for Government to secure a private strategic investor.

Business Justifications and Opportunities

Ghana currently receives about two thousand vessels per year but when the port expansion project currently under way is completed, about 3500 vessel calls per annum is estimated. The merchant vessels together with the increasing number of fishing vessels in the sub-region constitute a potential ship repair market for the Yard. Per SOLAS requirements, all merchant vessels require a complete inspection of hull in a dry dock twice within a 5-year period. Intermediate surveys must not be more than thirty (30) months. This includes maintenance of hull, propeller, rudder etc. and other parts which are immersed in water and are normally inaccessible by ship staff at normal sailing period. This provides guaranteed market to any well-equipped shipyard, especially with the strategic location of Ghana with respect to oil fields in West Africa and shipping lanes.

There are heavy steel fabrication requirements in all 4 stages of upstream operations and the benefits of local content policy. The Tema Shipyard has a design capacity of over 20,000 tons of steel fabrication, annually and has capacity to undertake significant portions of local content development projects. The advantage of the Shipyard is that apart from providing the space, it also has the waterfront facility from where the heavy-duty fabricated equipment can be transported to the off-shore sites.

The expected socio-economic benefits include:

a) Job creation for trained skills

b) Increased training and skill development for local capacity building

c) Contribution to GDP growth

d) Growth in local fabrication and construction works

Conclusion

TSY is open to a practical partnership structure that will also enable TSY turn around the fortunes of the facility taking into consideration the three afore-mentioned business areas. Each of the three (3) Business Areas of the Tema Shipyard requires a specialized skill and infrastructural tools and equipment to operate. However, if an industry player with a proven record of technical and financial capacity to manage any two of the businesses together or all three of them together, expresses interest and satisfies all terms and conditions required, that industry player could be considered.

It can be seen from the analysis above that the Tema Shipyard, the Government of Ghana and any Investor or Partner stands to benefit greatly, once the Shipyard is fully revamped and equipped with the right machinery and human resources.

MINING SECTOR

Broad Overview of the Sector

282. According to the Rebased 2013-2018 Annual Gross Domestic Product report by the Ghana Statistical Service (GSS), the contribution of mining and quarrying to Ghana's 2018 GDP was 9.8 percent. The minerals mined in commercial quantities in Ghana are gold, diamond, bauxite and manganese.

283. There are deposits of other minerals such as kaolin, mica amongst others which are not fully mined or exploited. The minerals in the country are mainly found in the southern part of the country, spanning the Western and Western North, Eastern, Ashanti, Bono, Bono East and Ahafo Regions of Ghana. The mining sector plays a critical role in the socio-economic development of the country. The sector serves as an avenue for the generation of revenue, creation of jobs, creation of foreign exchange earnings amongst others.

284. Major mining exploration started in the middle of the 19th century and over the years the sector has grown to be a major driver of economic growth in the country. Mining and quarrying (excluding oil and gas) was the 4th largest economic activity according to the GSS, contributing **GH¢27.39 billion** in 2018.

Gold

285. Ghana ranked 8th on the list of largest gold producing countries according to a report by the World Gold and Metal Focus in 2018. Gold production in Ghana amounted to 136.2 tonnes in 2018, an increase from the 130.2 tonnes of Gold produced in 2017 representing 4.61 percent increase in gold production in 2018.

Diamond

286. Diamonds were first discovered in the country in 1920s and by the mid-1930s production of diamonds in Ghana had neared a million carats year on year by 1935. Ghana's diamond deposits are located in Akwatia (Birim River) in the Eastern Region. Data from the Ghana Chamber of Mines shows that exports of diamond decreased from 0.087 million carats to 0.058 million carats from 2017 to 2018 indicating a reduction of 33 percent.

Bauxite

287. Bauxite in one of the major minerals mined in commercial quantities in the country. Bauxite was first discovered in the Eastern Region of Ghana in 1914. Major mining of bauxite began the 1940s, with deposits of the mineral mainly found in the Awaso, Nyinahin, Kibi and Ejuanema areas. Ghana's total bauxite deposit is estimated at over 500 million metric tons and is estimated to be worth of **US$460 billion** of untapped bauxite reserves according to Quartz Africa. In 2018, the exports of bauxite declined by 32 percent from the 1.48 million tonnes 2017 to 1.01 million tonnes in 2018

Manganese

288. According to the International Manganese Institute Statistics, 2019, global manganese ore demand increased for the second consecutive year in 2018. Demand for Manganese was up 6 percent globally and this demand arose mainly from manganese alloy smelters. Ghana produced 7 percent of the global manganese ore in 2018 making it the third largest producer in Africa and the fourth largest producer in the world. The increased global demand of manganese increased the country's exports from 3.003 million tonnes to 4.552 million tonnes representing a 51.58 percent increase between 2017 and 2018.

289. The Ghana Revenue Authority (GRA) reported an increase in total receipts from mining activities from **GH¢2.16 billion** in 2017 to **GH¢2.36 billion** in 2018 representing a 9.35 percent growth.

Out of the amount received in 2018, **GH¢1.20 billion** was in the form of Corporate Income Tax, **GH¢705.26 million** was received as royalties. **GH¢ 457.16 million** and **GH¢ 0.18 million** were in respect of employee income taxes and levies on small scale miners respectively.

290. In line with the growth in the overall economy, the contributions from the mining sector to the economy increased from 7.4 percent in 2017 to 9.8 percent in 2018. The increase was mainly attributable to the increase in the gold production from 130.2 tonnes in 2017 to 136.2 tonnes in 2018.

Regulations of the Mining Sector

291. The Minerals Commission is the regulator of the mining sector. The Minerals and Mining Act, 2006 (Act 703) provides the framework for standards and guidelines to be complied with in the mining sector. Within this legal framework, the state is the owner of all minerals occurring in their natural state within the legal boundaries of the country. It also mandates mining companies to pay royalties; and corporate taxes at standard rates.

292. The act criminalises illegal small-scale mining popularly known as Galamsey. It also criminalises the engagement of foreign nationals in small-scale mining operations and makes it an offence for Ghanaians to employ or engage foreign nationals to undertake or participate in small scale-mining activities. Other laws that govern the Sector include;

(a) The Minerals Commission Law of 1986 (PNDC Law 154);

(b) The Small-Scale Gold Mining Law of 1989;

(c) The Investment Promotion Act, 1994 (Act 478);

(d) The Additional Profits Tax Law, 1985 (PNDC Law 122);

(e) The Minerals (Royalties) Regulations, 1987 (LI 1349);

(f) The Environmental Protection Agency Act, 1994 (Act 490);

(g) The Environmental Assessment Regulations, 1999, and as amended, 2002.

The Minerals Commission

293. This is a government agency, established under Article 269 of the 1992 Constitution and the Minerals Commission Act 1993, Act 450. It is the main promotional and regulatory body for the minerals sector in Ghana and is responsible for the regulation, management of the utilization of the mineral resources of Ghana and the coordination and implementation of policies relating to mining. It also ensures compliance with Ghana's Mining and Mineral Laws and Regulation through monitoring and serves as a liaison between Industry and Government.

294. Other agencies that regulate the mining industry include;

(a) Ministry of Lands and Natural Resources: It has the overall responsibility for the mining industry.

(b) Geological Survey Department: It is responsible for geological services including map production and maintenance of geological records.

(c) Lands commission: It keeps legal records of licenses and conducts legal examination of new applications.

(d) Environmental Protection Agency: It has the overall responsibility for environmental issues related to mining.

(e) Mines Department: It is responsible for health and safety inspections and maintenance of mining records.

Challenges in the Mining Sector

295. The degradation of the environment due to the activities of the mining sector, particularly illegal small scale miners, has been a long-standing problem in the country. This problem was exacerbated between 2012 and 2016 when the activities of the illegal small scale miners were largely believed to be the cause of the rapid increase in the rate of the degradation of the environment, and pollution of the water bodies in the country.

296. Another major challenge faced by the mining sector is the unpredictability of international commodity prices and the susceptibility of these prices to be affected by external factors such as political instability, natural disasters, etc. Volatility in the prices of minerals makes planning cumbersome for mining companies and if not done properly could have adverse effects on the operations and profitability of these companies.

297. Globally, the mining sector is a large consumer of electricity. According to the "Mining Industry's Energy Problem (Wartsila, 2018), the global mining industry consumes 11 percent of the world's power. In Ghana, the challenges with the reliability of power supply remains one of the problems that has dogged the mining industry of the country for many years. This has pushed a number of mining companies in the sector to move into private contract agreements for energy supply or in-house power generation which, although reliable, tends to be much more expensive than using the national grid.

Policy Initiatives to enhance the contribution of the Mining Sector

298. The Parliament of Ghana passed the Mineral Income Investment Fund Act in October, 2018 to establish a Fund to hold and manage the utilization of mineral revenues including equity interests, mineral royalties and income from mining operations and investments. The law while positioning the country to better manage mineral income fluctuations, leaves the utilization of the funds to the discretion of the Minister for Finance.

299. As mentioned earlier, the country has for a very long time relied on four main minerals – gold, bauxite, manganese and diamond. Government is aggressively pursuing mineral resource base diversification programmes to reduce the overdependence on these minerals, especially gold. Pursuing the diversification programmes will assist the country to manage the price volatility that characterizes the sector.

300. The Sector Medium-Term Development Plan (SMTDP) 2018-2021 enjoins the Ministry of Lands and Natural Resources (MLNR) and Minerals Commission (MC) to pursue key programmes and activities that would ensure the accomplishment of the strategic objectives that promote sustainable extraction and use of mineral resources. For the 2018 financial year, an amount of GH¢347.3 million was allocated to the Ministry of Lands and Natural Resources (MLNR). Out of this allocation, an amount of **GH¢43.7 million**, representing 12.6 percent of the total budget for MLNR was allocated to Minerals Resource Development and Management programmes. The 2018 allocation represented 7.7 percent increase over the 2017 level indicating Government's commitment to grow the mining sector. The budgetary allocation to the Minerals Commission also increased by 8.7 percent.

301. In 2016, Ghana enacted a Minerals Development Fund Act, 2016 (Act 912) which establishes a Minerals Development Fund. The object of the Fund is to use 20 percent of the minerals royalties received from the exploitation of mineral resources of the country to fund development programmes and projects in mining communities and some mining institutions. For the financial year 2017, an amount of **GH¢78.4 million** was allocated to the MDF out of expected amount of **GH¢626.5million** to be received from minerals royalties. In 2018, an amount of **GH¢95.7million** was allocated to the MDF out of expected amount of **GH¢766.4 million** to be received from minerals royalties.

302. The institutional framework to manage the MDF has not been completely implemented. At the end of 2018, the MLNR was yet to appoint the Fund Administrator and the Board in consultation with the Minister for Finance to direct the affairs of the Fund. The Community Development Schemes (CDSs) have not been established and no disbursement has been made since the enactment of Act 912.

Summary of Sectoral Financial Performance: Mining Sector

303. The analysis for this sector covers seven (7) out of the sixteen (16) mining companies in which GoG has either equity or carried interests. The companies covered in the report are:

(a) Abosso Goldfields Limited (AGL);

(b) Anglogold Ashanti Limited (AGA);

(c) Anglogold Ashanti Limited (Iduapriem) (AGI);

(d) Chirano Gold Mines (CGM);

(e) Golden Star Ltd.-Wassa (GSWL);

(f) Goldfields Ghana Limited (GGL); and

(g) Perseus Mining Ghana Limited (PMGL).

Revenue

304. The total revenue for the companies in the mining sector was **GH¢28,274.25 million** in 2018, representing an insignificant increase of 0.40 percent from the **GH¢28,162.10 million** recorded in 2017. Four (4) out of the seven (7) companies in the sector saw their revenues increase between 2017 and 2018. These are AGL (from **GH¢784.09 million** to **GH¢1,047.17 million)**; AGI (from **GH¢1,261.71 million** to **GH¢1,556.91 million**); GSWL (from **GH¢764.43 million** to **GH¢916.35 million)**; and PMGL (from **GH¢923.09 million** to **GH¢1,309.76 million**).

Table 15: Summary of Financial Performance of Entities in the Mining Sector

Name of Entity	Field of Activity	Turnover,	Profit/Loss, GH¢ 'M	Total Assets, GH¢ 'M	Number of Employees	GoG Shareholding
Abosso Gold Fields Limited (AGL)	Conducting of gold mining operations.	1,047.17	(38.30)	1,623.97	-	10 percent
Anglogold Ashanti		19,014.72	723.36	32,035.20	-	0.05 percent
Anglogold Ashanti (Iduapriem)	Mining and management of mineral resources.	1,556.91	252.31	1,439.10	-	10 percent
Chirano Gold Mines (CGM)	Investing in and acquiring of mineral rights and mining leases.	1,379.11	42.00	1,112.96	-	10 percent
Gold Fields Ghana Limited (GGL)	Conducting of mining operations.	3,050.22	183.47	7,533.74	-	10 percent
Golden Star Limited (Wassa) (GSWL)	Conducting of gold mining operations.	916.35	143.03	1,306.48	636	10 percent
Perseus Mining Limited (PMGL)	Investing in and acquiring of mineral rights and mining leases.	1,309.76	42.34	1,747.88	-	10 percent

305. PMGL had the highest percentage increase in revenue for the mining sector. Revenue for PMGL increased by 40.52 percent. AGA accounted for 67.25 percent of the total revenue recorded in the sector at an amount of **GH¢19,014.72 million**. Despite contributing the largest amount to the total revenue for the sector, AGA saw a 4.57 percent drop in revenue between 2017 and 2018.

Expenditure

306. The combined direct cost of the entities in the mining sector was **GH¢22,315.06 million**, which represents a decrease of 2.63 percent over the amount recorded in 2017 **(GH¢22,918.79 million).** With the exception of AGL, AGI and PMGL, all the entities in the mining sector recorded a decline in their direct cost. AGL recorded the biggest increase (66.45 percent) in their direct cost from **GH¢595.21 million** in 2017 to **GH¢990.74 million** in 2018. On the other hand, AGA registered the biggest decline in absolute terms **(GH¢1,203.79 million)** from **GH¢16,505.27 million** to **GH¢15,301.48 million**, representing a decline of 7.29 percent.

307. The mining companies recorded a total general and administrative expenses of **GH¢1,434.26 million**, representing an increase of 67.89 percent over the corresponding figure for 2017 (GH¢854.27 million). On average, 76.52 percent of the revenue generated in the sector was used to cover the direct costs. An extra 8.99 percent of revenues were also spent on General and Administrative expenses. It can be interpreted from the figures that most of the spending in the sector was directed towards the immediate operations of the various companies.

Profitability

308. All entities in the sector except AGL reported operating profits in 2018. Consistent with its increase in revenue, PMGL recorded the highest increase in operating profits between 2017 and 2018. PMGL's operating profit increased from **GH¢24.39 million** in 2017 to **GH¢245.31 million** in 2018 representing an increase of 905.78 percent in 2018. This was due to a 79 percent increase in PMGL' gross profit and a 27 percent decrease in other expenses for 2018. All the other mining companies recorded an average of 37.31 percent increase in their operating profits between 2017 and 2018. AGL also reported an operating loss of **GH¢-91.88 million** in 2018. This was a 200.85 percent drop in the operating income recorded in 2017.

309. The sector recorded a combined net profit of **GH¢1,348.21 million** in 2018. This was a 1,299.48 percent increase from the total net loss of **GH¢ -112.40 million** recorded in 2017. This astronomical increase in the profit of the sector was due to the fact that majority of the mining companies rebounded from their loss making position in 2017. With the exception of AGL, all the mining companies returned a net profit.

Assets, Liabilities and Debt

310. The companies in the sector had a total asset base of GH¢46,799.33 million in 2018. This figure was a marginal increase of 0.70 percent increase from the GH¢46, 475.21 million recorded in 2017. AGL recorded the highest percentage increase of 36.40 percent on their asset base between 2017 and 2018.

311. Total liabilities in the sector dropped marginally by 1.92 percent from **GH¢26,650.86 million** in 2017 to **GH¢26,094.35 million** in 2018. Four out of the seven companies in the sector recorded increases in their total liabilities in 2018 with AGL recording the highest increase of 47.02 percent in 2018. Due to the sheer size of AGA's operations, the drop in its total liabilities skewed the results posted by sector. AGA recorded a drop in liabilities of 4.53 percent from **GH¢19,946. 82 million** in 2017 to **GH¢19,043.66 million** in 2018.

312. Given its combined total assets and liabilities of **GH¢46,799.33 million** and **GH¢26,094.35 million** respectively, the mining sector posted a positive net worth of **GH¢20,704.98 million**. The sector's net debt position was GH¢23,573.04 million in 2018. This represented a slight decrease of 1.73 percent on the **GH¢24,032. 33 million** as at 2017. All entities in the sector except AGA and GSWL recorded increases in their net debt.

313. The average current ratio for the mining sector was 1.36. Hence entities in the sector had enough resources to meet their short term financial obligations. The sector posted an average gearing of 2.82 indicating the entities in the sector are quite leveraged.

SUMMARY OF PERFORMANCE OF ENTITIES IN MINING SECTOR

ABOSSO GOLDFIELDS LIMITED (AGL)

BOARD CHAIRMAN

Nicholas John Holland

BOARD MEMBERSHIP

Alfred Baku (MD), Kofi Ansah, Kwasi Abeasi, Mawuli Ababio, Isaac Dasmani, Frank Felix Akoto-Awah (Resigned)

AUDITOR

KPMG

BACKGROUND

AGL is a subsidiary of Goldfields Limited, a holding company registered in South Africa. The company holds mining lease in respect of the Damang mine dated in April, 1995 (as amended by an agreement in April, 1996). The lease acquired by AGL expires in 2025 but agreement is renewable under terms and provisions of the Minerals and Mining Law. AGL operates in the Abosso-Damang area in the Western Region.

The company has authorized and issued shares of 60,000,000. Government of Ghana owns 10 percent of the issued shares whilst Gold Fields Ghana Holdings Limited, a British-incorporated company and other affiliate companies own 90 percent of the shares of the company.

OPERATIONS

The company operates surface mining with an adjacent milling and recovery plant. The Damang plant processes mainly fresh ore with approximately 5percent oxides, sourced from five open pit mining operations and existing surface stockpiles.

AGL retained the OHSAS 18001 certificate and achieved the ISO 14001 status whilst regular reviews and audits by internal and external specialists are carried out to maintain this certification. The company estimates the life of mine to last through to 2024 as when the current mineral reserve will be depleted.

FINANCIAL PERFORMANCE

AGL's revenue grew significantly by 38.63 percent from **GH¢784.09 million** in 2017 to **GH¢1,047.17 million** in 2018.

Direct costs increased from **GH¢595.21 million** in 2017 to **GH¢990.74 million** in 2018 indicating an increase of 72.78 percent. General and administrative expenses also increased by 50.67 percent from **GH¢97.77 million** in 2017 to **GH¢148.31 million** in 2018. The increase in general and administrative expenses in 2018 was propelled by a five-fold (559.17 percent) increase in redundancy expense from **GH¢9.65 million** in 2017 to **GH¢63.61 million** in 2018.

Due to the rapid rates of increase in both direct costs and general and administrative expenses, the operating profit took a hit and declined by a rate of 204.72 percent in 2018. This was from an operating profit of **GH¢91.11 million** in 2017 to an operating loss of **GH¢-91.88 million** in 2018.

Total assets increased from **GH¢1,190.61 million** in 2017 to GH¢1,623.97 million in 2018 indicating an increase in total assets of 36.40 percent. Total liabilities also increased from **GH¢938.47 million** in 2017 to **GH¢1,379.76 million** in 2018 representing an increase of 47.02 percent.

Likewise, there was also a 44.74 percent increase in the net debt of the company. The net debt rose from **GH¢937.1 million** in 2017 to **GH¢1,356.03 million** in 2018. Although the current ratio for 2018 was 1.16, thereby indicating that the company was capable of covering its short-term liabilities, the gearing ratio of 500 percent is quite excessive.

The AGL recorded a net loss of **GH¢-38.3 million** in 2018 with a net loss margin of 3.66 percent. No dividends were paid to Government due to the losses recorded. The company, however, paid **GH¢58.35 million** of income tax to GoG in 2018.

Main Financial Indicators of AGL

Financial Indicators, GH¢'000			
Indicators	**2016 (GH¢M)**	**2017 (GH¢M)**	**2018 (GH¢M)**
Turnover	717.01	784.09	1,047.17
Gross Profit/Loss	114.37	188.88	56.43
EBITDA	-19.02	91.11	-91.88
EBIT	-19.02	91.11	-91.88
Net Profit	-30.14	88.79	-38.30
Total Assets	749.58	1,190.61	1,623.97
Total Liabilities	593.87	938.47	1,379.76
Equity	155.71	252.14	244.21
Key Ratios			
Gross Profit and turnover ratio, percent	0.16	0.24	0.05
Net Profit Margin	-0.04	0.11	-0.04
Current Ratio	0.59	0.97	1.16
Return on assets, ROA, percent	-0.04	0.07	-0.02
Equity/Asset ratio	0.21	0.21	0.15
Return on Capital Employed	-0.16	0.10	-0.03
Gearing Ratio	3.46	3.72	5.55
Other Indicators			
Dividends paid	0.00	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	-	-	-

ANGLOGOLD ASHANTI LIMITED (AGA)

BOARD CHAIRMAN

Sipho Pityana (Independent Non-Executive)

BOARD MEMBERSHIP

Kelvin Dushnisky (CEO), Christine Ramon (CFO), Albert Garner, Rhidwaan Gasant, Nozipho January-Bardill, Maria Richter, Rodney Ruston, Maria Ramos, Alan Ferguson, Jochen Tilk

AUDITORS

Ernst & Young Inc.

BACKGROUND

AGA is a global gold mining company. It is the third-largest gold mining company in the world, measured by production. The company, initially known as the Vaal Reefs Exploration and Mining Company Ltd was formed in 1944 in South Africa. The company operates under the South African Companies Act 71, 2008 (Amended).

The current corporate establishment of the company was formed in 1998 when the gold and uranium mining interests of Anglo American Corporation of South Africa were consolidated. In April, 2004, the company was merged through the business combination of AngloGold Ltd. and Ashanti Goldfields Company Ltd.

As at the end of 2018, AGA had 14 operations in nine countries including long-life, relatively low-cost operating assets with differing ore body types, located in key gold-producing regions around the world. The company has presence in countries like Australia, Ghana, Argentina, South Africa, Brazil and engage in other greenfields exploration programs in Colombia.

The company's Continental Africa Region portfolio is made up of seven mines. The Region produced 1,512,000oz of gold and total cash of cost of $773 per oz in 2018. In Ghana, the company operates two fully owned and managed operations. The operations were formed through the merger of AngloGold Limited, South Africa and Ashanti Goldfields Company Limited, Ghana.

The Ghana operations are the Iduapriem Mine and Obuasi Mine. The Iduapriem operation covers a 110km2 concession located in the Western Region of the country. The mine is a carbon-pulp (CIP) plant with a gravity circuit. The Obuasi operation drills a mining depth of 1,500m. The Obuasi mine was placed under limited operations at the 4th quarter of 2014. The company was placed under redevelopment in 2018 and has been under the exercise to date.

OPERATIONS

Production for 2018 came in towards the top end of guidance at 3.400Moz. Compared to 2017, production was 9% lower mainly due to the sale and closure of assets in South Africa. Production from retained operations for 2018, excluding Moab Khotsong, Kopanang and TauTona, was 3.349Moz at a total cash cost of $765/oz, compared with 3.279Moz at a total cash cost of $738/oz in 2017.

AISC for these retained operations were $968/oz, compared with $1,017/oz in the same period last year. AISC for the International operations were $920/oz for 2018 compared to $972/oz for 2017. AISC for the South African operations, including Moab Khotsong, Kopanang and TauTona, were $1,178/oz compared with $1,245/oz in 2017.

The Continental Africa region produced 1,512,000oz at a total cash cost of $773/oz in 2018, compared to 1,453,000oz at a total cash cost of $720/oz in 2017. AISC were $904/oz for the year ended 31 December 2018, compared to $953/oz for the year ended 31 December 2017. The region delivered a solid performance with production boosted by higher tonnes treated particularly from underground mining at Kibali and Geita and improved underground grade from Geita.

The Americas region produced 776,000oz at a total cash cost of $624/oz for the year ended 31 December 2018, compared to 840,000oz at a total cash cost of $638/oz for the year ended 31 December 2017. AISC were $855/oz in 2018, compared to $943/oz achieved in 2017.

The Australia region produced 625,000oz at a total cash cost of $762/oz for the year ended 31 December 2018, compared to 559,000oz at a total cash cost of $743/oz for the year ended 31 December 2017. AISC were $1,038/oz in 2018, compared to $1,062/oz in 2017.

The South Africa region produced 487,000oz at a total cash cost of $1,033/oz for the year ended 31 December 2018, compared to 903,000oz at a total cash cost of $1,085/oz for the year ended 31 December 2017. The lower production reflects fewer mines in the region with only two months of contribution from Kopanang and Moab Khotsong, following their sale on 28 February 2018. TauTona ceased mining in September 2017 and has been placed in orderly closure. AISC for the South Africa region were $1,178/oz in 2018, compared to $1,245/oz in 2017.

FINANCIAL PERFORMANCE

Revenue for AGA decreased by 4.57 percent from **GH¢19,924.73 million** in 2017 to **GH¢19,014.72 million** in 2018. The decrease was recorded after the company posted an increase in revenue of 12.28 percent between 2016 **(GH¢17,746.31 million)** and 2017.

The direct costs of AGA decreased from **GH¢16,505.27 million** in 2017 to **GH¢15,301.48 million** in 2018 indicating a 7.29 percent reduction. The direct costs in 2018 represented 80.47 percent of AGA's revenue for 2018. The company also reported general and administrative expenses of **GH¢366.50 million** in 2018 which represented 1.93 percent of the 2018 revenue.

AGA reported an operating profit of **GH¢1,567.28 million** in 2018 representing a monumental increase of 406.80 percent over **GH¢309.25 million** reported in 2017. The increase in operating profits was on account of the reduction in AGA's expenses by **GH¢2,167.53 million** between 2017 and 2018.

The company increased its asset base from **GH¢31,892.82 million** in 2017 to **GH¢32,035 million** in 2018 indicating a slight increase of 0.45 percent in total assets. The company managed to decrease its total liabilities from **GH¢19,946.82 million** in 2017 to **GH¢19,043.66 million** in 2018 representing a decrease of 4.53 percent in total liabilities in 2018.

Net debt dropped by 8.32 percent from **GH¢19,041.15 million** in 2017 to **GH¢17,457.09 million** in 2018. The decrease in the net debt was mainly attributable to the increase in the cash balance of the company. The current ratio of 1.5 in 2018 indicates that the company was not likely to have liquidity challenges and the odds of them struggling to service their short-term liabilities were very low.

The company recorded a 195.75 percent surge in net profit between 2017 and 2018. This represented a turnaround from a net loss of **GH¢-755.46 million** in 2017 to a net profit of **GH¢723.36 million** in 2018. The net profit margin on the 2018 profit was 3.8 percent. The return on operating capital for 2018 was 34.56 percent indicating that the company utilized the resources at its disposal quite efficiently.

Main Financial Indicators of AGA

Financial Indicators, GH¢ 'M			
Indicators	**2016 (GH¢M)**	**2017 (GH¢M)**	**2018 (GH¢M)**
Turnover	17746.31	19924.73	19014.72
Gross Profit/Loss	3454.29	3419.45	3713.25
EBITDA	5110.00	3971.69	5454.13
EBIT	2000.29	309.25	1567.28
Net Profit	336.18	-755.46	723.36
Total Assets	30059.05	31892.82	32035.20
Total Liabilities	18,485.92	19,946.82	19,043.66
Equity	11573.13	11946.00	12991.55
Key Ratios			
Gross Profit and turnover ratio, percent	19.46	17.16	19.53
Net Profit Margin	28.79	19.93	28.68
Current Ratio	1.53	1.75	1.55
Return on assets, ROA, percent	17.00	12.45	17.03
Equity/Asset ratio	0.39	0.37	0.41
Return on Capital Employed	0.19	0.14	0.19
Gearing Ratio	1.52	1.59	1.34
Other Indicators			
Dividends paid	0.00	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	-	-	-

ANGLO GOLD ASHANTI LIMITED-IDUAPRIEM (AGI)

BOARD MEMBERSHIP

Nana Otuo Siriboe II

BOARD MEMBERSHIP

Sicelo Ntuli, Marius Roux, Eric Asubonteng, Jasper Musdaidzwa, Vimal Govind

AUDITORS

Ernst & Young

BACKGROUND

AGI is one of the two fully owned and managed operations of AngloGold Ashanti (AGA). The company is located in the Western-North Region of Ghana and it is comprised of the Iduapriem and Teberebie properties.

OPERATIONS

The regional operation is under a 110km2 located 10km south-west of the Tarkwa mine. The mine is an open-pit mine with processing facilities which include a carbon-pulp (CIP) plant with a gravity circuit. The gravity recovers about 30 percent of the gold with the remainder recovered by the CIP plant. The main business of the company concerning the Iduapriem mine is mining and management of mineral resources.

FINANCIAL PERFORMANCE

In 2018, AGI recorded a revenue of **GH¢1,556.91 million**. This was a 23.40 percent increase on the **GH¢1,261.71 million** reported in 2017. The direct costs incurred during the operation of the mine amounted to **GH¢1,123.52 million** in 2018, up by

20.86 percent over the direct costs incurred in 2017 (**GH¢929.61 million**). General and Administrative expenses amounted to **GH¢4.34 million** in 2018. General and Administrative expenses represented a negligible 0.28 percent of revenue for 2018.

The operating profits for 2018 improved by 30.66 percent due to revenue increasing at a faster pace than direct costs and administrative expenses. The operating profits increased from **GH¢328.25 million** in 2017 to **GH¢428.90 million** in 2018.

The total assets increased from **GH¢1,234.76 million** in 2017 to **GH¢1,439.10 million** in 2018 representing a 16.55 percent increase in assets. Total liabilities also increased from **GH¢718.66 million** in 2017 to **GH¢888.72 million** in 2018 representing an increase of 23.66 percent. Net debt followed a similar pattern to the total liabilities and also increased by 19.16 percent from **GH¢692.02 million** in 2017 to **GH¢824.58 million** in 2018.

As indicated by the current ratio of 1.61, the mine was capable of covering its short-term liabilities in 2018. Net profit increased from **GH¢214.22 million** in 2017 to **GH¢252.31 million** in 2018 representing a 17.78 percent growth in profits. The margin on the net profit recorded in 2018 was 16.21 percent.

Main Financial Indicators of AGI

Financial Indicators, GH¢ 'M			
Indicators	**2016 (GH¢M)**	**2017 (GH¢M)**	**2018 (GH¢M)**
Turnover	0.00	1261.71	1556.91
Gross Profit/Loss	0.00	332.09	433.39
EBITDA	0.00	453.28	569.96
EBIT	0.00	328.25	428.9
Net Profit	0.00	214.22	252.31
Total Assets	0.00	1234.76	1439.1
Total Liabilities	0.00	718.66	888.72
Equity	0.00	516.05	550.38
Key Ratios			
Gross Profit and turnover ratio, percent	0.00	26.32	27.84
Net Profit Margin	0.00	16.98	16.21
Current Ratio	0.00	0.36	0.36
Return on assets, ROA, percent	0.00	36.71	39.61
Equity/Asset ratio	0.00	0.42	0.38
Return on Capital Employed	0.00	0.8783	1.0356
Gearing Ratio /Debt-to-equity ratio	0.00	2.34	2.5
Other Indicators			
Number of employees on average per year	0.00	0.00	0.00
Dividends paid from the profits of the previous year	0.00	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	-	-	-

CHIRANO GOLD MINES LIMITED (CGM)

BOARD CHAIMAN

Mr. Andreas Mittler

BOARD MEMBERSHIP

Mr. Justin A. McCabe, Mr. Adriano Sobreira, Dr. Joyce R. Aryee, Mr. Kwamina K. Asomaning, Mr. Okatakyie K. Amankwaah, Mr. Michel Sylvestre (Resigned), Ms. Heidy Arocha (Resigned)

AUDITOR(S)

KPMG

BACKGROUND

CGM is located at the Bibiani-Anhwiaso-Bekwai District, in the Western North Region of Ghana. CGM started production in October, 2005 after exploration and development were began by Red Back Mining, an Australian based company. Kinross acquired CGM in September, 2010. The company is owned by Kinross Gold Corporation, an entity based in Canada through shareholder ownership of 90 percent. GoG owns the remaining 10 percent stake in the company.

OPERATIONS

The mine comprises the Akwaaba, Suraw, Akoti South, Akoti North, Akoti Extended, Paboase, Tano, Obra South, Obra, Sariehu and Mamnao open pits and the Akwaaba and Paboase underground mines. Open pit and underground ore are processed at the CGM plant.

The company reports in its 2018 fourth-quarter and full year report that it explored the depth extensions of Akwaaba, Paboase and Tano to increase the site's estimated mineral reserves by 94 Au koz. in 2018. Also, 142 Au koz and 179 Au koz were added to the measured and indicated resource estimates and inferred resources estimates respectively. The life of mine of CGM has been extended to 2021 after these additions.

The company is expeced to increase exploration spending to drill depth extensions at Akwaaba and Paboase. The program also includes drifting from the Paboase underground to the Tano underground.

FINANCIAL PERFORMANCE

CGM Limited reported a revenue of **GH¢1,379.11 million** in 2018. This was a reduction of 1.72 percent on the revenue of **GH¢1,403.26 million** reported in 2017. The company managed to reduce its direct costs by 6.59 percent from **GH¢1,308.05 million** in 2017 to **GH¢1,221.85 million** in 2018. General and administrative expenses, however, rose significantly by 40.69 percent from **GH¢42.54 million** in 2017 to **GH¢59.85 million** in 2018.

Notwithstanding the drop in revenue, operating profits increased by 122.40 percent from **GH¢38.79 million** in 2017 to **GH¢86.27 million** in 2018. The increase in the operating profits was attributable to the fast rate decrease in direct costs more significantly than revenue.

The asset base of the mine contracted from **GH¢1,561 million** in 2017 to **GH¢1,112.96 million** in 2018 representing a reduction of 28.70 percent. Total liabilities, however, increased from **GH¢367.70 million** to **GH¢395.29 million** in 2018 indicating a 7.50 percent increment in CGM's liabilities.

Net debt increased by 636.26 percent from no net debt 2017 to **GH¢256.50 million** in 2018. The increase in net debt was due to increase in total liabilities and decrease in cash and cash equivalents by 66.63 percent in 2018.

As indicated by the current ratio of 1.68, the company was not likely to face any challenges in servicing its short term liabilities. The debt to equity ratio of 0.36 also indicates that the company does not rely heavily on debt to finance its operations.

A net profit of **GH¢42 million** was declared in 2018 indicating an increase of 278.72 percent on net profit of **GH¢11.09 million** recorded in 2017. The company also paid taxes of **GH¢49.91 million** to GoG during the year. GoG received a dividend of **GH¢6.00 million** from the CGM in 2018.

Main Financial Indicators of Chirano Gold Mines Limited (CGM)

Financial Indicators, GH¢ 'M			
Indicators	**2016 (GH¢M)**	**2017 (GH¢M)**	**2018 (GH¢M)**
Turnover	1086.08	1403.26	1379.11
Gross Profit/Loss	-42.61	95.21	157.26
EBITDA	-124.14	38.79	86.27
EBIT	-124.14	38.79	86.27
Net Profit	-78.75	11.09	42.00
Total Assets	1,482.61	1,561.02	1,112.96
Total Liabilities	358.08	367.70	395.29
Equity	1124.54	1193.32	717.67
Key Ratios			
Gross Profit and turnover ratio, percent	-3.92	6.78	11.40
Net Profit Margin	-11.43	2.76	6.26
Current Ratio	2.28	3.72	1.86
Return on Assets, ROA, percent	-8.37	2.48	7.75
Equity/Asset ratio	0.76	0.76	0.64
Return on Capital Employed	-10.07	2.83	9.70
Gearing Ratio	0.12	-0.04	0.36
Other Indicators			
Dividends paid	0.00	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	-	-	-

GOLD FIELDS LIMITED (GGL)

BOARD CHAIRMAN

Nick Holland

BOARD MEMBERSHIP

Alfred Baku (MD), Kofi Ansah, Mawuli Ababio, Kwasi Abeasi, Alhassan Andani, Rowena Fafa Amematekpor, Emmanuel Kofi Kaningen (Resigned)

AUDITORS

KPMG

BACKGROUND

GGL was formed in 1998 with the amalgamation of the gold assets of Gold Fields of South Africa Limited and Gencor Limited. The company engages about 5,612 Ghanaians in direct employment. GGL spends over $2million annually in direct support for community development activities in the key areas of agriculture, health, water and sanitation, education and general infrastructure.

Gold Fields Limited, a parent company based in South Africa, owns 90 percent of the total shares of Gold Fields Ghana with the remaining percent owned by the Government of Ghana as required under the Mining Law of Ghana.

OPERATIONS

The company conducts gold mining operations at Tarkwa which consists of an opencast mine and is currently the number one gold mining company and largest gold producer in Ghana, with annual production in excess of 935, 000 ounces from its two operating mines at Damang and Tarkwa.

In line with the company's policy on environment, the Tarkwa and Damang mines are ISO 14001 certified. The company which operated in from a combined heap leach and carbon-in-reach plant has transitioned into a single operation consisting of carbon-in-reach after the company's North heap leach operation was closed.

Production of the mine has stabilised even after the closure of the North heap leach at approximately 500,000 ounces per annum from a previous years' range of between 525,000 ounces and 550,000 ounces.

FINANCIAL PERFORMANCE

GGL's revenues decreased from **GH¢3,091.79 million** in 2017 to **GH¢3,050.22 million** in 2018 representing a decrease of 1.34 percent. Direct costs for 2018 was **GH¢2,261.04 million**, a decrease of 1.01 percent on **GH¢2,284.17 million** recorded in 2017. The direct costs to revenue margin was 74.13 percent in 2018 and shows an increase after a margin of 73.88 percent was recorded in 2017.

General and administrative expenses, however, increased from **GH¢234.16 million** in 2017 to **GH¢630.88 million** in 2018. The increase in general and administrative expenses in 2018 was at the rate of 169.04 percent and covered up 20.68 percent of total revenue for 2018.

Total assets for the year decreased from **GH¢7,766.25 million** in 2017 to **GH¢7,533.74 million** in 2018 indicating an increase of 2.99 percent in 2018. The decrease in total assets was propelled by a 20.09 percent decrease in current assets from **GH¢2,630.27 million** in 2017 to **GH¢2,101.86 million** in 2018. The company reduced its total liabilities from **GH¢2,273.62 million** in 2017 to **GH¢1,994.96 million** in 2018 indicating a decrease of 12.26 percent.

Net debt increased by 18.93 percent from **GH¢1,153.02 million** in 2017 to **GH¢1,371.31 million** in 2018. The percentage increase in net debt for 2018 shows that GGL was faced with the risk of increasing total liabilities over the total cash and cash equivalents held by the company.

Return on capital employed for 2018 was 2.63 percent decreasing from 5.34 percent in 2017. The return on capital employed reflected net profit for the year which decreased from **GH¢371.11 million** in 2017 to **GH¢183.47 million** in 2018. The net profit margin was 50.56 percent in 2018.

GGL settled their income tax expense for 2018 at **GH¢7.86 million**, a drop in the expense by 96.92 percent after paying income tax of **GH¢255.09 million** in 2017.

Main Financial Indicators of GGL

Financial Indicators, GH¢ 'M			
Indicators	**2016 (GH¢M)**	**2017 (GH¢M)**	**2018 (GH¢M)**
Turnover	2771.49	3091.79	3050.22
Gross Profit/Loss	735.52	807.62	789.18
EBITDA	169.14	231.68	629.66
EBIT	169.14	231.68	629.66
Net Profit	457.17	371.11	183.47
Total Assets	6,965.74	7,766.25	7,533.74
Total Liabilities	2,095.30	2,273.62	1,994.96
Equity	4,870.43	5,492.63	5,538.77
Key Ratios			
Gross Profit and turnover ratio, percent	0.27	0.26	0.26
Net Profit Margin	0.16	0.12	0.06
Current Ratio	2.93	3.21	3.69
Return on assets, ROA, percent	0.07	0.05	0.02
Equity/Asset ratio	0.70	0.71	0.74
Return on Capital Employed	0.34	0.20	0.12
Gearing Ratio	0.27	0.21	0.25
Other Indicators			
Dividends paid	0.00	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	-	-	-

GOLDEN STAR WASSA LIMITED (GSWL)

BOARD CHAIRMAN

Mr. Sam Coetzer

BOARD MEMBERSHIP

Mr. Daniel Owiredu, Mr. Kwesi Barning, Col, A. Y. K. Disu (Rtd), Mrs. Moana Quartey, Mr. Alex Nsiah, Mr. Shaddrack Adjetey Sowah

AUDITORS

PriceWaterHouseCoopers

BACKGROUND

Golden Star Wassa Limited (GSWL) was incorporated in Ghana in May, 1992. GSWL acquired Bogosso concessions and the associated infrastructure in 1992. In 2002, the Prestea concession was acquired through a joint venture between the Government of Ghana and the Ghana National Mine Workers Union.

In 2003, the company acquired the Wassa Gold Mine from Standard Bank after the foreclosure of Glencar Mining. The Company operates from two mines namely the Wassa and Prestea mines both of which lies 40km apart from each other in the Western Region of Ghana. The Government of Ghana holds ownership of 10 percent and the parent ownership hold the remaining 90 percent.

OPERATIONS: WASSA MINE

The Wassa Gold Mine is located in the Western Region of Ghana. In January, 2017, commercial production was declared at the Wassa Underground, after the company commenced production from the surface operation in 2005, commencing mining in the high grade B Shoot zone in late March, 2017. The Wassa Gold Mine was acquired by Golden Star in 2003 from Standard Bank. The first stope of the mine was blasted in July, 2016 in the F Shoot zone of the deposit.

In 2006, the Wassa Mine was connected to a grid power which reduced the cost of power dramatically. The mine has been transitioned to a primarily underground-focused operation in 2018. The M&I Mineral Resources as at 2018 was 43,839 kt at 2.40 g/t Au for 3.4 Moz contained. The remaining life of mine of the Wassa operation as at 2018 was 10 years. The company recorded 149,697oz of gold produced.

FINANCIAL PERFORMANCE

GSWL recorded a revenue of **GH¢916.35 million** in 2018. This was an increase of 19.87 percent from the **GH¢ 764.43 million** recorded in 2017. On the other hand, direct costs decreased from **GH¢602.27 million** in 2017 **GH¢539.43 million** in 2018 indicating an 11.02 percent decline. In contrast, general and administrative expenses increased from **GH¢109.17 million** in 2017 to **GH¢134.11 million** in 2018 indicating an increase of 22.84 percent.

Operating profits for 2018 increased exponentially from **GH¢48.99 million** in 2017 to **GH¢242.81 million** in 2018. This increase was almost four-fold (395.63 percent) surge in the operating profits. This performance was attributable to the increase revenue and the decline in direct costs for the year.

The total asset base for the mine increased by 8.43 percent from **GH¢1,204.89 million** in 2017 to **GH¢1,306.48 million** in 2018. GSWL managed to reduce its total liabilities by 6.09 percent from **GH¢995.31 million** in 2017 to **GH¢934.73 million** in 2018. Net debt also decreased marginally by 3.07 percent from **GH¢917.29 million** in 2017 to **GH¢889.11 million** in 2018.

Current ratio of 1.06 recorded by the company indicated that the company was just about capable of covering its short-term liabilities. However, the interest cover ratio of 5.49 times shows that the debt of the company did not pose a threat to its existence.

The mine reported a net profit of **GH¢143.03 million** in 2018 with a net profit margin 15.61 percent. GSWL's return on capital employed of 20.36 percent indicates that the company utilized its available resources efficiently. Even though the company posted decent results, no dividend was paid to GoG.

Main Financial Indicators of GSWL

Financial Indicators, GH¢ 'M			
Indicators	**2016 (GH¢M)**	**2017 (GH¢M)**	**2018 (GH¢M)**
Turnover	487.72	764.43	916.35
Gross Profit/Loss	73.58	158.16	376.92
EBITDA	7.86	48.99	242.81
EBIT	7.86	48.99	242.81
Net Profit	24.67	74.75	143.03
Total Assets	1,065.2	1,204.89	1,306.48
Total Liabilities	936.99	995.31	934.73
Equity	128.21	209.59	371.76
Key Ratios			
Gross Profit and turnover ratio, percent	27.04	25.95	33.04
Net Profit Margin	23.54	22.21	47.25
Current Ratio	1.27	0.25	0.46
Return on assets, ROA, percent	11.15	12.74	35.41
Equity/Asset ratio	0.17	0.13	0.17
Return on Capital Employed	0.00	0.8783	1.0356
Gearing Ratio	4.79	6.24	4.88
Other Indicators			
Number of employees on average per year	-	-	-
Dividends paid	0.00	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	-	-	-

PERSEUS MINING (GHANA) LTD (PMGL)

BOARD CHAIRMAN

Nana Prah Agensaim VI

BOARD MEMBERSHIP

Jeffrey Allan Quatermaine, Colin John Casrson, Stephen Kofi Ndede, Kwabena Owusu Dwomo

AUDITOR(S)

PriceWaterHouseCoopers

BACKGROUND

PMGL engages in mineral exploration, development mine operations and sale of gold in Ghana. PMGL is focused on gold mining and owns concessions that is currently actively involved in exploration, development and production of gold in Ghana and Cote d'Ivoire. The company is owned by Perseus Mining Ltd. through Kojina Resources Ltd., owning a controlling stake of 90 percent and the remaining 10 percent by the Government of Ghana.

OPERATIONS

PMGL operates two mining concessions in Ghana namely the Edikan Gold Mine and Grumesa mines.

Edikan Gold Mine

The Edikan Gold Mine (EGM) formerly known as the Central Ashanti Gold Project, Ayanfuri, achieved first gold production in August 2011, achieving commercial production in January, 2012. The mine has a record of mining and producing about 200,000 ounces of gold per year since 2012 from the Abnabna and Fobinso open pits. The company estimates that gold production from the mines are to average 214,000oz per annum over the remaining life of mine period of 6.5 years starting from July, 2017.

Grumesa

The mine lies 35km from the Edikan Mine and operates on a 39-kilometer squared licensed concession. The mine has a 471,000oz Indicated and 247,000oz Inferred gold resources located at its Kayeya prospect. The company reports that the mine has a potential for further resources as the upper 45m of the deposit contains more than 12,000 ounces of gold per vertical meter, with limited drilling below 45m.

FINANCIAL PERFORMANCE

Revenue for PMGL increased by 40.52 percent from **GH¢ 932.09 million** in 2017 to **GH¢1,309.76 million** in 2018. Similarly, its direct costs increased from **GH¢690.21 million** in 2017 to **GH¢877 million** in 2018 indicating an increase of 27.06 percent. Direct costs constituted 66.96 percent of total revenue in 2018.

General and administrative expenses also increased from **GH¢84.12 million** in 2017 to **GH¢90.28 million** in 2018 representing an increase of 7.32 percent for the year. Other expenses, however, surpassed general and administrative expenses even though there was a decline (27.14 percent) from **GH¢133.38 million** in 2017 to **GH¢97.18 million** in 2018.

Operating profit for the year increased from **GH¢ 24.39 million** in 2017 to **GH¢245.31 million** in 2018 representing a 905.78 percent increase. The increase in operating profit for the year was attributable to revenue increasing at a faster rate than costs.

Both total assets and total liabilities increased for the year. Total assets increased from **GH¢1,624.86 million** in 2017 to **GH¢1,747.88 million** in 2018 indicating an increase of 7.57 percent. Total liabilities increased from **GH¢1,410.28 million** in 2017 to **GH¢1,457.23 million** in 2018 indicating a year-on-year increase of 3.33 percent.

Net debt increased for the year from **GH¢1,339.60 million** in 2017 to **GH¢1,418.32 million** in 2018. The 5.88 percent between 2017 and 2018 was due to increasing current liabilities and a falling cash and cash equivalents figure from **GH¢70.66 million** in 2017 to **GH¢38.91 million** in 2018, indicating a drop in cash and cash equivalents of 44.93 percent in 2018.

Perseus had a current ratio of 0.46 in 2018. This was a long way below the ideal short-term liquidity and suggests the possibility of the company not meeting its short-term obligations on time.

The company reported a net profit increase of 136.22 percent from a net loss of **GH¢-116.90 million** in 2017 to a net profit of **GH¢42.34 million** in 2018.

Main Financial Indicators of Perseus Mining (Ghana) Ltd (PMGL)

Financial Indicators, GH¢Mil			
Indicators	**2016 (GH¢M)**	**2017 (GH¢M)**	**2018 (GH¢M)**
Turnover	777.30	932.09	1309.76
Gross Profit/Loss	210.16	241.88	432.76
EBITDA	182.97	207.02	618.90
EBIT	39.12	24.39	245.31
Net Profit	-46.65	-116.90	42.34
Total Assets	1,641.67	1,624.86	1,747.88
Total Liabilities	1,367.60	1,410.28	1,457.23
Equity	274.07	214.58	290.74
Key Ratios			
Gross Profit and turnover ratio, percent	27.04	25.95	33.04
Net Profit Margin	-6.00	-12.54	3.23
Current Ratio	1.27	0.25	0.46
Return on assets, ROA, percent	-2.84	-7.19	2.42
Equity/Asset ratio	0.17	0.13	0.17
Return on Capital Employed	-0.03	-0.31	0.07
Gearing Ratio	4.79	6.24	4.88
Other Indicators			
Dividends paid	0.00	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	Yes	Yes	Yes

TRANSPORTATION SECTOR

314. The analysis for the transportation sector covered two (2) out of the four (4) companies in which GoG has equity interests. The 2 companies are made up of one (1) SOE and one (1) JVC. They are Volta Lake Transport Limited (VLTC) and Metro Mass Transit Company Limited (MMT).

315. Given that there was one (1) entity each in the SOEs and JVCs categories, no sectoral analysis was done for the transportation sector. The analysis of the financial and operational performance of the individual entities is captured below.

FINANCIAL PERFORMANCE OF THE TRANSPORTATION SECTOR

METRO MASS TRANSIT COMPANY LIMITED (MMT)

BOARD CHAIRMAN

Hon. Ahmed Arthur

MANAGING DIRECTOR

Mr. Albert Adu Boahen

BOARD OF DIRECTORS

Mr. Robert Karikari Darko, Mr. E. Ofori Sarkwa, Mrs. Bernadette Addo Dankwa, Mr, Richard Afaglo, Mrs. Irene Odokai Messiba, Mrs. Agenlina T. A. Mensah Mr. Joseph Okine-Afranie

AUDITORS

Boateng Offei & Co Chartered Accountant

BACKGROUND

Metro Mass Transit Company Limited (MMT) was introduced in 2001 to provide public mass transport in the metropolitan and municipal areas to ensure safe, affordable, efficient and reliable means of transportation for commuters. MMT was incorporated in March 2003, with the Government of Ghana and four other financial institutions namely SSNIT, Prudential Bank, SIC and NIB as the initial shareholders. Two other organizations namely the Agricultural Development Bank (ADB) and Ghana Oil Company (GOIL) Ltd subsequently took shares in the company.

The shareholders hold a combined 55 percent of shares while GoG holds the remaining 45 percent.

OPERATIONS

Total income (ticket sales, luggage, hiring and other income) amounted to **GHC136.4million** for 2018. This is 8.5 percent and 13 percent decline in revenue as against the previous year and the budgeted (revised) revenue of **GH¢149.1million** and **GHC156.7million** respectively. Fuel consumed used in the year constituted 45 percent of revenue generated.

A total number of 8,881,720 passengers were carried by MMT in 2018. This figure was 25.4 percent less of the actual number of passengers carried in 2017 of 11,826,179 and also 27 percent less of the budgeted (revised) figure of 12,175,922 passengers in 2018.

MMT exists to:

a) Influence and stabilizing transport fares throughout the country.

b) Run on routes generally considered unattractive and unprofitable by private transport operators, in terms of the state of road and patronage.

c) Implement Free Bus Ride for school children in uniform up to Junior High level.

The operational results of MMT for 2018 include:

a) Addition of 49 new Daewoo buses to augment the company's fleet; and

b) Conduct of special route monitoring exercises, which helped to reduce the high rate of route revenue leakages.

FINANCIAL PERFORMANCE

Revenue for MMT decreased by 8.89 percent from **GH¢146.33 million** in 2017 to **GH¢133.32 million** in 2018.

Notwithstanding the contraction in revenue, direct costs increased from **GH¢147.03 million** in 2017 to **GH¢153.74 million** in 2018 indicating an increase of 4.56 percent. General and administrative expenses amounted to **GH¢5.20 million** in 2018.

MMT posted an operating loss of **GH¢-25.62 million** in 2018. This represented a monumental 3,613.04 percent increase in the operating loss of **GH¢-0.69 million** posted in 2017.

MMT expanded its asset base by 8.77 percent from **GH¢193.68 million** in 2017 to **GH¢210.66 million** in 2018. Non-current assets which made up 88 percent of total assets increased by 9.82 percent from **GH¢168.30 million** in 2017 to **GH¢184.82 million** in 2018.

Total liabilities increased from **GH¢163.03 million** in 2017 to **GH¢204.76 million** in 2018 representing an increase of 25.60 percent. Net debt also increased in similar fashion to total liabilities increasing by 27.2 percent from **GH¢158.49 million** in 2017 to **GH¢201.60 million** in 2018.

MMT's current ratio of 0.67 suggests that the company may have had liquidity challenges and struggled to settle its short-term debt obligations on time. The gearing ratio of 34.17 also points to the fact that the balance sheet of the company had been heavily weighed down by debt.

The company posted a net loss of **GH¢-24.75 million** in 2018 representing a 3.17 percent increase in the net loss of **GH¢-23.99 million** in 2017.

Main Financial Indicators of Metro Mass Transport

Financial Indicators, GH¢ '000 000			
Indicators	**2016**	**2017**	**2018**
Turnover	149.36	146.33	133.32
Gross Profit/Loss	13.71	-0.69	-20.42
EBITDA	13.71	-0.69	-25.62
EBIT	13.71	-0.69	-25.62
Net Profit/Loss	-14.93	-23.99	-24.75
Total Assets	154.86	193.68	210.66
Total Liabilities	100.20	163.03	204.76
Equity	54.65	30.65	5.90
Key Ratios			
Gross profit margin %	9.18	-0.47	-15.32
Net profit Margin, %	-10.00	-16.39	-18.56
Operating Capital	-64.41	-137.65	-178.92
Return on Operating Capital,%	23.18	17.43	13.83
Equity/assets %	0.35	0.16	0.03
Return on Assets %	-9.64	-12.39	-11.75
Current ratio	1.85	0.70	0.67
Gearing ratio	1.73	5.17	34.17
Return on Capital Employed (%)	-11.02	-15.24	-14.38
Total Asset Turnover	0.96	0.76	0.63
Interest Coverage Ratio	-	-	-
Other Indicators			
Dividends	N/A	N/A	N/A
Financial report in compliance with IFRS (Yes/No)	YES	YES	YES

VOLTA LAKE TRANSPORT COMPANY LIMITED (VLTC)

BOARD CHAIRMAN

Mr. Emmanuel Antwi – Darkwa

MANAGING DIRECTOR

Kenneth Appiah-Oppong

BOARD OF DIRECTORS

Mr. Richard Okrah, Mr. Emmanuel Ofosu Offei, Mrs. Halima Yakubu, Ms. Alexandra Totoe/Ebenezer Tagoe, Mrs. Halima Yakubu, Mr. Kenneth Appiah-Oppong, Mr. Josiah Attah, Mr. Winifred Amanu.

AUDITORS

Kwame Asante & Associates, Chartered Accountant.

BACKGROUND

Volta Lake Transport Company Limited (VLTC) is in charge of river transportation of passengers, bulk hauling of petroleum products, and significant quantities of cement and cross lake ferry services. The company was set up in February 1970 and incorporated under the Companies Code 1963, Act 179.

VLTC is a subsidiary of the Volta River Authority.

OPERATIONS

VLTC operates 19 fleet of passenger vessels. Some of the main carriers of solid and liquid cargos from on the Lake include the Buipe and Volta Queens.

The Lake has a surface area of 3,283 square miles and serves a population of at least two million citizens from the regions within the catchment areas of the Lake. The company operates in two main areas namely the North-South Services, and Ferry-Crossing Services.

VLTC's operational results for 2018 are given below:

CARGO	BUDGETED TONNAGE FOR THE YEAR (A)	ACTUAL TONNAGE FOR THE YEAR (B)
LIQUID CARGO	48,983.00	7,074.3
CEMENT	37,843.00	20,210.4
FOODSTUFFS	6,000.00	3,531.8
OTHER CARGOES	5,000.00	2,492.7
TOTAL	**97,826.00**	**33,309.3**
PASSENGER N/S	4,116	4776
PASSENGER (FERRY SERVICES)	794,254	842,116
Total	**798,370**	**846,892**

FINANCIAL PERFORMANCE

VLTC recorded a 29.97 percent decrease in revenue from **GH¢13.58 million** in 2017 to **GH¢9.51 million** in 2018. Before the decline in 2018, the company recorded a significant 62.05 percent increase in revenue between 2016 (**GH¢8.38 million**) and 2017.

There was a considerable 64.57 percent cutback in direct costs from **GH¢25.40 million** in 2017 to GH¢9.0 million in 2018. General and administrative expenses, however, increased from GH¢2.63 million in 2017 to **GH¢4.32 million** in 2018 representing an increase of 64.26 percent.

The company recorded a consistent increase in operating losses throughout the review period. VLTC's operating losses increased by 72.32 percent from **GH¢-14.45 million** in 2017 to **GH¢-24.90 million** in 2018.

Total assets decreased by 25.10 percent from **GH¢197.97 million** in 2017 to **GH¢148.28 million** in 2018. Non-current assets were the main component of total assets with a percentage of 98.7 percent. VLTC's total liabilities declined by 28.32 percent from **GH¢68.78 million** in 2017 to **GH¢49.30 million** in 2018. Net debt also decreased by 28.60 percent from **GH¢68.49 millio**n in 2017 to **GH¢48.90 million** in 2018.

The company recorded a current ratio of 0.07 in 2018, which indicates that the company faced liquidity issues and was likely to default on its obligations. The company, however, did not finance its operations through external financing as shown by the gearing ratio of 0.49.

VLTC posted a net loss of **GH¢-21.27 million** in 2018. This represented a considerable 83.36 percent increase on the net loss of **GH¢-11.60 million**.

VLTC posted a net loss of **GH¢-21.27 million** in 2018. This represented a considerable 83.36 percent increase on the net loss of **GH¢-11.60 million** recorded in 2017.

Main Financial Indicators of Volta Lake Transport Company Limited

Financial Indicators, GH¢'M			
Indicators	**2016**	**2017**	**2018**
Turnover	8.38	13.58	9.51
Gross Profit/Loss	-2.03	-11.82	0.51
EBITDA	-8.13	-14.45	17.28
EBIT	-8.13	-14.45	-3.81
Net Profit/Loss	-6.73	-11.60	-21.27
Total Assets	208.32	197.97	148.28
Total Liabilities	52.09	68.78	49.30
Equity	156.22	129.20	98.92
Key Ratios			
Gross Profit Margin	-24.22	-87.04	5.36
Net Profit Margin, %	-80.31	-85.42	-223.66
Operating Capital	-16.60	-19.12	-24.22
Return on Operating Capital,%	40.54	60.67	87.82
Equity/Assets %	0.75	0.65	0.67
Return on Assets %	-3.23	-5.86	-14.34
Current ratio	0.16	0.14	0.07
Gearing ratio	0.33	0.53	0.49
Return on Capital Employed (%)	-3.57%	-6.60%	-17.41%
Total Asset Turnover	0.04	0.08	0.06
Interest Coverage Ratio	-	-	-
Other Indicators			
Dividend	0.00	0.00	0.00
Financial report in compliance with IFRS (Yes/No)	YES	YES	YES

OTHER STATE ENTITIES (REGULATORY BODIES AND OTHER PUBLIC CORPORATIONS)

General Overview

316. State-owned regulatory bodies such as Bank of Ghana (BoG) and Public Utilities and Regulatory Commission (PURC) as distinct from self-regulatory bodies (e.g. Ghana Medical Association, Ghana Bar Association); are unique agencies of the state that are created by legislations and empowered to impose requirements, restrictions and conditions, including setting standards and securing compliance or enforcement in the respective sectors that they oversee. Key among their objects is to serve the interest of the general public and in the process some of them are able to generate income from their core functions.

317. They can be clustered into 4 broad categories namely: primary sector regulators, secondary sector regulators, tertiary sector regulators and quaternary sector regulators.

Primary Sector Regulators

318. They cover entities which are involved in extracting natural resources as well as raw materials which are used in the manufacturing process. used in the manufacturing process. (e.g. mining, agriculture, forestry, fishing and quarrying etc).

Secondary Sector Regulators

319. The scope of secondary sector regulators covers institutions whose operations involve turning raw materials into partly-finished or finished products (e.g. manufacturing and construction).

Tertiary Sector Regulators

320. They monitor and regulate those entities in the commercial services that help industry produce and distribute goods to the final consumer as well as those providing direct services such as tourism, trade, commerce, banking, insurance, advertising, retailing, teaching and health care etc.

Quaternary Sector Regulators

321. These regulators cover entities which provide information and knowledge-based services, ICT (information and communication technologies) consultancy (offering advice to businesses) research and development, especially in scientific fields, news and media, libraries, universities and colleges (higher education), and other intellectual services including culture etc.

The Role of Regulatory Bodies in Ghana

322. Regulatory bodies in Ghana perform three (3) main functions, namely:

(a) To protect consumers against monopoly abuse: Most utility and infrastructure providers have traditionally been natural or legal monopolies. In any such market situation, there is always the tendency for consumers to be adversely affected by the monopoly supplier. This normally happens either through excessive charging or in the delivery of poor service, interruptions in service, etc. Effective regulation can protect against abuse by the monopoly and create incentives to improve services.

(b) To protect investors: Investors have to be protected from possible risks such as the prices they will be able to charge for their services; the service standards they will be required to meet; the nature and duration for the use of their operating licenses; and political opportunism or public pressure. Many of the risks associated with these issues can be addressed through Regulation.

(c) To monitor performance of service providers and reduce asymmetry of information: The state must have a mechanism to monitor services outsourced under a PPP arrangement.

Therefore, it is important to retain sufficient capacity to monitor and enforce the operator's obligations. Regulators help the state to achieve its objectives in this regard.

323. Other **cross-cutting functions** of the regulators include:

(a) ensuring compliance

(b) issuance of guidelines;

(c) establishing standards, rules;

(d) regulating and monitoring implementation; and

(e) compilation of registers.

324. By virtue of their functions as per the enabling laws that individually established them and continue to regulate their activities, regulatory bodies vary widely in their income-generating ability and that reflects their dividend paying potential. Currently, only a few state regulatory entities (notably Bank of Ghana) pay regular dividends to the government to support the national budget. A vast majority of the earnings generated by the entities are retained and used for other purposes. Among those with a track-record for paying dividends, dividend pay-out ratios vary widely, tending to reflect each entity's activities and income-generating strength, prospects and business cyclicality.

Challenges Faced by Regulatory Bodies in Ghana

325. In discharging their functions, regulatory bodies are required to exercise a certain degree of authority and exhibit some level of managerial as well as operational competence in order to gain respect and confidence from the very entities that they monitor. Unfortunately, some of them are unable to fulfil their core mandates as a result of some challenges that they are confronted with. These include:

(a) overlap of functions and lack of clarity in scope of authority among some of the agencies;

(b) multiplicity of issues they have to deal with simultaneously;

(c) difficulty in getting replacement for competent staff due to challenges in recruitment and poor remuneration packages in some of the agencies;

(d) reliance on outdated legislations;

(e) poor supervision and monitoring mechanism due to lack of adequate resources; and

(f) lack of state of state of the art technology and systems.

Summary Financial Performance: Regulators and Other State Entities

326. The analyses in this report covered sixteen (16) entities out of over forty (40) state entities and regulators. These are made up of fifteen regulatory bodies and one (1) other public corporation. They include National Petroleum Authority (NPA), National Pensions Regulatory Authority (NPRA), National Film and Television Institute (NAFTI), Ghana Shippers Authority (GSA), Ghana Maritime Authority (GMA), Forestry Commission (FC), Bank of Ghana (BoG), Environmental Protection Agency (EPA), Securities and Exchange Commission (SEC), National Information Technology Agency (NITA), National Accreditation Board (NAB), National Insurance Commission(NIC), Ghana Irrigation Development Authority(GIDA), Driver and Vehicle Licensing Authority(GIDA), Ghana Civil Aviation Authority (GCAA), and Ghana Cocoa Board (COCOBOD).

327. Given the unique nature of its operations, the aggregate analysis for the financial sector does not BoG. Also, the 2016 aggregate numbers do not include those of GIDA.

Revenue

328. The OSEs recorded combined revenues of **GH¢12,157.82 million**, made up of GoG subvention of **GH¢177.88 million,** IGF of **GH¢9,916.15 million**, Donor/ Grant of **GH¢1,520.27 million** and other income of GH¢543.52 million in 2018. This represents an increase of 5.32 percent (**GH¢614.48 million)** and 17.48 percent **(GH¢1,808.63 million)** respectively over the corresponding figure recorded in 2017 **(GH¢11,543.34 million)** and 2016 **(GH¢10,349.19 million)**. The 2017 and 2016 figures were made up of GoG subvention of **GH¢118.28 million** and **GH¢78.56 million**; IGF of **GH¢11,021.14 million** and **GH¢9,767.79 million**; Donor/ Grant of **GH¢26.64 million** and **GH¢20.31 million**; and other income of **GH¢377.01 million** and **GH¢482.53 million** respectively.

329. IGF, which constituted 81.56 percent of the combined revenue of OSEs in 2018, showed a mixed performance over the last three years. It increased from **GH¢9,767.79 million** in 2016 to GH¢11,021.14 million, and then decreased to **GH¢9,916.15 million** in 2018. GoG subventions to OSEs increased consistently from **GH¢78.56 million** in 2016 to **GH¢118.28 million** in 2017, and then to **GH¢177.88 million** in 2018. In a similar fashion, the donor/ grants component showed an increasing trend throughout the last three years. Whilst it increased marginally from GH¢20.31 million in 2016 to **GH¢26.64 million** in 2017, it jumped exponentially to **GH¢1,520.27 million** in 2018, representing an increase of 5,606.72 percent.

330. Three (3) OSEs recorded increase in revenue from 2017 to 2018: NPA (increase of 26.77 percent from **GH¢166.81 million** to **GH¢211.47 million**); GMA (increase of 42.02 percent from **GH¢99.63 million** to **GH¢141.49 million**; and GIDA (increase of 97.48 percent from against **GH¢51.09 million** to **GH¢100.89 million**). All the other entities recorded a decline in their revenue with COCOBOD, NITA and SEC registering the biggest drop. COCOBOD's revenue declined by 10.54 percent from **GH¢10,542.92 million** in 2017 to **GH¢9,431.11 million** in 2018; NITA's declined by 29.97 percent from **GH¢5.94 million** to **GH¢4.16 million**; and SEC's declined by 18.29 percent from against **GH¢21.81 million** to **GH¢17.82 million**.

Expenditure

331. OSEs recorded an aggregate expenditure of **GH¢10,348.57 million**, which represents a reduction of 9.11 percent **(GH¢1,037.08 million)** over the amount reported in 2017 **(GH¢11,385.65 million)**. Personal emoluments increased consistently throughout the last three (3) years, rising from **GH¢749.55 million** in 2016 to **GH¢767.14 million** in 2017, and then jumping further to **GH¢823.82 million** in 2018. This represents a jump of 9.91 percent from 2016 to 2018. Expenditure on goods and services fluctuated throughout the period, decreasing from **GH¢376.20 million** in 2016 to **GH¢373.98 million** in 2017, and then increasing to **GH¢474.68 million** in 2018.

332. OSEs, on the average, spent almost twice (1.93) the amount expended on goods and services on personnel emoluments. This may raise questions about the efficiency in the use of resources by OSEs since expenditure on goods and services directly supports the operations of the entities.

Surplus/Deficit

333. The OSEs recorded a combined surplus of **GH¢1,809.25 million** in 2018, which represents an unusually high increase of 1,047.35 percent **(GH¢1,651.56 million)** compared to **GH¢24.16 million** posted in 2017. Eleven (11) entities recorded surpluses, and the remaining four (4) reported deficits. The deficit-recording entities include COCOBOD **(GH¢-78.47 million)**, GIDA (**GH¢-0.07 million)**, NITA **(GH¢-2.41 million)**, and SEC **(GH¢-0.44 million)**. The entities with the biggest surplus were GMA **(GH¢73.03 million)**, NPA **(GH¢71.31 million)**, and FC **(GH¢63.26 million).**

Total Assets and Liabilities

334. The combined total asset of the OSEs increased consistently from **GH¢6,444.85 million** in 2016 to **GH¢10,645.43 million** in 2017, and then to **GH¢13,105.21 million** in 2018. These represent increments of 23.11 percent in 2018 and 65.18 percent in 2017. The increases in total assets were driven by similar increases in current assets from **GH¢3,626.88 million** recorded in 2016 to **GH¢5,504.38** in 2017, and then to **GH¢7,714.62 million** in 2018. These represent increases of 40.15 percent and 51.77 percent increment in 2018 and 2017 respectively.

335. The total liabilities amounted to **GH¢10,363.73 million** by 2018 against **GH¢8,031.09 million** recorded in 2017 and G**H¢ 4,705.41 million** posted in 2016. These represent increases of 29.05 percent and 70.68 percent in 2018 and 2017 respectively. Given the total assets of **GH¢6,444.85 million**, **GH¢10,645.43 million**, and **GH¢13,105.21 million** in 2016, 2017 and 2018 respectively, the net worth of OSEs increased from **GH¢1,739.44 million** in 2016 to **GH¢2,614.34 million**, and then rose marginally to **GH¢2,741.48 million** in 2018.

Current Ratio

336. Current ratio reduced to 0.91 in 2018 from 1.00 in 2017 and 2.12 in 2016, indicating an increase in current liabilities as compared to current assets, representing a decline ability for the state entities to meet its short-term liabilities/obligations.

FINANCIAL PERFORMANCE OF INDIVIDUAL ENTITIES: OTHER STATE ENTITIES

BANK OF GHANA

BOARD CHAIR

Dr. Ernest Addison

BOARD MEMBERS

Dr. Ernest Yedu Addison - Governor (Chairman), Dr. Maxwell Opoku-Afari, Dr. Johnson Pandit Asiama, Mrs. Elsie Addo Awadzi, Mr. Joseph Blignam Alhassan, Dr. Samuel Nii-Noi Ashong, Dr. Kwame Nyantekyi-Owusu, Mr. Keli Gadzekpo, Mrs. Comfort F. Ocran, Dr. Maria Hagan, Mr. Andrew Boye-Doe, Mr. Jude Kofi Bucknor, Mr. Charles Adu Boahen, Dr. Eugenia Amporfu

GOVERNOR

Dr. Ernest Addison

AUDITORS

PriceWaterHouseCoopers

BACKGROUND

On 4th March 1957, the Bank of Ghana was formally established by the Bank of Ghana Ordinance (No. 34) of 1957, passed by the British Parliament. Frantic preparations then began to put in place an organisational structure for the new central bank. By the middle of July 1957, all was set for the official commissioning of the new Head Office of the Bank.

The principal objects of the new central bank, as enshrined in the 1957 Ordinance, were to (a) issue and redeem bank notes and coins; (b) keep and use reserves and to influence the credit situation with a view to maintaining monetary stability in Ghana and the external value of the Ghana pound; and (c) act as banker and financial adviser to the Government.

The opening ceremony paved the way for the Bank to commence formal banking operations on 1st August 1957, when the Banking Department opened for business. The Issue Department did not commence operations until July 1958.

The Bank of Ghana has since 1957 undergone various legislative changes. The Bank of Ghana Ordinance (No.34) of 1957 was repealed by the Bank of Ghana Act (1963), Act 182. This Act was subsequently amended by the Bank of Ghana (Amendment Act) 1965, (Act 282). The Bank of Ghana Law, 1992 PNDCL 291 repealed Acts 182 and 282. The current law under which the Bank operates is the Bank of Ghana Act, 2002 (Act 612).

OPERATIONS

The Bank of Ghana exists to:

a. formulate and implement monetary policy aimed at achieving the objects of the Bank;

b. promote by monetary measure the stabilization of the value of the currency within and outside Ghana;

c. institute measures which are likely to have a favourable effect on the balance of payments, the state of public finances and the general development of the national economy;

d. regulate, supervise and direct the banking and credit system and ensure the smooth operation of the financial sector;

e. promote, regulate and supervise payment and settlement systems;

f. issue and redeem the currency notes and coins;

f. ensure effective maintenance and management of Ghana's external financial services;

h. license, regulate, promote and supervise non-banking financial institutions;

i. act as banker and financial adviser to the Government;

j. promote and maintain relations with international banking and financial institutions and subject to the Constitution or any other relevant enactment, implement international monetary agreements to which Ghana is party; and

k. do all other things that are incidental or conducive to the efficient performance of its functions under this Act and any other enactment.

In August 2018, the Bank resolved five banks by revoking their licences and granted a universal banking licence to Consolidated Bank Ghana (CBG) Limited, established by the Government, to assume all deposits and some selected assets of the defunct banks.

In 2017, the Bank of Ghana announced a new minimum paid-up capital of GH¢400 million for all universal banks, to be met by December 31, 2018. At the end of the target date, 16 banks had fully complied with the directive on the new minimum paid-up capital, either through capitalisation of income surplus or fresh capital injection, or a combination of both. Three applications for mergers involving six banks, to help them meet the requirement, were approved by the Bank.

Also, Government facilitated the incorporation of a special purpose holding company, named Ghana Amalgamated Trust (GAT) Limited, to assist five indigenous banks to meet the recapitalisation requirements. The Bank of Baroda, an Indian Government owned bank, exited the Ghanaian banking space on strategic grounds. The licences of three banks were revoked for non-compliance and the selected assets and liabilities of two of the defunct banks were taken over by CBG. The Bank of Ghana approved an application to reclassify the third defunct bank (GN Bank) as a Savings and Loans Company. All the above developments culminated in the reduction of the number of universal banks from 34 to 23.

The Bank of Ghana (BOG) generated **GH¢3,362.77 millio**n in revenue in 2018. This represented a 10.69 percent increase in the revenue of **GH¢3,009.92 million** reported in 2017.

Total Expenditure for BOG reduced by 9.48 percent from **GH¢4,550.96 million** in 2017 to **GH¢4,119.37 million** in 2018. The main constituent of the total expenditure was the interest expense and similar charges of **GH¢2,005.47 million**. It represented 54.69 percent of the total expenditure in 2018.

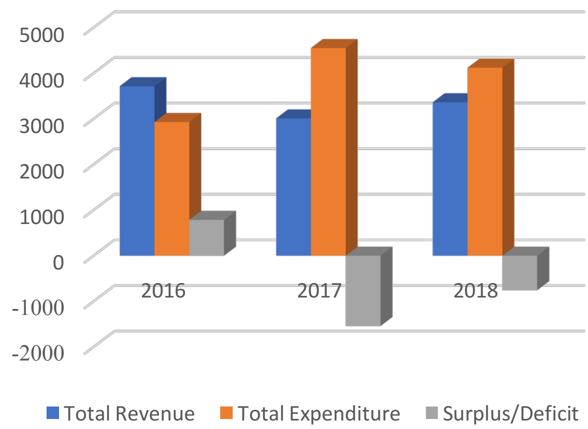
BOG recorded a deficit of **GH¢-756.56 million** in 2018. This deficit was, however, 54.69 percent lower than the deficit of **GH¢-1,541.03 million** recorded in 2017.

BoG' total assets increased by 5.87 percent from **GH¢58,847.41 million** in 2017 to **GH¢61,304.38 million** in 2018. The increase in total assets was driven by a 16.29 percent increase in securities from **GH¢32,926.68 million** in 2017 to **GH¢38,291.74 million** in 2018. Total liabilities increased by 8.00 percent from **GH¢56,028.14 million** in 2017 to **GH¢61,482.40 million** in 2018

The Bank recorded a current ratio of 0.99 which was 0.01 below the optimal liquidity level of 1.

Main Financial Indicators for Bank of Ghana

INDICATOR	2016 GH¢M	2017 GH¢M	2018 GH¢M
Revenue	3,714.96	3,009.92	3,362.77
Expenditure	2,929.16	4,550.96	4,119.33
Surplus	785.80	(1,541.03)	(756.56)
Total Assets	53,000.43	58,847.41	62,304.38
Current Assets	21262.81	23495.51	20777.89
Current Liabilities	48352.02	56028.14	61482.40
Equity	4648.41	2,819.27	821.99
Current Ratio%	0.44	0.42	0.34



GHANA COCOA BOARD (COCOBOD)

BOARD CHAIR

Hon. Hackman Owusu-Agyeman

BOARD MEMBERS

Hon. Hackman Owusu-Agyeman, Hon. Joseph Boahen Aidoo, Dr. Ernest Kwamina Yedu Addison, Mr. Kwame Sarpong, Nana Johnson Mensah, Nana Obeng Akrofi, Nana Adwoa Dokua, Hon. Dr. Gyiele Nurah, Hon. Charles Kofi Adu Boahen, Hon. Carlos Kingsley Ahenkorah, Mr. Peter Atta-Boakye

CHIEF EXECUTIVE OFFICER

Hon. Joseph Boahen Aidoo

AUDITORS

KPMG

BACKGROUND

In recognition of the contribution of cocoa to the development of Ghana, the government, in 1947, established the then Cocoa Marketing Board (CMB), as the main agency responsible for the development of the industry. It was established by ordinance with the sum of GH¢27 million (being Ghana›s share of the net profit of the West African Produce Control Board) as its initial working capital.

The Board traces its history further back to the cocoa hold-up of 1937 when cocoa farmers refused to continue selling cocoa at the low prices set by European merchants and decided to withhold cocoa from the market. The strike went on for 8 months until the colonial government acted by setting up the Nowell Commission of Enquiry to investigate the issue. The Nowell Commission report advised the government to assist cocoa farmers by establishing a Marketing Board.

In 1979, the government of Ghana initiated reform of the cocoa sector, focusing on the government's role in controlling the industry through the Cocoa Marketing Board. The board was dissolved and reconstituted as the Ghana Cocoa Board (COCOBOD). In 1984, it underwent further institutional reform aimed at subjecting the cocoa sector to market forces. The government shifted responsibility for crop transport to the private sector. Subsidies for production inputs (fertilizers, insecticides, fungicides, and equipment) were removed, and there was a measure of privatization of the processing sector through setting up of at least one joint venture.

OPERATIONS

The main objective of COCOBOD is to encourage and facilitate the production of quality cocoa. The mission of the Board is to encourage and facilitate the production, processing and marketing of good quality cocoa, coffee and sheanut in all forms in the most efficient and cost effective manner.

Cocoa production for the year 2017/2018 was 904,446 metric tonnes compared to the target of 900,000 tonnes. This outturn represents an increase of 0.5 percent over the target. Actual production, however, decreased by 6.5 percent compared to the previous year's production of 967,245 tonnes.

The achievement of production in excess of the target was attributable to effective disease control measures, fertilizer application and the piloting of hand pollination programme. Under the COCOBOD rehabilitation programme, farmers were incentivised to accept the cutting and replacement of diseased and overaged tree stock in their farms with drought and disease tolerant high yielding cocoa varieties.

FINANCIAL ANALYSIS

Revenue for COCOBOD declined by 10.55 percent from **GH¢10,542.92 million** in 2017 to **GH¢9,431.11 million** in 2018. This was after a 9.41 percent increase in the revenue from 2016(**GH¢9,551.10 million**) to 2017. It is worth noting that the revenue for COCOBOD in 2018 included a grant of GH¢ 1,487.92 million, which constituted 15.38 percent of their revenue for the year.

COCBOD managed to reduce its total expenditure by 11.16 percent from **GH¢9,509.58 million** in 2018 to **GH¢10,704.20 million** in 2017. Personnel emoluments amounted to **GH¢475.10 million** in 2018 and represented 4.99 percent of total expenditure.

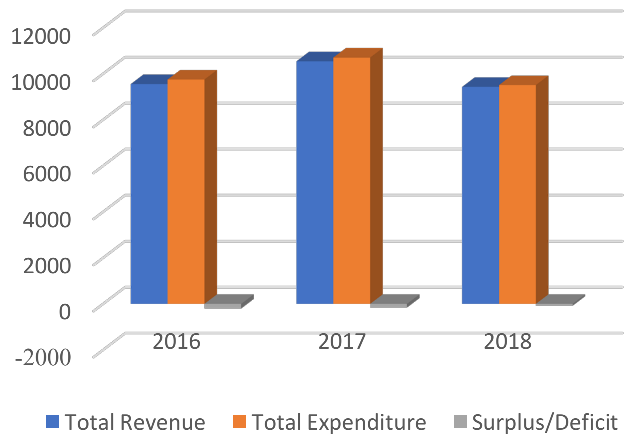
COCBOD posted a deficit of **GH¢-78.47 million** in 2018. This was, however, a 51.35 percent decrease on the deficit of **GH¢-161.29 million** reported in 2017.

Total assets grew by 22.41 percent from **GH¢9,344.93 million** in 2017 to **GH¢11,439.22 million** in 2018. The increase in total assets was mainly driven by a 41 percent increase in current assets from and **GH¢4,778.71 million** in 2017 to **GH¢6,752.36 million** in 2018. Total Liabilities also increased by 28.35 percent from **GH¢7,743.40 million** in 2017 to **GH¢9,938.77 million** in 2018.

The Current ratio reduced to 0.83 in 2018 from 0.91 in 2017 which indicated a reduction in the ability of COCOBOD to meet its short term liabilities on time.

Main Financial Indicators for Ghana Cocoa Board

INDICATOR	2016 GH¢M	2017 GH¢M	2018 GH¢M
Revenue	9,551.10	10,542.92	9,431.11
Expenditure	9,750.52	10,704.20	9,509.58
Surplus	(199.41)	(161.29)	(78.47)
Total Assets	5,129.71	9,344.93	11,439.22
Current Assets	2,921.68	4,788.71	6,752.36
Current Liabilities	1,471.07	5,287.81	8,163.13
Equity	699.94	1,601.53	1,500.45
Current Ratio	1.99	0.91	0.83
Personnel Number			



DRIVER VEHICLE AND LICENSING AUTHORITY

BOARD CHAIR

Frank Davies Esq.

BOARD MEMBERS

Mr. Kwasi Agyeman Busia, Cop Maxwell S. Atingane, Ing. May Obiri-Yeboah, Lt. Col. Mohammed Wumbei, Mr. Andrew K. Kwakye, Mr. Joseph Bentor, Mr. Frank Jones Abban, Mr. Francis Yao Agbozo, Mr. Francis J. Amegayibor, Mr. Robinson K. Martey, Mr. Stephen Obeng Kumi, Mr. Emmanuel Num

CHIEF EXECUTIVE OFFICER

Mr. Kwasi Agyeman Busia

AUDITORS

Ghana Audit Service

BACKGROUND

The Driver and Vehicle Licensing Authority (DVLA) is a public-sector organisation under the Ministry of Transport. It was established in 1999 by an Act of Parliament (Act 569), 1999. DVLA replaced the Vehicle Examination and Licensing Division (VELD). By the Act, DVLA is to provide a regulatory framework for an enhanced and effective administration of drivers and vehicles. DVLA was weaned off government subvention in March, 2016.

Key stakeholders of DVLA are the Motor Transport and Traffic Department (MTTD) of Ghana Police Service; Transport Associations; National Road Safety Commission; Ghana National Insurance Commission; Ghana Automobile Distribution Association; Government Technical Training Centre; National Drivers Academy, the Judiciary and the Motoring Public.

OPERATIONS

a) Establish standards and methods for the training and testing of driving instructors and drivers of motor vehicles and riders of motor cycles;

b) Establish standards and methods for the training and testing of vehicle examiners;

c) Provide syllabi for driver training and the training of Driving Instructors;

d) Issue Driving License;

e) Register and license driving schools;

f) License driving instructors;

g) Inspect, test and register motor vehicles;

h) Issue vehicle registration certificates;

i) Issue vehicle examination certificates;

j) License and regulate private garages to undertake vehicle testing;

k) Maintain registers containing particulars of license motor vehicles, driving instructors and drivers of motor vehicles;

l) Advise the Minister on policy formulation and development strategy for the achievement of the object of the Authority;

m) Ensure strict compliance with this Act and regulations made under it;

n) Carry out such other functions as are incidental to the attainment of the object of the Authority.

FINANCIAL PERFORMANCE

Revenue for DVLA amounted to **GH¢96.77 million** in 2018. This represented an increase of 29.63 percent on the revenue of **GH¢74.65 million** reported in 2017. This followed a revenue increase of 20.25 percent from 2016 **(GH¢62.08 million)** to 2017.

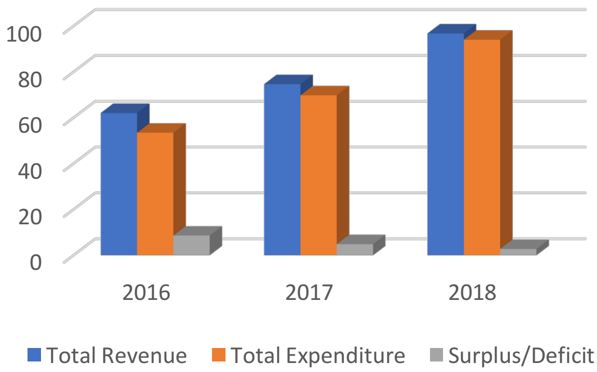
Total Expenditure for the Authority also increased by 34.75 percent from **GH¢69.78 million** in 2017 to **GH¢94.03 million** in 2018. Personnel emoluments accounted for 27.33 percent of total expenditure in 2018 with the remaining 72.67 percent was spent on Goods and Services as well as CAPEX.

DVLA recorded a surplus of **GH¢2.74 million** in 2018 representing a decline of 43.74 percent on the surplus of **GH¢4.87 million** reported in 2017.

The total asset base of DVLA grew by 4.69 percent from **GH¢185.83 million** in 2017 to **GH¢194.53 million** in 2018. This was a further increase on the 25.86 percent growth in total assets from 2016 (**GH¢147.65 million)** to 2017. Total liabilities also increased by 4.44 percent from **GH¢134.36 million** in 2017 to **GH¢140.33 million** in 2018.

Main Financial Indicators for Driver and Vehicle Licensing Authority

INDICATOR	2016 GH¢M	2017 GH¢M	2018 GH¢M
Revenue	62.08	74.65	96.77
Expenditure	53.46	69.78	94.03
Surplus	8.61	4.87	2.74
Total Assets	147.65	185.83	194.53
Current Assets	70.83	78.81	70.51
Current Liabilities	100.33	95.77	93.98
Equity			
Current Ratio	0.71	0.82	0.75



ENVIRONMENTAL PROTECTION AGENCY

BOARD CHAIR

Mr. Kwesi Enyam

BOARD MEMBERS

Mr. Kwesi Enyan, Mr. John A. Pwamang, Mr. Mustapha Tawiah Kumah, Mr. Fredua Agyeman, Mr. Frank A. N. Sofo, Mr. Franklin Kwaku Ashiadey, Mr. Joseph Kofi Adusei, Mr. Isaac Nsarko Biney, Mr. Emmanuel Kojo Gyimah, Ms. Maame Kesewa Eshun, Dr. Mohammed-Sani Abdulai, Mr. Oliver Boachie

EXECUTIVE DIRECTOR

Mr. John A. Pwamang - Acting Executive Director

AUDITORS

Johnkay & Co.

BACKGROUND

The erstwhile Environmental Protection Council (EPC) was established by the Environmental Protection Council Decree1974 (NRCD 239) and was subsequently amended by the EPC (Amendment) Decree 1976 (SMCD 58).

The EPC was mainly an advisory body to Government on issues relating to the environment. However, with the creation of a Ministry responsible for the Environment (Ministry of Environment, Science and Technology), it became increasingly necessary to redefine the role of the EPC, particularly since its policy formulation role moved to the Ministry.

The Environmental Protection Agency (EPA) was formally established on 30th December, 1994 via the Environmental Protection Agency Act, 1994 (Act 490). The Agency was given the responsibility of regulating the environment and ensuring the implementation of Government policies on the environment.

Act 490 transformed the Environmental Protection Council into an Agency having, inter alia, regulatory and enforcement role. It is now an agency dedicated to continuously improving and conserving the country's environment in which all sections of the community value the environment, strive to attain sustainable development, effective and efficient resource management based on good environmental governance, taking into account social land equity issues.

The mission of the EPA of Ghana is to co-manage, protect and enhance the country's environment, in particular, as well as seek common solutions to global environmental problems. The accomplishment of the mission is to be achieved inter alia through research, scientific, technological and innovative approaches, good governance and partnerships.

OPERATIONS

EPA of Ghana is to co-manage, protect and enhance the country's environment, in particular, as well as seek common solutions to global environmental problems. The accomplishment of the mission is to be achieved inter alia through research, scientific, technological and innovative approaches, good governance and partnerships.

Financial Performance

Revenue for EPA increased by 22.67 percent from **GH¢63.51 million** in 2017 to **GH¢77.91 million** in 2018. In 2018, **GH¢70.05 million** representing 89.91 percent of revenue for the year was reported as Internally Generated Funds. An amount of **GH¢3.74 million** was also received from donors.

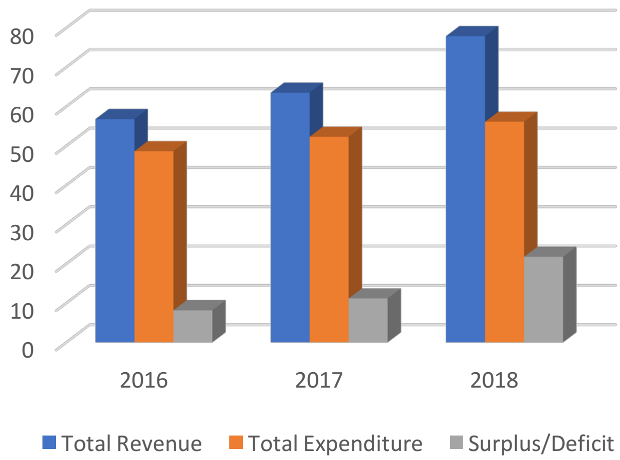
Total Expenditure amounted to **GH¢56.12 million** in 2018. This represented an increase of 7.26 percent on the **GH¢52.23 million** reported in 2017. Personnel emoluments amounted to **GH¢23.66 million** in 2018 representing 42.16 percent of total expenditure. Personnel emoluments grew by 15.64 percent from 2017 **(GH¢20.46 million)** to 2018. The remaining 57.84 percent of total expenditure was spent on Goods and Services as well as CAPEX.

The EPA reported a surplus of **GH¢21.78 million** in 2018. The surplus represented an increase of 94.18 percent on the surplus of **GH¢11.18 million** reported in 2017.

Total assets for EPA grew by 13.33 percent from **GH¢110.56 million** in 2017 to **GH¢125.30 million** in 2018. Total liabilities amounted to **GH¢1.62 million** in 2018.

Main Financial Indicators for Environmental Protection Agency

INDICATOR	2016 GH¢M	2017 GH¢M	2018 GH¢M
Revenue	56.81	63.50	78
Expenditure	48.64	52.32	56.12
Surplus	8.17	11.18	21.78
Total Assets	107.57	110.56	125.30
Current Assets	26.89	29.59	46.92
Current Liabilities	0.14	0.97	1.62
Equity	-	-	-
Current Ratio	192.07	30.51	28.96



FORESTRY COMMISSION

BOARD CHAIR

Joseph Odei

BOARD MEMBERS

Mr. Kwadwo Owusu Afriyie, Mr. Richard Duah Nsenkyire, Mr George Wireko Brobbey, Mr Henry Kwabena Kokofu, Mr Salifu Sulemana, Dr. Wilfred Kwabena Anim-Odame, Kumbun-Na Iddrisu Abu II, Nana Akosua K. Agyeman Prempeh, Togbe Gabusu VI, Mr Mahmoud Hamid Nassir-Deen

CHIEF EXECUTIVE OFFICER

Mr. Kwadwo Owusu Afriyie

AUDITORS

BACKGROUND

The Forestry Commission was established under the Forestry Commission Act, 1999 Act 571) and is responsible for the sustainable development and management of Ghana's forests and wildlife. In this regard, the Commission is mandated to regulate the utilization of forest and wildlife resources, the conservation and management of those resources and the coordination of policies related to them.

The Commission embodies the various public bodies and agencies that were individually implementing the functions of protection, management and the regulation of forest and wildlife resources. These agencies currently form the divisions of the Commission.

The Commission is expected to be a corporate body of excellence in the sustainable development management and utilization of Ghana's forest and wildlife resources meeting both national and global standards for forest and wildlife resource conservation and development.

OPERATIONS

The Forestry Commission of Ghana is responsible for the regulation of utilization of forest and wildlife resources, the conservation and management of those resources and the coordination of policies related to them.

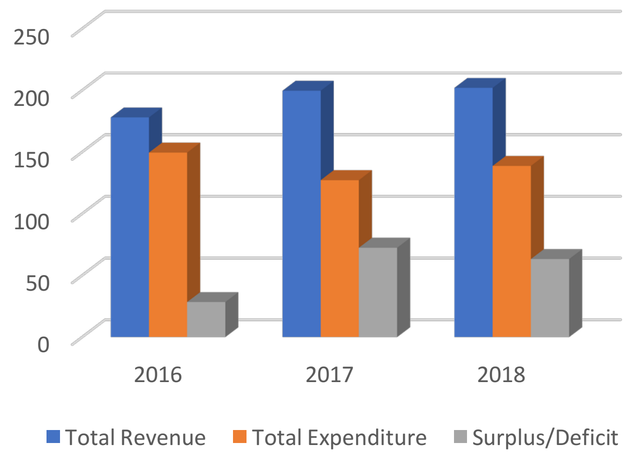
Main Financial Indicators for Forestry Commission

INDICATOR	2016 GH¢M	2017 GH¢M	2018 GH¢M
Revenue	177.96	199.7	201.98
Expenditure	149.53	127.21	138.71
Surplus	28.43	72.49	63.27
Total Assets	211.76	-	-
Current Assets	191.68	-	-
Current Liabilities	24.46	-	-
Equity		-	-
Current Ratio	7.84	-	-

The Forestry Commission reported a total revenue of **GH¢201.98 million** in 2018. The revenue of the Commission comprised GH¢104.19 million (IGF), **GH¢70.50 million** (GoG subventions) and **GH¢27.30 million** (donor funding). Revenue increased by 1.14 percent from 2017 **(GH¢199.66 million)** to 2018.

Total expenditure increased by 9.04 percent from **GH¢127.21 million** in 2017 to **GH¢138.74 million** in 2018. Personnel emoluments amounted to G**H¢70.50 million** in 2018 and represented 55.42 percent of total expenditure. The amount spent on personnel emoluments grew by 6.6 percent from 2017 **(GH¢66.14 million)** to 2018.

The Forestry Commission reported a surplus of **GH¢63.26 million** in 2018. The surplus was a decline of 12.68 percent on the surplus of **GH¢72.45 million** in 2017.



GHANA CIVIL AVIATION AUTHORITY

BOARD CHAIRMAN

Air Cdre. Rexford G.M. Acquah (Rtd.)

BOARD MEMBERS

Mrs Ernestina Swatson Eshun; Capt. Powis Deakens Spencer; Dr. Sulemana Abdulai; GP Capt. Eric Agyen- Frempong; Mr Ellis Hugh-Tamakloe Ms Joyce Opoku-Boateng; Mr Kwesi Owusu-Ansah.

DIRECTOR-GENERAL

Mr. Simon Allotey

AUDITORS

Deloitte & Touché

BACKGROUND

The Ghana Civil Aviation Authority (GCAA) is the regulatory agency of the Republic of Ghana for air transportation in the country. It also provides air navigation services within the Accra Flight Information Region (FIR), which comprises the airspace over the Republic of Ghana and a large area over the Atlantic Ocean in the Gulf of Guinea.

The GCAA was established in 1930 as a unit with Public Works Department (PWD) and was granted Departmental Status in 1953. It became an Authority under PNDC Law 151 on 16th May, 1986.

In 2004, the Civil Aviation Act, (Act 678) was enacted to replace PNDC Law 151. The Civil Aviation Act, Act 678 provides for the establishment of a Civil Aviation Authority, which will focus on the core functions of Airspace management and Safety Regulations whilst allowing for a different organization to handle Airport development and operations.

Pursuant to the above, the GCAA was restructured into two bodies, the new GHANA Civil Aviation Authority (GCAA) and the Ghana Airports Company Limited (GACL) on 1st January, 2007.

OPERATIONS

a) Licensing and Certification of Air Transport Operators
b) Licensing and Certification of Aerodromes and the Construction, Operation, Maintenance and Managements of Navigation Sites.
c) Provision of Air Navigation Services (Air Space Management) within the Accra Flight Information Region (FIR).
d) Regulation of Air Transport Services.
e) Promoting the Development of Civil Air Transport Industry in Ghana.
f) Advising Government on all matters Concerning Civil Aviation, among other functions.
g) Provision of oversight for all activities related to civil aviation.

FINANCIAL PERFORMANCE

REVENUE

Revenue for GCAA increased by 10.59 percent from **GH¢216.06 million** in 2017 to **GH¢238.93 million** in 2018. The authority did not receive any subvention from Government.

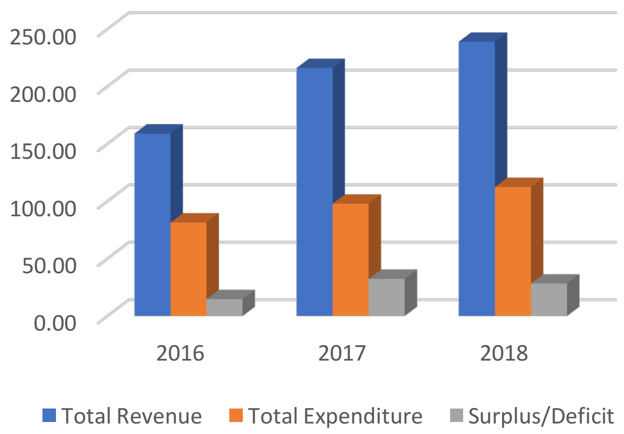
Total Expenditure also increased by 14.87 percent from GH¢97.83 million in 2017 to **GH¢112.38 million** in 2018. Personnel emoluments of the authority amounted to **GH¢94.05 million** and represented 83.69 percent of total expenditure. The remaining 16.31 percent of the expenditure in 2018 was spent on good and services as well as CAPEX.

The Authority reported a surplus of **GH¢28.25 million** in 2018. The surplus was a reduction of 12.73 percent on the surplus of **GH¢32.37 million** reported in 2017.

GCAA's total asset base increased by 26.21 percent from **GH¢338.58 million** in 2017 to **GH¢383.79 million** in 2018. The growth in the assets was mainly driven by a 31.25 percent increase in the fixed assets of the authority from **GH¢151.05 million** in 2017 to **GH¢198.25 million** in 2018. Total liabilites increased by 121.40 percent from **GH¢50.15 million** in 2017 to **GH¢111.03 million** in 2018.

Main Financial Indicators for Ghana Civil Aviation Authority

INDICATOR	2016 GH¢M	2017 GH¢M	2018 GH¢M
Revenue	158.90	216.06	238.93
Expenditure	81.41	97.83	112.38
Surplus	14.69	32.37	28.25
Total Assets	309.06	338.58	383.79
Current Assets	171.88	187.53	185.53
Current Liabilities	22.82	26.90	29.09
Equity			
Current Ratio	7.53	6.97	6.38
Personnel Number			438.00


250.00
200.00
150.00
100.00
50.00
0.00
2016
2017
2018
Total Revenue
Total Expenditure
Surplus/Deficit

GHANA IRRIGATION DEVELOPMENT AUTHORITY

BOARD CHAIR

Daniel Lantey Lamptey

BOARD MEMBERS

Ada Asomontsi, Harry Bleppony, Alhaji Suraj Boadi, Mohammed Moro Buri, Joseph Ofori, Gladys Ghartey (Ms), Alhaji Bawa Baako Alhassan, Nana Owusu Achiaw Brempong, Daniel Kwesi Bampoh, Osmund D. Ansa-Asare, Wilson K. Darkwah

CHIEF EXECUTIVE OFFICER

Wilson K. Darkwah

AUDITORS

Messrs. Issifu Ali & Co

BACKGROUND

Irrigation started in Ghana in the early nineteen sixties under the Land Planning and Soil Conservation Unit of the Ministry of Agriculture. The Irrigation Development Authority (IDA) was set up in 1977 under the S. M. C. Decree 85. The Irrigation Development Authority is primarily responsible for identifying possible irrigation projects, and in some instances involved in the management and maintenance of irrigation schemes.

The Authority is governed by a Board of Directors and has a Chief Executive who report direct to the Ministry of Food and Agriculture. It is wholly owned by the Government of Ghana and is financed by the government. By its Act of incorporation, however, the Authority can borrow money from the open market for its development programme.

Currently, there are fifty-six (56) public irrigation schemes operated and managed by the Authority covering a total area of about 13,013.85 hectares and with sizes ranging from 4 hectares to 3,000 hectares.

The beneficiaries of these schemes are mainly indigenous smallholder farmers who produce crops for domestic consumption and the local market. However, foreign and local large-scale commercial entities are increasingly accessing large areas on public irrigation schemes and producing fruits and vegetables for export. The outputs have however, not been very encouraging and the lack of maintenance and high energy tariffs on the pump schemes have rendered most of the schemes unproductive.

The Authority is currently reviewing the state of all the existing projects in order to recommend measures for improved participation and operation by the beneficiaries. In the past the medium and large Irrigation Projects have been managed by IDA under liberal conditions which may be termed "Civil Service Approach". This was not encouraging in generating enough revenue to support the operation and maintenance of the projects. The result is that most of these projects have run into a state of disrepair and require huge sums of money for their rehabilitation. As part of efforts to remedy the situation, the Authority intends to run medium and large irrigation projects along the lines of private enterprise.

OPERATIONS

In 2018, the Authority achieved the following operational results:

a) started rehabilitation of Guo Irrigation Projects which will make 16 ha available for irrigated crop production while in collaboration with MoFA, GIDA completed the rehabilitation of Sakpe and Zakpalsi Projects.

b) Two dug-outs were completed in Sakpe for livestock watering and domestic use while headworks and 24 ha irrigable area have been completed within the reporting year in Zakpalsi for cropping.

c) Contract was awarded for the development of a 24 ha irrigable area at Piiyiri Irrigation Project and work is ongoing. Construction of headworks for Tamne and Mprumem under the Agricultural Production for Export Trade and Industrial Development reached 85% and 100% completion respectively.

d) Construction of farm roads, warehouse, solar system and night storage reservoir for the Akumadan Irrigation Project with the support of Korea Rural Development Corporation and the Korean Government were 100% completed. However, GIDA achieved 85% completion of the 46 ha land development on the scheme. The area developed will be put under drip irrigation. The rehabilitation of irrigation infrastructure is expected to result in 10% increase in farmers' yield and construction of irrigation infrastructure will lead to the 40% increase in yield for farmers by 2020 when farmers begin to fully utilize the infrastructure.

e) The Restructuring and Modernization also includes construction of a number of projects including Torgorme Irrigation Project which will increase irrigable area from 450 ha to 2000 ha. Rehabilitation of Tono Irrigation Project is also ongoing while the procurement process to award contract for rehabilitation of Kpong Irrigation Scheme started within the year and expected to be completed within 2019. One thousand hectares will be used for commercial crop production and expected to generate employment for 5,000 youth in the Akuse-Asutsuare enclave.

FINANCIAL ANALYSIS

Revenue for GIDA increased by 97.48 percent from **GH¢51.09 million** in 2017 to **GH¢100.89 million** in 2018. Government subvention represented 97.71 percent of revenue in 2018.

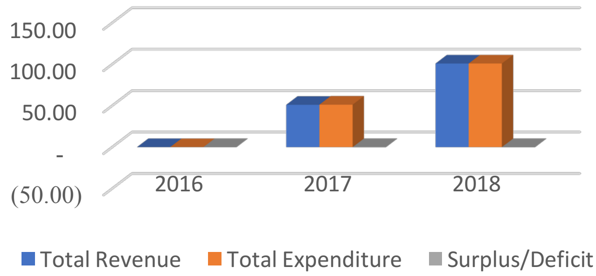
Total Expenditure for GIDA increased from **GH¢51.29 million** in 2017 to **GH¢100.95 million** in 2018. Personnel emoluments amounted to GH¢4.66 million in 2018 and represented 4.62 percent of GIDA's revenue for 2018. An amount of **GH¢93.88 million** GIDA's expenditure was spent on Dam rehabilitation.

GIDA recorded a deficit of **GH¢-0.07 million** in 2018. This outturn was 63.16 percent lower than the deficit posted by the Authority in 2017 **(GH¢0.19 million)**.

The total assets of GIDA in 2018 stood at **GH¢1.54 million** and represented a 1.28 percent decline over the 2017 outturn **(GH¢1.56 million)**. GIDA's total liabilities for 2018 was **GH¢0.02 million**.

Main Financial Indicators for Ghana Civil Aviation Authority

INDICATOR	2016 GH¢M	2017 GH¢M	2018 GH¢M
Revenue		51.09	100.89
Expenditure		51.29	100.95
Surplus		-0.19	-0.07
Total Assets		1.56	1.54
Current Assets		0.55	0.47
Current Liabilities		0.31	0.02
Equity			
Current Ratio		3.26	53.50



GHANA MARITIME AUTHORITY

BOARD CHAIR

Robert Kutin

BOARD MEMBERS

Kwame Owusu, Margaret Campbell, Lawrence Kumi, Rear Admiral Peter Kofi Faidoo, Kwabena Ofosu-Appiah, John A. Pwamang, Michael Arthur-Dadzie, Sylvia Asana Dauda Owu, Felicity Ankoma-Sey, Esther Gyebi-Donkor, Richmond Evans-Appiah

CHIEF EXECUTIVE OFFICER

Mr. Thomas Kofi Alonsi

AUDITORS

Baker Tilly Andah + Andah

BACKGROUND

The Ghana Maritime Authority (GMA) is an agency under the Ministry of Transport with the objective of providing government with the machinery to satisfactorily and efficiently regulate activities of boat operations and safety of navigation in the inland waterways. GMA is mandated to superintend and coordinate the functions embodied in the Ghana Shipping Act, 2003 (Act 645).

The functions of the GMA include the implementation of the requirements of International Maritime Conventions, and National Rules and Regulations under the Authority of the Ghana Shipping Act, 2003 (Act 645). In furtherance of the above, the Authority is to provide and organize the appropriate facilities for the survey and certification of ships, and the training, examination and certification of Seafarers.

Apart from its Head Office in Accra, the GMA operates branch offices from the ports of Tema and Takoradi.

OPERATIONS

a) Implement the provisions of the Ghana Shipping Act, 2003, (Act 645);

b) Ensure Safety of navigation;

c) Fulfill flag state and port state responsibilities in an effective and efficient manner, having due regard to international maritime conventions, instruments and codes;

d) Deal with matters pertaining to maritime search and rescue and coordinate the activities of the Ghana Armed Forces, the Ghana Ports and Harbours Authority and other bodies during search and rescue operations;

e) Regulate activities on shipping in the inland waterways including the safety of navigation in inland waterways;

f) Cause to be investigated maritime casualties and take appropriate action;

g) Oversee matters pertaining to the training, recruitment and welfare of Ghanaian seafarers;

h) Plan, monitor and evaluate training programmes of seafarers to ensure conformity with standards laid down by international maritime conventions;

i) Ensure in collaboration with such other public agencies and institutions as the Board may determine the prevention of marine source pollution, protection of the marine environment and response to marine environment incidents;

j) Pursue the ratification or accession and implementation of international maritime conventions, in conjunction with the appropriate Ministry;

k) Assess the manpower needs of the maritime sector for national planning purposes;

l) Liaise effectively with government agencies and institutions that deal with maritime transport and related transport matters for the purpose of achieving harmony in the maritime industry;

m) Initiate research into national maritime transport development for effective planning and coordination;

n) Ensure an efficient, cost effective and orderly provision of services in the shipping industry in line with government policies;

o) Initiate action for the promotion, establishment and development of private shipping lines;

p) Advise on policies for the development and maintenance of maritime infrastructure such as ports and harbours in the country;

q) Advise the government on maritime matters generally;

r) Regulate the activities of shipping agents, freight forwarders and similar shipping service providers.

FINANCIAL PERFORMANCE

Revenue for GMA declined by 24.32 percent from **GH¢137.25 million** in 2017 to **GH¢103.87 million** in 2018. IGF (**GH¢91.25 million**) accounted for 87.85 percent of GMA's revenue in 2018. The constituents of IGF were maritime safety charges and service charges.

Total Expenditure amounted to **GH¢68.45 million** in 2018. This represented an increase of 21.28 percent on the expenditure of **GH¢56.44 million** reported in 2017. Personnel emoluments amounted to **GH¢26.67 million** in 2018 and represented 38.93 percent of GMA's total expenditure.

The Authority reported a surplus of **GH¢73.03 million** in 2018. This surplus was an increase of 69.10 percent on the surplus of **GH¢43.19 million** reported in 2017.

Total assets for GMA grew by 85.53 percent from **GH¢78.79 million** in 2017 to **GH¢146.18 million** in 2018. The growth in assets was driven by a 66.7 percent increase in current assets from 2017 (**GH¢71.15 million**) to 2018 **(GH¢118.61 million)**. Total liabilities also decreased by a significant 68.61 percent from **GH¢8.22 million** in 2017 to **GH¢2.58 million** in 2018.

Main Financial Indicators for Ghana Maritime University

INDICATOR	2016 GH¢M	2017 GH¢M	2018 GH¢M
Revenue	68.82	137.25	103.87
Expenditure	(71.06)	(56.44)	(68.45)
Surplus	(2.24)	43.19	73.03
Total Assets	28.99	78.79	146.18
Current Assets	26.61	71.15	118.61
Current Liabilities	1.62	3.07	1.06
Equity	28.51	70.57	143.60
Current Ratio	16.43	23.18	111.90

GHANA SHIPPERS AUTHORITY

BOARD CHAIR

Mrs. Stella Wilson Agyepong

CHIEF EXECUTIVE OFFICER

Ms. Benonita Bismarck

BOARD MEMBERS

Ms. Benonita Bismarck (CEO), Dr Kwame Asamoah Adams, Sandra Opoku, Dr. George Dawson-Ahmoah, Prince Asamany, Dr. Ing. Michael Adjei Anyetei, Hon. Naana Eyiah, Isaac Crentsil, Evelyn Adjei Sarpong, Patrick Amos Poku, Linda Dennis, Abraham Binapadam Jawol, Joe Forson, Clement Osei Amoako, George Gyasi Adjei.

AUDITOR(S)

Ghana Audit Service

BACKGROUND

The Ghana Shippers' Authority (GSA) has been at the frontline of Ghana's maritime industry since its establishment in 1974 by NRCD 254. It has over the years collaborated with private and public organizations in the maritime industry to pursue its primary objective of protecting and promoting the interests of shippers in Ghana, in relation to port, ship and inland transport problems in order to ensure safe, reliable and cost effective cargo handling.

For about four decades, the GSA operated under the corporate name – Ghana Shippers' Council. In harmony with the Laws of Ghana (Revised Edition), 1998 (Act 562) the name was changed to Ghana Shippers' Authority. The change in name portends the transformation the Council has gone through over the years and brings it in tune not only with the Constitution of the Republic of Ghana but also in accord with the dynamics of modern shipping practice as far as the demand side of shipping is concerned.

The GSA operates under the Ministry of Transport and has a three-tier organizational structure, namely the Governing Board, the Import/Export Shipper Committees and the Secretariat

OPERATIONS

The highlights of the operational results of GSA for 2018 are listed below:

a) Successful negotiation of charges and fees with Ghana Ports and Harbours Authority, Aviance Ghana and other shipping service providers on behalf shippers;

b) A sensitization workshop organised for transit truck drivers on road safety issues;

c) Monitoring of the E-Platform resulted in the resolution of complaints on Ghana's Transit Corridor;

d) Inauguration of the Authority's Tamale office.

e) Successful organisation of three seminars for shippers on 'How to avoid demurrage";

f) Successful organisation of the second edition of the Ghana Shippers' Award;

g) Sensitization workshop organized for shippers on the implementation of Easy Pass;

h) Organized a French proficiency training programme for freight forwarders in collaboration with the French Embassy;

i) Research into Impact of Border crossing procedure and formalities on perishable cargoes and effects of terminal handling procedures on the cost of doing business at the ports.

j) Successful negotiation of cocoa freight rates for the 2018/19 cocoa season resulting in an average of 9.4 percent reduction in rates;

k) Successful completion of the Review of Port Costs assignment by the Economic Management Team;

l) Successful hosting of a Bidders Conference for the Boankra Inland Port;

m) Signing of MOU between Ghana Shippers' Authority and Burkina Shippers' Council to facilitate transit trade between the two countries;

n) Facilitation of the review of the Mining List for the Chamber of Mines, in collaboration with GRA-Customs;

o) Sensitisation of Spare Parts and Used Clothes dealers in Kumasi on the implementation of the Paperless Port Project;

p) Successful market-sounding event held in Accra on 6th December, 2017 by the Committee on the Boankra Inland Port and Eastern Railway Development.

CHALLENGES

a) Lack of appreciation of the role of the Authority;

b) Lack of inter-agency collaboration;

c) Uncertainty in the Maritime Industry due to introduction of multiple policies affecting shippers;

d) Several security checkpoints along Ghana's corridor and extortion of truck drivers and shippers.

FINANCIAL PERFORMANCE

Revenue for GSA increased by 9.11 percent from **GH¢51.35 million** in 2017 to **GH¢56.03 million** in 2018. Internally Generated Funds (IGF) increased from **GH¢41.05 million** to **GH¢49.74 million** in 2018, which represented an increase of 21.17 percent. IGF (**GH¢49.74 million**) represented 88.77 percent of the revenue for 2018.

GSA recorded an increase in total expenditure of 13.93 percent from **GH¢36.03 million** in 2017 to **GH¢41.05 million** in 2018. Total expenditure comprised of personnel emoluments (34.18 percent of total expenditure) and good and services (65.82 percent of total expenditure). Personnel emoluments increased from **GH¢11.29 million** in 2017 to **GH¢14.03 million** in 2018 signifying an increase of 24.27 percent. The amount spent on Goods and services also increased by 9.22 percent

The Ghana Shippers Authority recorded a surplus of **GH¢14.98 million** in 2018. This represented a slight decrease of 2.22 percent on the surplus of **GH¢15.32 million** reported in 2017.

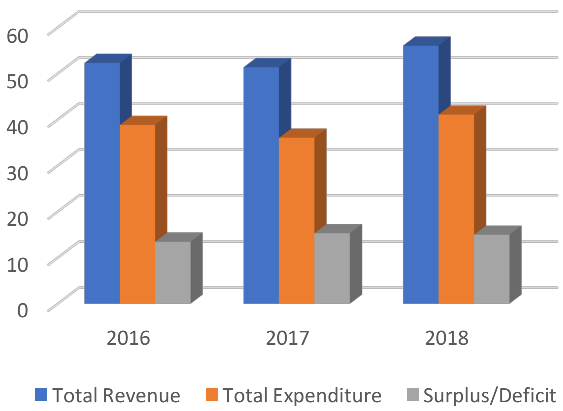
The total asset base of GSA increased by 9.52 percent from **GH¢111.59 million** in 2017 to **GH¢122.21 million** in 2018. The increase in total assets was driven by a 28.14 percent increase in current assets from **GH¢39.27 million** in 2017 to **GH¢50.32 million** in 2018. Current assets accounted for 41.18 percent of total assets.

GSA was able to reduce their total liabilities by 14.39 percent from **GH¢30.29 million** in 2017 to **GH¢25.93 million** in 2018. Current liabilities made up 98.69 percent of the total liabilities in 2018.

The current ratio for the year was 1.97 and indicates that GSA had enough liquidity to cover its short term liabilities.

Main Financial Indicators for Ghana Shippers Authority

INDICATOR	2016 GH¢'M	2017 GH¢'M	2018 GH¢'M
Revenue	52.26	51.35	56.03
Expenditure	38.8	36.03	41.05
Surplus	13.46	15.32	14.98
Total Assets	104.78	111.59	122.46
Current Assets	32.15	39.27	50.57
Current Liabilities	33.16	30.29	25.09
Equity			
Current Ratio	0.97	1.30	1.97
Personnel Number	105	122	126



NATIONAL ACCREDITATION BOARD

BOARD CHAIR

Prof. Kofi Awusabo-Asare

EXECUTIVE SECRETARY

Kingsley Nyarko

BOARD MEMBERS

Prof. Kofi Awusabo-Asare, Very. Rev. Ama Afo Blay, Prof. Juventus Benogle Ziem, Prof. Mohammed Salifu, Very. Rev. Sam Nii Nmai Ollennu, Prof. Smile Gavua Dzisi (Mrs.), Rev.Prof. J.O.Y. Mante, Dr. Gerald Dapaah Gyamfi, Prof. Ebenezer Oduro Owusu, Prof. Mawutor Avoke, Prof. K. B. Omane-Antwi, Mr. Robertson Akwei Allotey, Mrs. Sheila Naah Boamah, Mrs. Stella Otema Badu, Dr. Kingsley Nyarko

AUDITOR(S)

BACKGROUND

The National Accreditation Board (NAB) was established by the Government of Ghana in 1993 with the enactment of PNDCL 317, 1993. The legislation has since been replaced by the National Accreditation Board Act, 2007, Act 744.

The Board is mandated to:

a) accredit both public and private (tertiary) institutions with regard to the contents and standards of their programmes.

b) determine, in consultation with the appropriate institution or body, the programme and requirements for the proper operation of that institution and the maintenance of acceptable levels of academic or professional standards;

c) determine the equivalences of diplomas, certificates and other qualifications awarded by institutions in Ghana or elsewhere;

d) publish as it considers appropriate the list of accredited public and private institutions at the beginning of the calendar year;

e) advise the President on the grant of a Charter to a private tertiary institution;

f) Perform any other functions determined by the Minister.

FINANCIAL PERFORMANCE

The NAB recorded a total revenue of 12.27 million in 2018 representing an increase of 15.97 percent on the total revenue of **GH¢10.58 million** recorded in 2017. IGF accounted for 57.9 percent of total revenue and increased from **GH¢6.65 million** in 2017 to **GH¢7.11 million** in 2018. NAB received **GH¢3.81 million** in GoG subventions and **GH¢0.41 million** in grants in 2018.

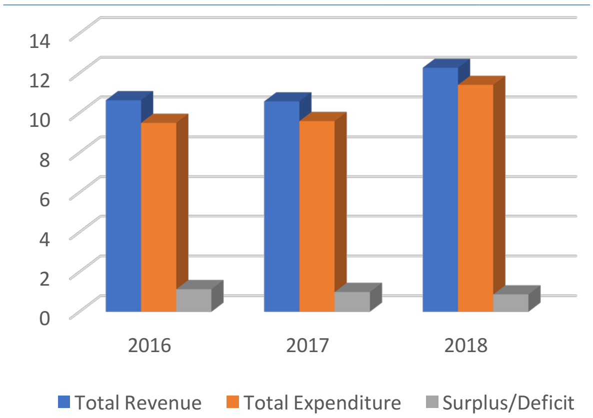
Total expenditure increased from **GH¢9.59 million** in 2017 to **GH¢11.41 million** in 2018 representing an increase of 18.97 percent. Personnel emoluments accounted for 38.30 percent of total expenditure for 2018. Personnel emoluments increased by 25.21 percent from **GH¢3.49 million** in 2017 to **GH¢4.37 million** in 2018. Goods and services increased by 15.76 percent from **GH¢6.09 million** in 2017 to **GH¢7.05 million** in 2018.

NAB recorded a surplus of **GH¢0.87 million** in 2018 which was a decrease of 12.12 percent on the surplus of **GH¢0.99 million** recorded in 2017.

The total asset base of NAB increased by 15.58 percent from **GH¢10.91 million** in 2017 to **GH¢12.61 million** in 2018. This increase was driven by current assets (90.48 percent of total assets). Current assets increased by 22.99 percent from **GH¢9.33 million** in 2017 to **GH¢11.41 million** in 2018. Total liabilities increased by 53.85 percent from **GH¢1.56 million** in 2017 to **GH¢2.40 million** in 2018. NAB did not have any long-term liabilities.

Main Financial Indicators for National Accreditation Board

INDICATOR	2016 GH¢M	2017 GH¢M	2018 GH¢M
Revenue	10.64	10.58	12.27
Expenditure	-9.5	-9.59	-11.41
Surplus	1.13	0.99	0.87
Total Assets	9.36	10.79	12.61
Current Assets	7.81	9.33	11.41
Current Liabilities	1	1.60	2.40
Equity	-	-	-
Current Ratio	7.81	5.91	4.76



NATIONAL FILM AND TELEVISION INSTITUTE

BOARD CHAIR

Ms. Juliet Asante

RECTOR

Dr. Samuel Anyetei Nai

BOARD MEMBERS

Dr. Samuel Anyetei Nai, Mr. John Yaw Adyei Appiah, Mr. Ernest Boateng, Mr. Daniel Owusu Nyampong, Mr. Ernest Kofi Abbeyquaye, Prof. Kofi Agyekum, Mr. George Oppong, Mr. Ivan Quashigah

AUDITOR(S)

Ofori Anom Consult

BACKGROUND

The National Film and Television Institute (NAFTI) was established in 1978 by the Government of Ghana as a public Institution of Higher Education in Film and Television Production. NAFTI has a campus spread over three studios all within walking distance in a quiet residential vicinity of Accra.

Since its inception in 1978, NAFTI has fostered professional and academic excellence in film and television education. The Institute has maintained this high level of performance over the years and consequently has drawn students from many parts of sub-Saharan Africa including Benin , Burkina Faso, Burundi , Cameroon , Ethiopia , Gambia , Ghana , Mali , Nigeria , South Africa , Swaziland , Uganda , Tanzania , Zambia and Zimbabwe .

The Institute offered three-year professional programmes leading to the award of Diploma until 1999, when, in affiliation with the University of Ghana, it commenced full-time four-year professional Bachelor of Fine Arts Degree in addition to two-year Diploma programmes. The two-year Diploma programmes are essentially intended for industry practitioners who wish to update their knowledge and skills. NAFTI has over the years also provided diverse collaborative technical support for projects within and outside the continent.

OPERATIONS

NAFTI offers training programmes designed to develop in its students scholarly, creative and professional approach to film making and television production. The Institute recognizes its unique role in the development and propagation of African culture and therefore encourages each student to develop his creative talents to be able to face the challenge of producing materials that reflect the spiritual and intellectual aspiration of the African peoples.

In order to accomplish these goals, NAFTI endows its students with modern facilities and equipment. The main NAFTI Library houses the largest book stock (about 25,000) and, film and television materials. The Library subscribes to twenty professional serials (periodicals, journals, magazines) and its collections also cover other branches of the arts which are related to NAFTI's core discipline of film and television. NAFTI has a well-equipped television studio, film and video production equipment, computer animation facilities, still photo laboratory, viewing theatres, etc.

FINANCIAL PERFORMANCE

NAFTI recorded an increase in revenue of 0.94 percent from **GH¢7.46 million** in 2017 to **GH¢7.53 million** in 2018. The increase in revenue for 2018 was due to a 5.55 percent increase in GoG subvention from **GH¢4.0 million** in 2017 to **GH¢4.22 million** in 2018.

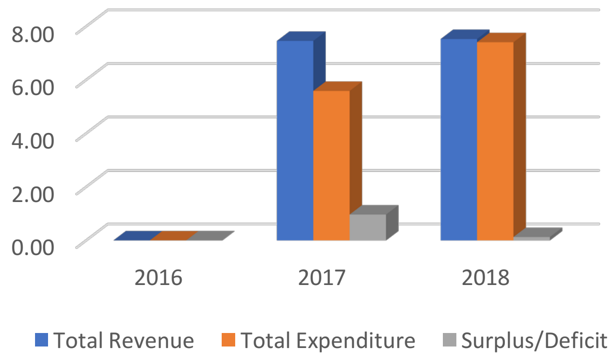
Total expenditure increased by 32.56 percent from **GH¢5.59 million** in 2017 to **GH¢4.71 million** in 2018. Personnel emoluments covered more than a half of total expenditure (56.68 percent) and increased from **GH¢3.98 million** in 2017 to **GH¢4.20 million** in 2018. Goods and services increased significantly from **GH¢1.61 million** in 2017 to **GH¢3.21 million** in 2018.

NAFTI recorded a fall in its surplus from **GH¢0.97 million** in 2017 to **GH¢0.13 million** in 2018 representing a considerable decline of 86.60 percent. This was due to the fall in total revenue and increase in total expenditure for the year.

Total assets of the institution increased from **GH¢2.42 million** in 2017 to **GH¢4.15 million** in 2018 representing a 71.49 appreciation in its assets base. Both non-current (107.84 percent) and current (45 percent) assets increased for the year. Total liabilities increased by 192.31 percent. Total liabilities increased from **GH¢0.26 million** in 2017 to **GH¢0.76 million** in 2018. All of NAFTI's liabilities were current.

Main Financial Indicators for National Film and Television Institute

INDICATOR	2016 GH¢M	2017 GH¢M	2018 GH¢M
Revenue	-	6.56	7.53
Expenditure	-	(5.59)	(7.41)
Surplus	-	0.97	0.13
Total Assets	-	2.42	4.15
Current Assets	-	1.40	2.03
Current Liabilities	-	0.26	0.76
Equity	-		
Current Ratio	-	5.38	2.67



NATIONAL INSURANCE COMMISSION

BOARD CHAIR

Mr. Emmanuel Ray Ankrah

COMMISSIONER

Mr. Justice Yaw Ofori

BOARD MEMBERS

Mr. Justice Yaw Ofori, Mr. Emmanuel Amofa, Ms. Geta Striggner-Quartey, Prof. Bill Buenar Puplampu, Mr. Kwame-Gazo Agbenyadzie, Mr. Sampson Akligoh, Mrs. Naa Shormeh Gyang

AUDITOR(S)

Boateng, Offei & Co.

BACKGROUND

The National Insurance Commission (NIC) was established under Insurance Law 1989 (PNDC Law 227). However, NIC currently operates under Insurance Act, 2006 (Act 724). The object of the Commission, as specified in Act 724, is to ensure effective administration, supervision, regulation and control the business of Insurance in Ghana.

The enactment of Act 724 was a major milestone towards a robust insurance regulatory environment as it empowers and grants adequate powers to the Commission. Together with several other initiatives in the past decade, the new Law provides a strong regulatory framework for Ghana's insurance industry.

OPERATIONS

NIC is mandated to perform a wide spectrum of functions including licensing of entities, setting of standards and facilitating the setting of codes for practitioners. The Commission is also mandated to approve rates of insurance premiums and commissions, provide a bureau for the resolution of complaints and arbitrate insurance claims when disputes arise.

Other responsibilities include the provision of recommendation to the sector Minister for policy formulation; supervision of practitioners; enforcement of compliance; and public education. The development of strong relationships with regulators from other countries and international bodies such as the IAIS and ensuring the conformity of practitioners to internationally accepted standards are also key mandates of the Commission

FINANCIAL PERFORMANCE

NIC recorded an increase in revenue from **GH¢25.80 million** in 2017 to **GH¢32.90 million** in 2018 representing an increase of 26.59 percent. Virtually all of NIC's revenue was generated from IGF which accounted for 99.27 percent of total revenue for the period. IGF increased from **GH¢25.80 million** in 2017 to **GH¢32.66 million** in 2018, representing an increase of 26.59 percent.

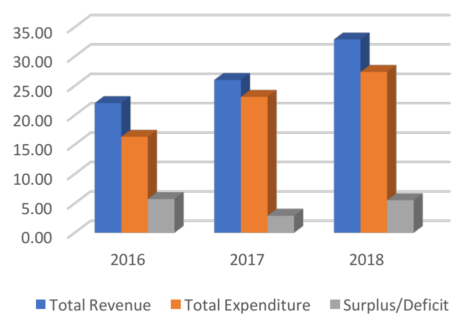
Total expenditure increased by 18.38 percent from **GH¢23.12 million** in 2017 to **GH¢27.37 million** in 2018. The increase in total expenditure was mainly as a result of a 72.63 percent increase in expenditure on goods and services from **GH¢6.54 million** in 2017 to **GH¢11.29 million** in 2018.

NIC recorded a 91.35 percent increase in its surplus from **GH¢2.89 million** in 2017 to **GH¢5.53 million** in 2018.

NIC increased their total assets base significantly from **GH¢40.28 million** in 2017 to **GH¢76.89 million** in 2018 representing an increase of 90.89 percent. Non-current assets made up 71.26 percent of total assets in 2018 and increased by a substantial 175.88 percent from **GH¢19.86 million** in 2017 to **GH¢54.79 million** in 2018. Total liabilities for NIC increased by 50.77 percent from **GH¢4.55 million** in 2017 to **GH¢6.86 million** in 2018.

Main Financial Indicators for National Insurance Commission

INDICATOR	2016 GH¢M	2017 GH¢M	2018 GH¢M
Revenue	22.07	26.01	32.9
Expenditure	-16.33	-23.12	-27.37
Surplus	5.75	2.89	5.53
Total Assets	34.54	40.29	76.89
Current Assets	15.04	20.42	22.10
Current Liabilities	1.67	4.55	6.86
Equity	32.88	35.74	70.03
Current Ratio	9.01	4.49	3.22



NATIONAL INFORMATION TECHNOLOGY AGENCY

BOARD CHAIR

Dr. Abdulai Mohammed-Sani

ACTING DIRECTOR GENERAL

Mr. David Gyewu

BOARD MEMBERS

Dr. Abdulai Mohammed-Sani; Mr. David Gyewu; Mr. Gerard Nana Kwakwa Osei-Tutu; Dr. Gezer Osei Yeboah-Boateng; Mr. Emmanuel Mensah-Bonsu; Mr. Albert Antwi-Boasiako; Ms. Ama Daaku; Mr. Kwasi Agyei Tabi; and Mr. Ernest Andam Brown.

AUDITORS

BACKGROUND

The National Information Technology Agency is a public service institution established by Act 771 in 2008 as the ICT policy implementing arm of the Ministry of Communications. NITA is the agency responsible for implementing Ghana's IT policies.

The establishment of the National Information Technology Agency is essential for e-Government to take off in Ghana. E-Government, being an essential component of the e-Ghana project is expected to contribute to improved efficiency, transparency and accountability in selected Government functions.

NITA exists to create an enabling environment for effective deployment and use of ICT by all sectors, through the implementations of sound policies and regulatory framework.

OPERATIONS

NITA's mandate includes identifying, promoting and developing innovative technologies, standards, guidelines and practices among government agencies and local governments, as well as ensuring the sustainable growth of ICT via research and development planning and technology acquisition strategies to facilitate Ghana's prospect of becoming a technology-driven, knowledge- and values-based economy as espoused in the e-Ghana project which ideally seeks to assist the Government generate growth and employment, by leveraging ICT and public-private partnerships.

FINANCIAL PERFORMANCE

NITA recorded a decline in revenue from **GH¢5.94 million** in 2017 to **GH¢4.16 million** in 2018 representing a fall of 29.97 percent. Internally Generated Fund (IGF) accounted for 81.25 percent of revenue in 2018. IGF reduced by 35 percent from **GH¢5.20 million** in 2017 to **GH¢3.38 million** in 2018.

NITA managed to decrease its total expenditure by 6 percent from **GH¢6.99 million** in 2017 to **GH¢6.57 million** in 2018. Other expenses made up 92.69 percent of total expenditure in 2018 and decreased from **GH¢6.75 million** in 2017 to **GH¢6.09 million** in 2018 representing a 9.78 decrease. Personnel emoluments accounted for 4.55 percent of revenue in 2018.

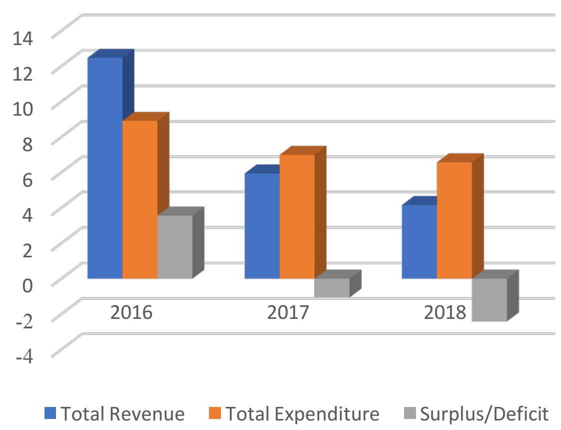
NITA reported a deficit of **GH¢-2.41 million** in 2018. The deficit reported was 127.36 percent lower than the deficit of **GH¢-1.06 million** recorded in 2017.

Total assets of NITA increased from **GH¢8.47 million** in 2017 to **GH¢14.60 million** in 2018 representing a 72.37 percent increase. All of the institutions assets were short-term assets.

Similarly, NITA did not have any long-term liabilities. Total liabilities decreased by 27.32 percent from **GH¢ 17.42 million** in 201 to **GH¢ 12.66 million** in 2018.

Main Financial Indicators for National Information Technology Agency

INDICATOR	2016 GH¢M	2017 GH¢M	2018 GH¢M
Revenue	12.47	5.94	4.16
Expenditure	8.91	6.99	6.57
Surplus	3.56	-1.06	-2.41
Total Assets	6.56	8.47	14.6
Current Assets	6.56	8.47	14.6
Current Liabilities	8.51	17.42	12.66
Equity			
Current Ratio	0.77	0.49	1.15



NATIONAL PETROLEUM AUTHORITY

BOARD CHAIR

Mr. Joe Addo-Yobo

CHIEF EXECUTIVE OFFICER

Alhassan S. Tampuli Esq

BOARD MEMBERS

Alhassan S. Tampuli Esq, Kwabena Boye Adjekumhene, Nana Dr. Appiagyei Dankawoso 1, Mr. Fuseini Iddrisu, Mr Simeon Tawiah, Hajia Hamida Nuhu, Hon, Ama Pomaa Boateng

AUDITORS

Opoku Andoh & Co.

BACKGROUND

The National Petroleum Authority was established by an Act of Parliament (NPA Act 2005, ACT 691) to regulate the petroleum downstream industry in Ghana. As a regulator, the Authority ensures that the industry remains efficient, profitable, fair, and at the same time, ensuring that consumers receive value for money.

Since the establishment of the National Petroleum Authority in 2005, the Authority has supervised the acceleration of the petroleum downstream deregulation process by facilitating the removal of restrictions on the establishment and operations of facilities, and importation of crude oil and petroleum products.

In June 2015, the Authority successfully implemented the final phase of the deregulation process, which is Price Liberalization. This process involves a full decontrol of prices of petroleum products from government. Private importers, distributors and retailers are empowered to set ex-refinery and ex-pump prices with no intervention from government.

The petroleum downstream in Ghana encompasses all activities involved in the importation and refining of crude oil as well as the sale, marketing and distribution of refined petroleum products in the country. The various commercial activities of the industry include: importation, exportation, re-exportation, shipment, transportation, processing, refining, storage, distribution, marketing and sale of petroleum products.

Ghana's petroleum downstream industry boasts of over 1 million MT worth of a state-of-the-art storage infrastructure. Due to the positioning of Ghana along the coast of West Africa, as well as the country's democratic credentials, security and stability, the downstream industry is well placed to efficiently store strategic stocks of petroleum products as well as serve as a reliable point for exportation into the neighboring land locked countries. This is evident in the increasing rate of exportation of petroleum products out of the country.

OPERATIONS

Key highlights of the NPA's operational performance for the year 2018 are listed below:

1. National Liquefied Petroleum Gas (LPG) Promotion Policy:
    a. Development of an implementation plan;
    b. Development of new operational guidelines based on the Cylinder Recirculation Model of implementation;
    c. Training and capacity building for tanker drivers, LPG equipment installers and safety and compliance officers;
    d. LPG risk assessment exercise at all LPG refilling plants and selected second cycle institutions;
    e. Stakeholder engagements and consumer sensitization/education;
2. Inspection and compliance monitoring of existing and new petroleum facilities:
    a. Compliance monitoring and inspections of all existing petroleum facilities in the industry;
    b. Risk assessment of all existing LPG refilling plants;
    c. Joint LPG supply chain safety evaluation exercise with Kosmos Energy, and Ministry of Energy (MOE);
3. Review and restructure of license framework:
    a. Categorization of BDC License;
    b. Processes to expunge OTC license (completed and implemented in February 2019);
4. Combating illegal fuel Activities:
    a. Impounded 56 Bulk Road Vehicles and 4 Canoes;
    b. Recovered over GH¢1.3million in taxes otherwise lost to dumping;

c. Recovered GH¢19 million in taxes, levies and margins otherwise lost to under-declaration and under-invoicing;

d. Developed and commenced implementation of new export and MGO Foreign guidelines;

e. Applied domestic taxes to the price of MGO Foreign;

5. Conversion of Special Petroleum Tax from Advalorem (17.5 percent of ex-depot price) to specific tax of GHp46/litre for petrol and diesel and GHp48/litre for LPG;

6. 14 percent increase in freight rates effective May 2018;

7. Deployment of ERDMS for monitoring of supply and the processing of UPPF Freight Claims;

8. Review of Zonalization Policy;

9. Review of National Oil Loss Control Manual;

10. Completion of Kpone Tanker Park;

11. Development of comprehensive plan for pipeline transportation throughout the country (investment need valued at USD 1,324,520,000.

FINANCIAL PERFORMANCE

NPA's revenue increased from **GH¢166.81 million** in 2017 to **GH¢211.47 million** in 2018 indicating an increase of 26.77 percent. The revenue consisted of internally generated funds (which made up 92 percent of total revenue) and other income (which made up 8 percent of revenue). The IGF increased by 24.94 percent from **GH¢155.22 million** in 2017 to **GH¢193.93 million** in 2018. Other income also increased by 51.34 percent from **GH¢11.59 million** in 2017 to **GH¢17.54 million** in 2018. NPA did not receive any GoG subvention throughout the review period.

NPA did not receive any GoG subvention throughout the review period.

Total expenditure comprised personnel emoluments and goods and services which increased from **GH¢120.26 million** in 2017 to **GH¢140.04 million** in 2018 indicating an increase of 16.45 percent. Personnel emoluments increased from **GH¢35.0 million** in 2017 to **GH¢45.33 million** in 2018 indicating an increase of 29.51 percent. Goods and services covered up 68 percent of total expenditure and increased by 11.08 percent.

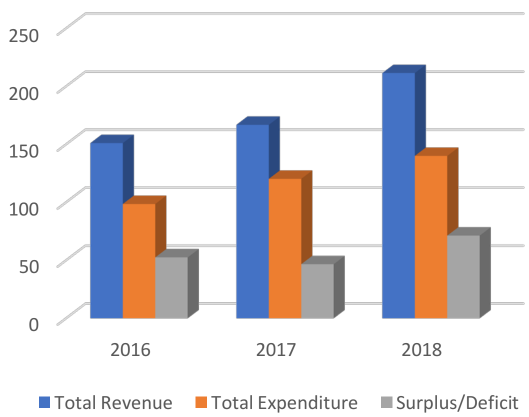
NPA recorded an increase in surplus for 2018 as total revenue increased at a faster rate than total expenditure. This increased from **GH¢46.47 million** in 2017 to **GH¢71.31 million** in 2018 represented a significant 52.80 percent increase. This was after the entity recorded a dip between 2016 (**GH¢52.52 million**) and 2017 by 11.14 percent.

NPA increased their total assets base from **GH¢355.83 million** in 2017 to **GH¢497.17 million** in 2018 representing an increase of 39.72 percent. This increase was propelled by an increase in current assets (which made up 73 percent of total assets) by 63.36 percent from **GH¢221.75 million** in 2017 to **GH¢362.24 million** in 2018. Non-current assets recorded a paltry increase from **GH¢134.07 million** in 2017 to **GH¢134.92 million** in 2018 indicating an increase of 0.63 percent. The total liabilities increased from **GH¢32.98 million** in 2017 to **GH¢102.89 million** in 2018 representing a huge increase of 211.98 percent.

Current ratio of 3.52 shows that NPA was quite liquid and did not have difficulties in meeting its short-term financial obligations.

Main Financial Indicators for National Petroleum Authority

INDICATOR	2016 GH¢'M	2017 GH¢'M	2018 GH¢'M
Revenue	151.06	166.81	211.47
Expenditure	98.57	120.26	140.04
Surplus/Deficit	52.52	46.67	71.57
Total Assets	297.37	355.53	497.17
Current Assets	131.91	128.41	21.19
Current Liabilities	21.19	33.67	102.89
Total Liabilities	21.19	33.67	102.89
Equity	-	-	-
Current Ratio	5.05	6.72	3.52
Personnel	199	227	283



NATIONAL PENSIONS REGULATORY AUTHORITY

BOARD CHAIR

Mr. Paul Simon Koranteng

BOARD MEMBERS

Mr. Hayford Atta Krufi, Dr. Justice Duffu Yankson, Mad. Frederica Illiasu, Mad. Grace Akrofi, Mr. Wright Wireko Brobbey, Mr. Joseph Nii Noi Adumuah, Mr. Ofotsu Tetteh-Kujorjie, Rev. Daniel Ogbarmey Tetteh

CHIEF EXECUTIVE OFFICER

Mr. Hayford Atta Krufi

AUDITORS

Ghana Audit Service

BACKGROUND

Over the years, concerns have been raised and agitations made by public servants over inadequacies of the level of pensions to sustain a respectable life for retired public servants. Of particular concern to most workers' groups has been the low pensions received by workers under the Social Security and National Insurance Trust (SSNIT) Pension Scheme compared to those still under Chapter 30 of the 1950 British Colonial Ordinances (Pension Ordinance No. 42), popularly known as CAP 30.

In addition, pension schemes that have been operated in the country so far have, beside their limitations, also failed to consider the plight of workers in the informal sector, who constitute the bulk (about 85%) of the working population in Ghana.

The concern rose to a peak in agitation and protests by workers' organizations for the restoration of public service pensions to the level of the provisions still available to some public officers under CAP 30, in place of the SSNIT system that had been introduced in 1972 as the mandatory and universal pension scheme for all employees.

In recognition of the need for reforms to ensure a universal pension scheme for all employees in the country, and to further address concerns of Ghanaian workers, the Government in July 2004 initiated a major reform of the Pension System in Ghana. The process started with the establishment of a Presidential Commission on Pensions under the chairmanship of Mr. T. A. Bediako.

The Bediako Commission was charged with the responsibility to examine existing pension arrangements and to make appropriate recommendations for a sustainable pension scheme(s) that would ensure retirement income security for Ghanaian workers, with special reference to the public sector. The Commission submitted its Final Report in March 2006. The Government accepted almost all the recommendations of the Commission and issued a White Paper (W.P. No. 1/2006) in July, 2006.

The main recommendation of the Commission was the creation of a new contributory Three-Tier Pension System for Ghana, funded by direct contributions of employers and employees to, replace existing parallel pension schemes.

The new contributory three-tier pension scheme comprises two mandatory schemes and a voluntary scheme as follows:

a) A first tier mandatory basic national social security scheme which will incorporate an improved system of SSNIT benefits, mandatory for all employees in both the private and public sectors;

b) A second tier occupational (or work-based) pension scheme, mandatory for all employees but privately managed, and designed primarily to give contributors higher lump sum benefits than presently available under the CAP 30 and SSNIT pension scheme; and

c) A third tier voluntary provident fund and personal pension schemes, supported by tax benefit incentives to provide additional funds for workers who want to make voluntary contributions to enhance their pension benefits and also for workers in the informal sector.

The work of the Commission culminated in the establishment of the National Pensions Regulatory Authority (NPRA) by an Act of Parliament, the National Pensions Act, 2008 (Act 766). NPRA is the statutory body responsible for the regulation and policy development of pensions administration in Ghana.

OPERATIONS

The NPRA is mandated to:

a) Provide pension benefits to ensure retirement income security for workers;

b) Ensure that every worker receives retirement and related benefits as and when due; and

c) Establish a uniform set of rules, regulations and standards for the administration and payment of retirement and related benefits for workers in the public and private sectors.

FINANCIAL PERFORMANCE

NPRA's revenue increased by more than a fold at 104.97 percent from **GH¢27.17 million** in 2017 to **GH¢55.69 million** in 2018. This increase was driven by an appreciable increase of internally generated fund from **GH¢21.83 million** in 2017 to **GH¢52.73 million** in 2018 representing a 141.55 percent increase. However, other income decreased by 35.41 percent from **GH¢4.49 million** in 2017 to **GH¢2.9 million** in 2018.

NPRA did not record GoG subvention for the year and on the other hand recorded a decrease in grants from **GH¢0.55 million** in 2017 to **GH¢0.06 million** in 2018 (an 89.09 percent reduction). NPRA received a grant of **GH¢5.12 million** in 2016.

Total expenditure increased from **GH¢11.27 million** in 2017 to **GH¢16.23 million** in 2018 indicating an increase of 44.01 percent. This increase was driven by increases in both personnel emoluments and goods and services.

Personnel emoluments increased from **GH¢5.4 million** in 2017 to **GH¢8.21 million** in 2018 marking a 52.04 percent increase. Goods and services increased by 36.63 percent from **GH¢5.87 million** in 2017 to **GH¢8.02 million** in 2018. Total expenditure increased throughout the review period with the 2018 expenditure toppling 2016's expenditure of **GH¢8.57 million** by a considerable 89.38 percent.

NPRA posted an impressive performance in surplus, recording an appreciable 153.89 percent from **GH¢8.48 million** in 2017 to **GH¢21.53 million** in 2018. This is attributable to the faster rate of revenue growth as compared to the increase in total expenditure for the year.

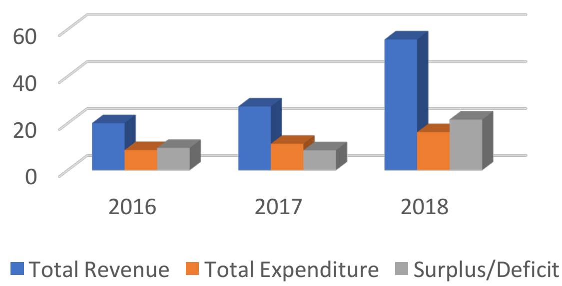
Total assets increased significantly from **GH¢28.28 million** in 2017 to **GH¢61.28 million** in 2018 representing a 116.69 percent increase. Current assets made up 88.58 percent of total assets and increased by 146.95 percent from **GH¢21.98 million** in 2017 to **GH¢54.28 million** in 2018. Non-current assets increased from **GH¢6.30 million** in 2017 to **GH¢7.0 million** in 2018 indicating a 11.11 percent increase.

Total liabilities increased from **GH¢5.23 million** in 2017 to GH¢16.70 million in 2018 representing a huge increase of 219.31 percent. This increase was after the entity reduced its total liabilities by 77.64 percent from **GH¢23.39 million** in 2016 to 2017.

NPRA's current ratio for the period was 3.25 which signifies a firm liquidity position of NPRA. The current ratio increased from 1.36 in 2016 to 4.20 in 2017 and reduced to its current position.

Main Financial Indicators for National Pensions Regulatory Authority

INDICATOR	2016 GH¢'M	2017 GH¢'M	2018 GH¢'M
Revenue	20.05	27.17	55.69
Expenditure	8.57	11.27	16.23
Surplus	9.48	8.48	21.53
Total Assets	37.97	28.28	61.28
Current Assets	31.73	21.98	54.28
Current Liabilities	23.39	5.23	16.70
Equity	-	-	-
Current Ratio	1.36	4.20	3.25



SECURITY AND EXCHANGE COMMISSION

BOARD CHAIR

Dr. Yeboa Amoah

BOARD MEMBERS

Dr. Yeboa Amoa (D-G), Rev. Daniel Ogbarmey Tetteh, Mr. Paul Kwabena Ababio, Mr. Charles Adu Boahen, Mrs. Jemima Mamaa Oware, Prof. Kofi Quashigah, Mr. Augustine Addo, Dr. Joe Amoako Tuffour,Ms. Deila Assimah.

AUDITORS

Osei Owusu - Ansah & Associates

BACKGROUND

The Securities and Exchange Commission (SEC) was established by the Securities Industry Act, 2016 (Act 929) with the object to regulate and promote the growth and development of an efficient, fair and transparent securities market in which investors and the integrity of the market are protected.

SEC is the apex regulatory body of the Securities Industry in the country. It is backed by and operates with the following legislations:

a) Securities Industry Law (SIL) 1993, PNDCL 333;

b) Securities Industry (Amendment) Act (SIA) 2000, (Act 590); and

c) Legislative Instruments (LI 1695 and LI 1728).

The Commission was initially established in accordance with the SIL 1993, PNDCL 333. It was called the "Securities Regulatory Commission under the SIL, (PNDCL 333). It operated under the supervision of the Governor, Bank of Ghana. The Bank of Ghana set up a Capital Market Desk to regulate the Industry.

SEC was formally set up in September 1998 as an independent regulator of the capital market in the country. It became the Securities and Exchange Commission by an act of Parliament, Securities Industry Amendment Act, 2000(Act 590). It was renamed from Securities Regulatory Commission to Securities and Exchange Commission. A new Act, Securities Industry Act, 2016(Act 929) was passed to expand the powers of the SEC. This new law replaces the Securities Industry Law, 1993 (PNDCL 333).

OPERATIONS

The Securities and Exchange Commission (SEC) is mandated to:

a) Advise the Minister on matters relating to the securities industry.

b) Maintain surveillance over activities in securities to ensure orderly, fair and equitable dealings in securities.

c) Register, license, authorize or regulate, in accordance with the Act or the Regulations, the establishment of securities exchanges, commodities and futures exchanges, securities depositories, clearing and settlement institutions, credit rating agencies, fund managers, investment advisers, unit trusts, mutual funds, hedge funds, private equity funds, venture capital funds, nominees, underwriters, issuing houses, registrars, custodians, trustees, primary dealers, broker-dealers the mode of conduct of securities businesses, issues concerning Accounts and Audits, the establishment of fidelity funds and trading in securities.

d) Formulate principles for the guidance of the industry.

e) Monitor the solvency of license holders and take measures to protect the interest of customers where the solvency of a license holder is in doubt.

FINANCIAL PERFORMANCE

SEC recorded a decrease in revenue from **GH¢21.81 million** in 2017 to **GH¢17.82 million** in 2018 representing an 18.29 percent increase. Other income increased from **GH¢0.20 million** in 2017 to **GH¢0.36 million** in 2018 indicating a significant increase of 80 percent. This came after other income declined significantly from **GH¢3.61 million** in 2016 to 2017 representing a decline of 94.46 percent.

SEC did not receive any GoG subvention or grants throughout the review period.

Total expenditure increased from **GH¢13.73 million** in 2017 to **GH¢18.26 million** in 2018 indicating an increase of 33 percent. Personnel emoluments made up 60.4 percent of total expenditure and increased from **GH¢8.78 million** in 2017 to **GH¢11.03 million** in 2018 indicating an increase of 25.63 percent. Goods and services also increased from **GH¢4.95 million** in 2017 to **GH¢7.23 million** in 2018 indicating an increase of 46.06 percent.

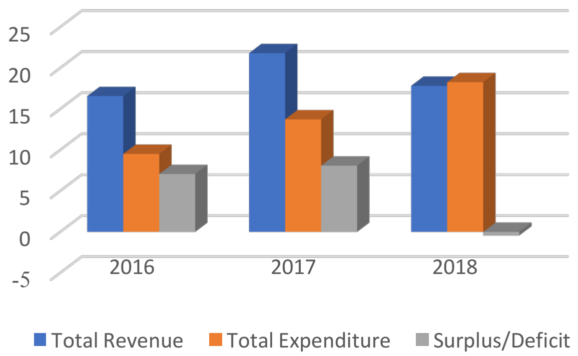
SEC recorded a huge fall in surplus to posting a deficit of **GH¢-0.44 million** in 2018. This was a huge decrease by 105.45 percent as compared to a surplus of **GH¢8.08 million** in 2017. Before the current year decline, surplus increased from **GH¢7.06 million** in 2016 to 2017 representing an increase of 14.45 percent.

Total assets decreased from **GH¢27.41 million** in 2017 to **GH¢25.74 million** in 2018 marking a slight decrease in the assets base by 6.09 percent. SEC keeps 90 percent of its total assets as current liabilities, which decreased from **GH¢27.41 million** in 2017 to **GH¢25.74 million** in 2018 indicating a reduction of 8.58 percent. Non-current assets increased by 25.63 percent from **GH¢1.99 million** in 2017 to **GH¢2.50 million**. All total liabilities of SEC are held in current liabilities, which decreased from **GH¢1.39 million** in 2017 to **GH¢1.18 million** in 2018 indicating a reduction of 17.80 percent.

SEC recorded a current ratio of 19.69 for 2018 which signifies that the entity was likely to be well endowed in liquidity to cover its short-term financial obligations.

Main Financial Indicators for Security and Exchange Commission

INDICATOR	2016 GH¢M	2017 GH¢M	2018 GH¢M
Revenue	16.57	21.81	17.82
Expenditure	9.51	13.73	18.26
Surplus	7.06	8.08	(0.44)
Total Assets	19.02	27.41	25.74
Current Assets	16.99	25.42	23.24
Current Liabilities	1.09	1.39	1.18
Equity	17.93	26.02	24.56
Current Ratio	15.59	18.29	19.69



Dividends

337. SOEs and JVCs have the principal objective to operate as successful businesses. Being a successful business includes providing an appropriate return on the capital invested. Government, as a shareholder expects that the Boards of SOEs and JVCs, in line with international best practices, develop dividend policies driven by returning income to the shareholder based on its optimal capital structure, profitability and level of future capital expenditure. Dividend received from SOEs, JVCs and Mining Companies forms part of Government non-tax revenue.

338. The majority of SOEs, JVCs and mining companies over the years have not been declaring and paying dividends to GOG. Two main factors are believed to have accounted for the current state of affairs. Firstly, government until July, 2018 had no clearly defined and broadly disseminated dividend policy for SOEs to ensure that it receives the commensurate returns on its equity investments. In July 2018, government issued out a guideline requesting SOEs to declare and pay a minimum of 15% of their gross profit as dividend or royalties. The guideline, which has been circulated to all SOEs, is yet to be fully complied with by SOEs. Government is taking the necessary steps to enforce this policy and ensure that SOEs show a degree of consistency and improvement over the years.

339. Secondly, the persistent underperformance of commercial SOEs has affected their ability to pay dividends to Government. Commercial SOEs are set up with the principal objective of profitability. However, many of these entities over the years have continually reported losses resulting in their inability to declare and pay dividends. It is, therefore, imperative for government to improve its monitoring of these entities to ensure improvements in the accountability and transparency in their operations, good governance practices, financial management and performance of these entities.

340. In 2018, the Ministry of Finance projected an amount of **GH¢275.50 million** as dividend payments. However, total dividend received for the year was **GH¢139.18 million** representing 49.48 percent below the target. The significant adverse variance recorded was due to the non-payment of dividend by Bank of Ghana (BoG), which was projected to pay an amount of GH¢200.00 million as dividend.

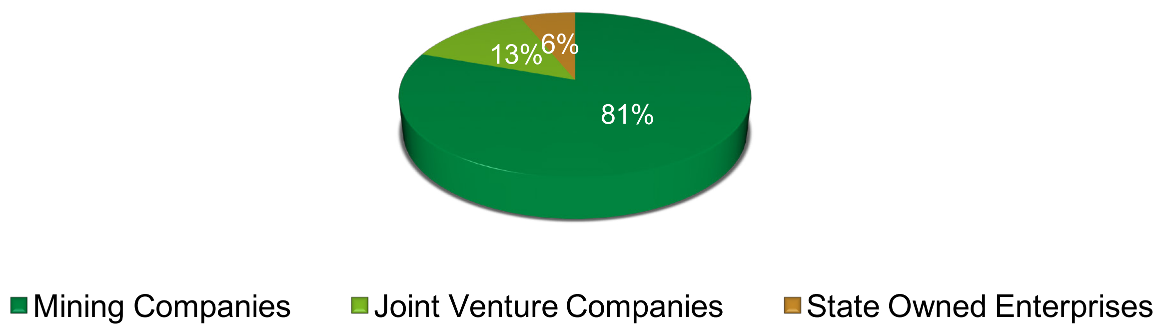
341. Of the total dividend received for the year, SOEs paid a total amount of **GH¢8.52 million** representing 6 percent of total dividend received. On the other hand, JVCs and mining companies contributed **GH¢18.58 million** and **GH¢112.07 million**, representing 13 percent and 81 percent respectively. In summary, the total dividend received for the year under review consisted of two (2) SOEs, seven (7) JVCs and four (4) mining companies. Table 16 below gives a breakdown of the dividend paid by the companies.

Table 16: Dividend Payments for 2018

No.	Companies	Amounts Paid (GH¢)
	State Owned Enterprises	
1.	Ghana Ports and Harbours Authority	3,000,000.00
2.	Ghana Reinsurance Limited	5,520,000.00
	Sub Total	**8,520,000.00**
	Joint Ventures	
1.	Africa Finance Corporation	1,486,760.00
2.	African Reinsurance Corporation	1,171,130.00
3.	GCNET	8,000,000.00
4.	GHACEM	1,750,000.00
5.	GCB Bank	5,660,860.00
6.	Ghana Women Fund Company Limited	8,550.00
7.	Savana Cement Co. Ltd	511,110.00
	Sub Total	**18,588,410.00**
	Mining Companies	
1.	AngloGold Ashanti Limited	1,416,420.00
2.	Chirano Gold Mines	61,887,800.00
3.	Goldfields Abosso	4,888,400.00
4.	Goldfields Tarkwa	43,878,340.00
	Sub Total	112,070,960.00
	Grand Total	**139,179,370.00**

Source: Non-Tax Policy Unit, (May, 2018)

Figure 10: Dividend Receipts by Categories for 2018



Appropriations / Government Transfers

342. Entities with specific public service mandates that are non-commercial in nature may receive budget appropriations. Such companies are known as subvented agencies. Government as part of its commitments transfers funds to subvented agencies to meet identifiable expenditures. Normally these funds cover employees' salaries and occasionally funds for capital expenditure as well as goods and services. These transfers are part of the appropriated budget passed by Parliament and form part of the budgets of their (subvented agency) respective parent Ministries/Departments/Agencies (MDAs). The releases are usually made upon request for payment by the agencies.

343. Government in 2018 budgeted an amount of GH¢395.64 million for the eight (8) subvented agencies, representing an increase of 1.35 percent and 68.22 percent over 2017 (GH¢390.36 million) and 2016 (GH¢235.19 million) figures respectively. Total releases for 2018 stool at GH¢519.00 million representing a significant increase of 132.54 percent and 17.64 percent over 2017 and 2016 figures of GH¢223.19 million and GH¢441.18 million respectively. The high release rates were as a result of improved revenue performance for the period under review. Of the total releases in 2018, GH¢358.78 million representing 69.13 percent went to Ghana Highway Authority. Two entities (Ghana Highway Authority and Ghana Irrigation Development Authority) received allocations for both GoG's and ABFA. The rest of the six entities received allocations for only GoG account which represents mainly salaries of employees.

344. Actual expenditure recorded in 2018 was GH¢392.97 representing a substantial increase of 106.5 percent as against 2017 figure of GH¢190.30 million. Table 3 and 4 below provides details of subvention for the entities and the aggregate for the period (2016-2018).

Table 17: Details of Subvention for Selected Agencies (2016 – 2018)

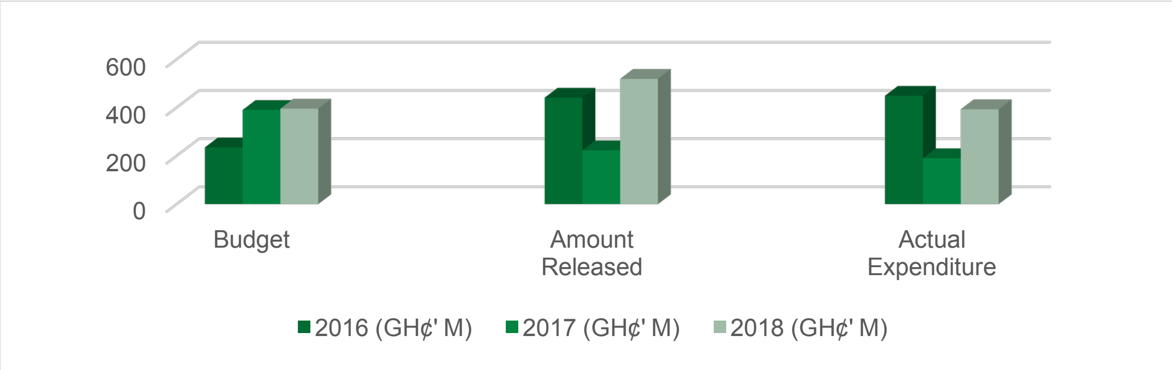
		2016			2017			2018		
S/N	INSTITUTION	BUDGET	AMOUNT RELEASED	ACTUAL EXPENDITURE	BUDGET	AMOUNT RELEASED	ACTUAL EXPENDITURE	BUDGET	AMOUNT RELEASED	ACTUAL EXPENDITURE
1	Ghana Highway Authority	119.21	377.99	355.39	198.53	127.4	117.38	116.1	358.8	262.86
	O/W GoG	22.59	320.93	298.33	102.03	107.25	97.23	26.26	244.02	148.08
	O/W ABFA (CAPEX)	96.62	57.06	57.06	96.5	20.15	20.15	89.84	114.78	114.78
2	Ghana Broadcasting Corporation	35.42	3.45	5.12	56.06	32.98	36.28	43.09	25.61	40.11
3	Ghana News Agency	4.42	23.12	33.59	6.59	1.36	0.87	6.32	5.03	4.75
4	Ghana Meteorological Agency	7.81	4.3	6.25	19.79	6.9	6.88	19.9	11.681	9.67
5	Community Water & Sanitation Agency	0	0	0	12.42	4.24	4.59	36.53	5.3	4.64
6	Grains & Legumes Development Board	1.56	0.95	1.43	2.27	1.6	1.68	2.27	1.62	1.77
7	Irrigation Company of the Upper Regions (ICOUR)	1.52	0.26	0.38	0.52	0.38	0.42	0.57	0.36	0
8	Ghana Irrigation Development Authority	65.25	31.11	46.89	94.18	48.32	22.2	170.86	110.6	69.17
	O/W GoG	4.55	2.22	18.01	4.37	3.4	3.6	5.04	3.21	4.33
	O/W ABFA (CAPEX)	60.7	28.89	28.88	89.81	44.92	18.6	165.82	107.39	64.84
	Total	235.19	441.18	449.05	390.36	223.18	190.3	395.64	519	392.97

Source: Budget Division, MoF

Table 18: Aggregate details of Subvention for Selected Agencies (2016 – 2018)

S/N	Details	2016 (GH¢' M)	2017 (GH¢' M)	2018 (GH¢' M)
1	Budget	235.19	390.36	395.64
2	Amount Released	441.80	223.18	519.00
3	Actual Expenditure	138.92	190.30	392.97

Figure 11: Trends in Subvention for Selected Agencies (2016 – 2018)



On-lending to SOEs

345. Government has continually supported State Owned Enterprises, by way of on-lending and debt guarantee for economic reasons. The Ministry of Finance has since the implementation of the Public Financial Management Act, 2016 (Act 921). Sections 66 and 67of Act 921 mandates that before government grants a loan and or issue a guarantee to conduct a credit risk assessment on an SOE, to ascertain the fiscal risk.

346. In accordance with the implementation of the debt management strategies the Ministry has taken giant steps to recover all on-lent facilities owed Government. As at end-December 2018, total on-lent loans outstanding to various SOEs amounted to GH¢14,867.4 million, out of which an amount of GH¢4.4 million was recovered under existing on-lent facilities.

Table 19: Government On-lent Loans and Recoveries

Description	Outstanding Debt (GH¢'M)	o/w Arrears (GH¢'M)	Recoveries in 2018 (GH¢'M)
ECGD Facilities	490.5	490.5	-
Recoverable Loans	132.4	112.1	4.4
Newer On-lent Loans and Other Facilities	14,244.5	1,967.6	-
Total	14,867.4	2,570.2	4.4

Source: Ministry of Finance

347. It is worthy to note that recoveries on significant portions of signed on-lent agreements are yet to kick in, since their grace periods are yet to elapse. With respect to guarantees, none of the existing debt guarantees were called on in 2018. This is as a result of the Ministry's effort to strengthen its credit risk assessment framework, which is expected to forestall future potential risks of government in extending guarantees to SOEs. The outstanding stock of Government guarantees as at end-December, 2018 amounted to about GH¢2,348.9 million (US$ 487.1 million) as detailed in Table 20.

Table 20: List of Outstanding Guarantees

S/N	Beneficiary	Project Title	Currency	Disbursed Outstanding Debt (in original currency)	US$ Equivalent	GH¢ Equivalent
1	BOST	Supply of Equipment - BOST	USD	41.0	41.0	197.7
2	GPHA	Design, Civil and Dredging Works in the Ports of Takoradi, Ghana	XEU	187.2	214.1	1,032.5
3	GPHA	Design, Civil and Dredging Works in the Ports of Takoradi, Ghana II	XEU	134.5	153.9	742.2
4	VRA	Kuwait Fund Debt Relief Loan	KWD	6.2	20.2	97.4
5	VRA	Aboadze-Volta Transmission Line Project	KWD	1.4	4.5	21.7
6	GRIDCo	Financing of the Tumu-Han-Wa Transmission Project	XEU	26.4	30.1	145.4
7	GRIDCo	Financing of Sub-stations Reliability Enhancement Project (SREP)	XEU	20.3	23.2	112.0
	Total			**417.60**	**487.10**	**2,348.90**

Source: Ministry of Finance

Credit Risk Assessment for State Owned Enterprises (SOES)

348. As part of Government's effort to manage fiscal risk arising from issuance of guarantees and on-lent facilities to SOEs and public corporations, a credit risk assessment framework was developed and operationalised. The current framework is used to assess new requests for guarantees and on-lending facilities, and was applied to some selected energy sector entities in 2018.

349. In addition, an assessment was conducted on selected financial institutions seeking Government support towards the implementation of a Cedi-denominated mortgage and housing scheme. In all, six SOEs7 and five banks8 were assessed during the year under review, based on different request lines.

350. The outcome of the assessment showed that most of these public entities were considered to be between moderate and high risk rating. This was based on the fact that most of these entities have consistently operated at a loss and accumulated excessive debt in their efforts to sustain their operations.

351. Due to the identified risks mentioned above, specific mitigating measures must be put in place by the entities to improve revenue generation. These measures include, but are not limited to:

(a) improving collection from trade creditors;

(b) reducing stock of inventory;

(c) deepening governance systems;

(d) reducing administrative and operational cost; and

(e) improving compliance with regulations and accelerating all efforts to ensure complete compliance with the PFM Act.

7 The six SOEs namely: Volta River Authority (VRA), Electricity Company of Ghana (ECG), Ghana Water Company Limited (GWCL), Ghana National Petroleum Company (GNPC), Ghana Gas Company and Ghana Grid Company (GRIDCo)

8 The five banks are GCB Bank Limited, GHL Bank Limited, Republic Bank Ghana Limited (RBGH) and Stanbic Bank Ghana Limited

FINANCIAL REPORTING & COMPLIANCE

Financial Reporting

352. Stewardship is the primary objective of financial reporting and disclosure by both public and private businesses. When shareholders (owners) assign stewardship of their businesses to their board and management, they need to have the ability to ensure that management behaviour is aligned to their (owners') objectives; management devise strategies to make the best use of company assets; and the resources of the business are not misused.

353. The stewardship objective entails the availability and timely disclosure of accurate and adequate information that provides a foundation for a constructive dialogue between owners (shareholders) and management. This is deemed to be the sine qua non of modern businesses and a fundamental building block of good corporate governance.

354. The preparation and publication of audited financial statements is at the heart of the stewardship function. Financial reporting is considered as the best index of accountability and transparency among firms. Financial statements show the results of the stewardship of management, or the accountability of management for the resources entrusted to it. They inform the economic decisions of owners (shareholders) including the decision on whether to hold or sell their investment in the company. Even more importantly for governments as owners of SOEs and public corporations, the availability of audited financial statements enhances their capacity to effectively and efficiently manage fiscal risks that can potentially arise from the entities.

355. It is against this background that financial reporting and disclosure constitute an essential requirement of new Companies Act, 2019 (Act 992), Public Financial Management Act, 2016 (Act 921) and its associated Regulations (L.I. 2378) as well as the enabling Acts of some of the SOEs (statutory corporations) and other regulatory frameworks governing the operations and management of both public and private entities in various sectors of the Ghanaian economy.

356. The Public Financial Management Act (PFM Act, 2016) and its associated Regulations (L.I. 2378) which provide the over-arching framework for financial management in the entire public sector, also impose obligations on SOEs and other state entities to provide periodic reports on various aspects of their operations and management. Highlight of the key reporting requirements are provided below. Refer to Annex 1 for details of the relevant sections of the PFM Act (Act 921) for SOEs and public corporations.

(a) preparation of an annual account in respect of previous financial year by 28th February;

(b) submission of an audited financial statement in respect of previous financial year to the Minister for Finance by 30th April;

(c) submission of a record of outstanding debt and new borrowings including overdrafts and corporate debt securities issued to the Minister, not later than twenty working days after the end of each quarter;

(d) submission to the Minister annually and upon request a record of the total outstanding debt and borrowing operations; and any other record that the Minister may specify;

(e) submission to the Minister through the relevant sector Minister, a financial plan reflecting the proposed revenue and expenditure estimate in respect of the ensuing financial year;

(f) submission, at the end of every quarter and at any other time that the Minister and relevant sector minister may determine, of a report on their operations in relation to its approved business plan for the year; and any other matter that the Minister may specify;

(g) preparation and submission of a summary statement of financial performance of each public corporation to the Controller and Accountant-General, the Auditor-General; and the Minister.

Compliance

Status of Compliance

357. Over the years, compliance to the financial reporting requirements of the above-mentioned legislations and regulations by SOEs, OSEs and in some cases JVCs has been low. While generally the situation in 2018 was not significantly different from previous years, a few entities made strides in terms of clearing their arrears in connection with the auditing, and/or submission of their first audited financial statements in quite a few years.

358. The late finalization and publication of this report was due mainly to the late or non-submission of audited financial and other operational requested by MoF from the 130 entities on the books of GoG which were operational in 2018. Hence this report covers only the seventy-seven (77) entities which submitted the requested information. Of the 77 entities covered, 44 (57.14 percent) submitted audited financial statements for 2018, with the rest (33) submitting unaudited final or management accounts.

359. Two (2) publicly traded companies, CPC and PBC, had not completed the auditing of their 2018 financial statements by end of October, 2019. This clearly violates the regulations of the Ghana Stock Exchange (GSE). Table xxx below provides a breakdown of financial statements received by MoF.

Table 21: Breakdown of Financial Statement Received

SNR	CATEGORY OF ENTITY	TOTAL NUMBER OF ENTITIES	ENTITIES THAT SUBMITTED FINANCIALS	ENTITIES WITH AUDITED FINANCIALS
1.	State Owned Enterprises	48	36	15
2.	Other State Entities	40	16	9
3.	Joint Venture Companies	42	25	20
4.	**Total**	**130**	**77**	**44**

360. Of the 48 SOEs and 40 OSEs, 12 and 24 representing 25.00 percent and 60 percent of the total number of SOEs and OSEs respectively have not submitted financial statement for FY2018 in contravention of sections 80 and 95 of the PFM Act, 2016 (Act 921). Indeed, 6 SOEs and 22 OSEs have not submitted any financial statement for the FYs 2016, 2017 and 2018. Also, out of 42 JVCs on the books of GoG, 11 representing 26.19 percent have not submitted their financial statement for past three years to MoF contrary to the dictates of good corporate governance and international best practices. Please refer to Annex 2 for details of the status of financial statements received from the 129 entities for FYs 2016, 2017 and 2018.

361. Again, only 8 out of the 87 SOEs and OSEs (namely CPC, GCAA, GPHA, GSA, KACL, NTC, SHC, and VRA) submitted quarterly reports on their operations in relation to their 2018 approved business plan to the Minister as required by section 93 of the PFM Act. Also, only the seven (7) SOEs in the energy sector fully complied with section 77 of the PFM Act which requires them to submit to the Minister on a quarterly basis, a record of their outstanding debt and new borrowings including overdrafts and corporate debt securities issued.

362. On a positive note, it is refreshing to note that there has been significant improvement in the responsiveness of the entities covered to their financial auditing and reporting obligations. As already indicated above, 44 out of the 77 entities (about 57 percent) covered in this report submitted audited financial statements. This compares quite favourably with the situation in 2017 when only 5 out of the 49 entities (circa 10 percent) covered in the 2017 report submitted audited financial statements.

363. Also, some of the entities have, in recent years, made significant progress in clearing their arrear of unaudited financial statement, with some of them going back several years. These entities include CPC, ECG, GCMC, GTFCL, GWCL, PTS, TOR, and VLTC. Indeed, GTFCL, PTS and VLTC did not only clear their arrears but even more importantly concluded the auditing of their 2018 financial statement on schedule.

Reasons for Low Compliance

364. There are various reasons accounting for the low compliance of SOEs, OSEs and JVCs to the financial reporting standards required of them. First of all, there appears to be a general lack of responsiveness/ cooperation or wilful neglect on the part of SOEs, OSEs and some JVCs to comply with the reporting obligations imposed by the PFM Act and Regulations; Companies Act and other relevant regulations and enactments. This is in spite of efforts by MoF to not only sensitise the entities on their obligations but also facilitate their compliance by sharing a matrix summarising the obligations as well as a reporting template with the entities.

365. Secondly, some of the entities have cited the untimely appointment of external auditors by the Auditor-General as the main reason for their inability to meet the deadlines for submission of audited financial statements. There are instances where the appointments of the auditors are done well after the expiration of the deadline for submission of audited financial statements by SOEs and OSEs. Again, even when the external auditors are appointed on time, the auditing sometimes delays due to the prioritization of private companies over SOEs and OSEs by the auditing firms.

366. Also, some of the entities have limited or no capacity for financial accounting and reporting. The Finance Departments of some of the SOEs and OSEs lack the requisite personnel and systems to prepare and generate the various reports required of them in a timely manner. Finally, the strict enforcement of the sanctions and penalties provided for under the PFM Act will curb the persistent on-compliance.

Audit Service's Report on Auditing of SOEs

367. The editorial team for this report fielded a number of questions to the Audit Service relating to the challenges related to the auditing of SOEs and the responses are captured below.

(a) The recent history of non-compliance of SOEs, Public Corporations and other state bodies with the constitutional and other legislative requirements and timelines for auditing of their financial statements.

The first State Enterprises Commission was established by SMCD 10 in 1976 to supervise the operations of statutory corporations, review their objectives, initiate thorough management audit and determine the suitability of enterprise management of all the corporations. The Government of the Third Republic through the enactment of the State Enterprises Commission Act, 1981 (Act 433) replaced the then Commission with a new one.

Article 187(5) of the 1992 Constitution of the Republic of Ghana provides the timelines of auditing their financial statements and states that, "Auditor-General shall, within six months after the end of the immediately preceding financial year to which each of the accounts mentioned in clause (2) of this article relates, submit his report to parliament and shall, in that report, draw attention to any irregularities in the accounts audited and to any other matter which in his opinion ought to be brought to the notice of Parliament."

Section 84 of the Public Financial Management Act, 2016 (Act 921) further states that, "the Auditor-General shall, within six months after the end of each financial year, examine and audit the public accounts submitted under this Act in accordance with Article 187 of the Constitution and the Audit Service Act, 2000 (Act 584)."

In view of the above stated constitutional and legislative requirements, Regulation 193 to 205 of the Public Financial Management Regulations, 2019 (L. I. 2378) reiterates the application of these regulations with regards to State-Owned Enterprises and Public Corporations whiles Regulation 206 provides punitive measures in relation to non-compliance of these public corporations and state-owned enterprises.

(b) What is the current situation with the arrears on audited financials of SOEs, public corporations and other state bodies? Compare that with when the Auditor-General took office? What has been done so far to achieve the current situation?

A total of seventy-nine entities have been appointed for 2019 financial year whiles 2 entities (Ghana Railway Company Limited, Microfinance and Small Loans Centre (MASLOC) had arrears between 2013 to 2019 outstanding. For the 2018 financial year, a total of eighty-two entities were appointed including sixteen entities who had outstandings ranging from 2013 to 2018. However, 26 out of a total of 82 had partially or fully submitted their audited financial statements. Out of the 77 entities appointed for the 2017 financial year, 18 had outstanding arrears ranging from 2011 to 2017 leaving a total of 17 entities yet to submit their financial statements.

Table 22: Status of Auditing for Public Entities (October, 2019)

Audit Entities	2019 (Expected date 30th April, 2020)	2018	2017
Total Appointments made	81	82	77
Report Submitted to date	-	66	59
Arrears		16	18

***NB: Data as at October 31, 2019*

(c) What are the key reasons for the late auditing and non-auditing of financials of SOEs, public corporations and other state bodies? What accounts for the late appointments of external auditors for the entities?

Audit delay is generally defined as the excess time taken to audit a financial statement and it is measured by the length of time between the end of a firm's fiscal year and the date the auditor signs the report. It is important to identify whether it was management or the auditor who was responsible for the lack of punctuality in realising audited annual reports. It is also however unpolitic to hold either one of the two parties completely responsible for the lack of punctuality. The length of a company's reporting delay is the outcome of an interaction between the auditing firms' and the audited entities' which jointly determines the duration of the year end audit period. However, some key reasons for the late auditing and non-auditing are outlined below:

i. The unapologetic nature of certain board of directors to sign the audited accounts relating to the previous board of directors' fiscal period.

ii. Late submission of previous audit reports adversely affects the re-appointment of subsequent auditors.

iii. The inability of management to keep its account up to date. This prevents the auditors from immediately commencing a meaningful audit review as they have to spend some weeks bringing the accounts up to book.

iv. Unconstitutional directives by management in awarding external audits to 'the big 4s' solely attributed to meeting the international standards set out by donor-parties and other institutional investors.

v. Unforeseen delays in the procurement process for appointing auditors under the Public Procurement Act.

(d) What are the measures being put in place by the Auditor-General to ensure timely appointment of external auditors and auditing of the financials of SOEs, public corporations and other state bodies?

Limitations have been placed on the number of entities an external auditor would be appointed to audit. The audit firm base has been broadened to include more local firms accredited by the ICA Ghana.

Stakeholder conferences and workshops are being organised between external auditors and the Auditor-General to address institutional bottlenecks that affect the timeliness of audits.

Regular correspondence between the Auditor-General and external audit firms to provide audit updates to keep auditors on track.

External auditing firms are required to report entities who do not submit their draft accounts on time as required by the provisions under Section 80(2) of the Public Financial Management Act, 2016 (Act 921).

(e) How does the status of some SOEs as limited liability companies (LLCs) affect the mandate of the Auditor-General for auditing and reporting on financials of SOEs, public corporations and other state bodies to Parliament as required by Article 187 of the Constitution? What is the nature of relationship between the Auditor-General and SOEs set up as LLCs for the purpose of auditing and reporting on the financials of the latter?

The Auditor-General is mandated under Article 187(2) of the Constitution to audit the public accounts of Ghana and all public offices including any public corporation or other body or organisation established by an Act of Parliament.

Public Corporations are bodies corporate established under an Act of Parliament in accordance with Article 192 of the Constitution. PFM Act, 2016 (Section 202).

State-owned enterprises (SOEs) are entities whether incorporated or not under the Companies Act, 1963 (Act 179) whose shares are wholly or partially held or controlled by Government.

Hence, the mandate of the Auditor-General is not affected by the status of some SOEs as LLCs. The Auditor-General has, however, noted a level of misconception among certain SOEs as LLCs concerning the Auditor General's mandate to audit them, notable among them is VALCO and Tema Oil Refinery (ToR).

Current education is on-going with the assistance of the State Interests and Governance Authority (SIGA). Under Section 33(1)(c), it is an offence for any person to obstruct them in the performance of his function.

SPECIAL REPORT ON GHANA'S ENERGY SECTOR

368. Ghana's energy sector is an indispensably critical backbone of the Ghanaian economy. Our country's aspiration, as spelled out in the National Development Policy Framework (NDPF) 2018- 2021, with the theme 'Agenda for jobs: Creating Prosperity and Equal Opportunity for All" consistent with the vision to attain upper middle-income status by the year 2020, rests on the pillars of a reliable and consistent supply of energy in all its forms. This in turn is contingent upon a national energy policy that effectively addresses the major challenges facing the sector and eliminates or reduces energy-related impediments to tolerable levels, as the surest pathway to embedding an accelerated and sustainable growth of the Ghanaian economy.

369. Ghana's energy sector generally has been a reliable bulwark that has propelled the country's consistent, if uneven, growth over the past three decades. However, the economy over the same period has from time to time been plagued by power supply challenges that have impacted adversely on the country's economy. For instance, the World Bank ranked electricity as the second most important constraint to business activities in the country and estimated that Ghana lost about 1.8 percent of GDP during the 2007 power crisis (Mathrani, et al., 2013). Equally concerning, the University of Ghana's Institute of Statistical, Social and Economic Research (ISSER) in a 2014 publication estimated that Ghana, on average, lost production worth about US $2.1 million per day (or, US $55.8 million per month) through the last major power crisis (ISSER, 2015). On an annualised basis, it means the country lost about US $680 million (2 percent of GDP) in 2014 due to the power crisis.

370. The sector on a broader scale is made up of the power and petroleum, but there is a considerably significant sub-division within the two pillars. The power sector comprises of the generation, transmission and distribution networks. The petroleum sector is sub-divided into the Upstream, Midstream and Downstream. The modern Ghanaian state plays an important but an increasingly less domineering role in both sectors.

371. Consistent with Government's vision of the country becoming an energy hub in the sub-region, Ghana is increasingly becoming a powerhouse in the production and supply of energy. Within the shores of Ghana emanate energy products such as oil, natural gas, renewable fuels, as well as electricity from clean energy sources such as hydro, solar, and nuclear power. Apart from generation of which the wholly State-owned VRA was the dominant actor in 2018, State-owned companies dominated the transmission (GRIDCo), distribution (ECG) and the refinery (TOR) business.

372. Increasing demand and consumer advocacy and preferences have fostered innovation in the sector. The result is a supply chain capable of building, installing, and servicing most renewable energy technologies and in the process contributing to making Ghana an emerging energy hub. That is not to say the sector is without major, even potentially debilitating challenges.

Policy Oversight

373. The Ministry of Energy (MoEn) is responsible for the overall strategic policy direction for the whole energy sector. The Ministry of Energy thus formulates, implements, monitors and evaluates policies, guidelines, programmes and projects in the energy sector, which encompasses both the Power and Petroleum sub-sectors. MoF, prior to the establishment of SIGA represented the GoG as the sole shareholder of the energy sector SOEs and consequently play its fiduciary role. Additionally, MOF, consistent with its statutory obligations, bears the residual fiscal risks inherent in the sector. This usually entails MoF having to step in to provide funding support, be it legacy debt or recurrent expenditure as and when required. Recent such supports include the ESLA receivables-backed energy bond programme launched in 2017.

374. In contemporary times, several initiatives have been launched to address these challenges in the past, including:

a) the program of power sector reform published by Ghana in 1995,

b) the Strategic National Energy Policy for the period 2006-2026 (the "SNEP") published by the Energy Commission, and

c) the National Energy Policy, 2010 published by the Ministry of Power (the "2010 Policy");

d) the Ghana Renewable Energy (RE) Master Plan, 2019; and

e) the Gas Master Plan (2014).

Strategic National Energy Plan, (2006 -2020)

375. The goal of the SNEP is to "contribute to the development of a sound energy market that would provide sufficient, viable and efficient energy services for Ghana's economic development through the formulation of a comprehensive plan that will identify the optimal path for the development, utilisation and efficient management of energy resources available to the country". Accordingly, the SNEP outlines the following broad objectives as follows:

a) stimulate economic development by ensuring that energy plays a catalytic role in Ghana's economic development;

b) consolidate, improve and expand existing energy infrastructure;

c) increase access to modern energy services for poverty reduction in off-grid areas;

d) secure and increase future energy security by diversifying sources of energy supply;

e) accelerate the development and utilization of renewable energy and energy efficiency technologies;

f) enhance private sector participation in energy infrastructure development and service delivery;

g) minimize environmental impacts of energy production, supply and utilization;

h) strengthen institutional and human resource capacity in the energy sector, including indigenous research and development capacities;

i) improve governance of the energy sector;

j) sustain and promote commitment to energy integration as part of economic integration of West African states.

k) engage private-sector expertise to improve ECG's technical and commercial operations.

National Energy Policy, 2010

376. The National Energy Policy outlines the goals and challenges of the power, petroleum and renewable energy sub-sectors. It examines the role of waste-to-energy projects in the energy sector, the energy issues as relate to gender, environment and conservation and improved energy efficiency through good future management of the energy sector. The 2010 Energy Policy is the official policy of Ghana with regards to the energy sector, and is intended to serve as:

a) decision-making platform for the effective management and development of Ghana's energy sector;

b) guide to key stakeholders and institutions in the energy sector highlighting the definition and implementation of key activities in respect of their mandates;

c) guide for coordinating the implementation and monitoring of energy sector policies; and

d) platform for dialogue on investment opportunities with Ghana's development partners and the private sector.

377. The main policy objectives and strategies specified by the National Policy are enumerated below:

a) secure long-term fuel supplies for thermal power plants;

b) reduce technical and commercial losses in power supply;

c) support the modernization and expansion of generation capacity, transmission infrastructure and distribution infrastructure to improve reliability and meet growing demand;

d) increase access to modern forms of energy;

e) improve the overall management, regulatory environment and operation of the energy sector;

f) minimize the environmental impacts of energy supply and consumption through increased production and use of renewable energy and make energy delivery efficient;

g) ensure cost recovery for energy supply and delivery;

h) ensure the productive and efficient use of energy;

i) promote and encourage private sector participation in the energy sector; and

j) diversify the national energy mix by promoting renewable, nuclear and coal energy sources.

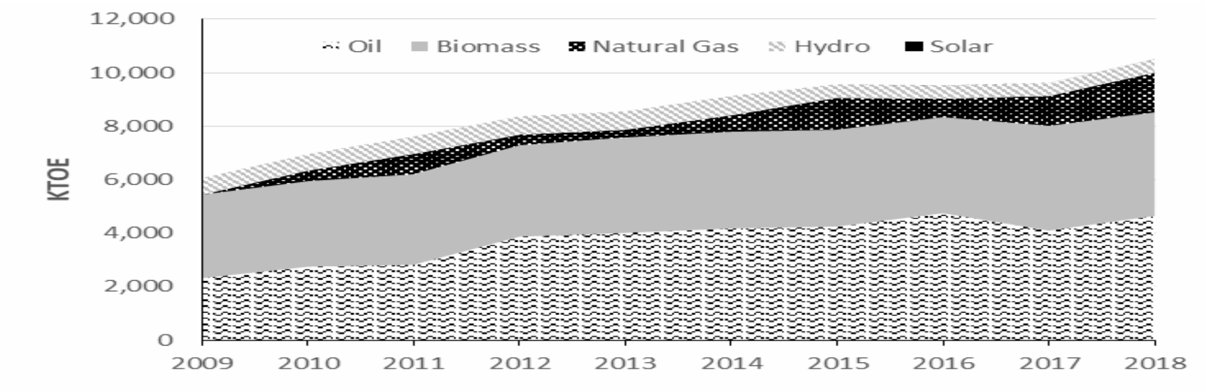
Ghana Renewable Energy (RE) Master Plan, 2019

378. By virtue of its abundant hydro resources, Ghana boasts of an impressive repertoire of clean energy in its total energy mix, with about 43.2% installed capacity coming from hydropower in 2015, according to the Energy Commission and a corresponding grid emission factor of 0.33 tCO_2/MWh in the same year. This has in no way made government complacent, and to demonstrate its determination to embed the renewable energy revolution, Ghana has launched a comprehensive programme to provide a formal pathway "to help to develop the country's renewable energy resources to continue to keep it clean, reduce dependence on imported fuels for power generation, while at the same time, contribute power towards the energy needs of the country for accelerated economic development".

379. The Renewable Energy Act, 2011 (Act 832) represents a key landmark in the country's renewable energy revolution, paving the way for policies and strategies that have contributed to increasing investments from both the public and private sectors. On the solar front in RE, some successes have been made in the small-scale solar PV (for rooftop and lantern applications), grid-connected systems, and to some extent solar water heating systems in the hospitality industry. About 42.5 MW utility scale solar PV systems have been connected to the national grid. According to the Ministry of Energy, a few biomass-based industries have installed combustion technologies for the generation of heat and power from biomass waste and some biogas installations exist, albeit with varying levels of success. There is scope to expand the renewable energy sector.

380. The Ghana Renewable Energy Master Plan published by the Ministry of Energy in February 2019 lays out in comprehensive terms Government's vision, goal and objectives of the renewable energy sector. In line with Section 2 of the Renewable Energy Act, 2011 (Act 832), Renewable Energy is defined as energy obtained from non-depleting sources including wind, solar, hydro, biomass, biofuel, landfill gas, sewage gas, geothermal energy, ocean energy, and any other energy source designated by MoEN.

Figure 12: Trends in Primary Energy Supply



Source: Energy Commission

381. The vision of the Renewable Energy Masterplan is to develop the renewable energy sector with the capacity to sustainably utilise resources and transform Ghana into a country with expertise in renewable energy research, production, and services. The goal of the Renewable Energy Masterplan (REMP) is to provide investment-focused framework for the promotion and development of renewable energy resources for economic growth, improved social life and minimize the adverse effects of climate change. The REMP aims to:

(a) increase the proportion of renewable energy in the national energy generation mix from 42.5 MW in 2015 to 1,363.63 MW by 2030 (with grid connected systems totaling 1,094.63 MW);

(b) reduce the dependence on biomass as main fuel for thermal energy applications;

(c) provide renewable energy-based decentralized electrification options in 1,000 off-grid communities; and

(d) promote local content and local participation in the renewable energy industry.

382. The REMP will be implemented in three (3) cycles with the first cycle (or transition phase) running from 2019 to 2020. Subsequent cycles will run from 2021 to 2025 and 2026 to 2030 respectively (see Table 23 below). Each cycle will be reviewed in the last year of implementation and the outcome used to improve the implementation of the next cycle.

Table 23: Installed Capacity by Energy Source

Year	Off-grid		On-grid			Mini-Grid		Total Installed
	Solar	Wind	Dist. SPV	Utility Solar	W2E	Solar	Wind	
2013	-	-	494.6	2,500.0	-	-	-	2,994.6
2014	1,350.0	-	442.8	-	-	-	-	1,792.8
2015	4,002.7	20.0	700.1	20,000.0	100.0	256.0	11.0	29,089.8
2016	1,238.3	-	2,626.3	-	-	-	-	3,864.6
2017	677.5	-	4,265.9	-	-	58.3		5,001.7
2018*	4.2	-	8,601.7	20,000.0	-	-	-	28,605.8
Total	**7,272.7**	**20.0**	**17,131.4**	**42,500.0**	**100.0**	**314.3**	**11.0**	**71,349.3**

**Provisional   Source: Energy Commission   Solar PV; W2E = Waste – to – Energy Source. NB: Dist. SPV = Distributed*

383. The utilities will play key roles, especially in relation to utility scale projects. VRA, BPA and the Renewable Energy Authority (yet to be established) will be encouraged to grow and expand the renewable energy electricity space through public sector led investments and or through

public private partnerships. GRIDCo will drive strategic investments and expansion of the National Interconnected Transmission System (NITS) in line with provisions defined in the 'Renewable Energy Sub-Code and the National Grid Code' to accelerate the interconnection of utility renewable energy projects.

384. The Renewable Energy Purchase Obligation (REPO) will be implemented to ensure that the distribution companies – ECG, NEDCo, and Enclave Power Company (EPC) – and all other bulk customers integrate electricity generated from renewable resources in their distribution and consumption mix. ECG, NEDCo and EPC will also ensure that net-metered systems have access to the distribution grid, in line with the 'Net-Metering Code'.

385. Private sector investment is at the centre of the REMP. In addition to government and donor-led programmes, the private sector investments toward achieving the targets in the REMP, especially, utility scale projects, will be given priority. Manufacturing and assembling of renewable energy technologies is pivotal to the overall success of the REMP. This will not only stimulate sustainable growth of the sector, but also contribute to the overall development of the West African renewable energy market. Manufacturing and assembling along strategic links in the renewable energy value chain in the REMP would be fully implemented in accordance with the Local Content Policy for the sector and to boost local production, both state sponsored and private sector renewable energy projects would source a minimum 20% of goods from the local market (where applicable) in the medium term. In recent times, due to the fact that supply has outstripped demand in electricity generation, all already signed utility scale solar PPAs will be exhaustively executed before new private sector investment in new utility scale solar generation will be considered.

Power Sector

386. Per the MoEn's Medium Term Expenditure Framework (MTEF) for 2018 -2021, the policy objectives for the power sector are as follows:

a) increase the generating capacity of power;

b) provide adequate reliable safe affordable and sustainable power;

c) promote the production & distribution of electricity from all clean energy sources;

d) develop renewable energy law to incentivize investments in renewable technologies;

e) formulate policies to reduce greenhouse gases emission;

f) harmonize energy policies ensure better collaboration & coordination; and

g) reduce accident cases from energy usage

387. The state-owned power utilities continue to play a key role in the power sector despite the increasing private sector participation in recent years. Efficiency in the power sector is also a key area of focus for the various actors in the sector. Ghana's power consumption continued to grow, underlining the need to expand power generation capacity and improve access to power in recent years.

388. The power sector has witnessed major reforms over the past decade. Especially noteworthy is the separation of generation and transmission functions previously carried out by VRA. Out of VRA emerged the Ghana Grid Company Limited (GRIDCo) with a specific mandate to operate the transmission system. In the aftermath of the reforms, the power utilities became specialized entities focusing on one of the three areas of core activity along the power value chain. VRA maintained its generation assets including Akosombo, Kpong, and Aboadze, and now focuses almost exclusively on generation. ECG (as of 2018) and NEDCo continued to focus exclusively on distribution.

389. As stated above, the country's power market is compartmentalised, with generation at the core of VRA's business, whilst GRIDCo handles transmission. Distribution is handled by ECG and NEDCo, a subsidiary of VRA. ECG delivered power to customers in the southern half of the country, while NEDCo delivered power to customers in the northern half. The reforms also emphasized decentralization at the distribution level, paving the way for the market to embrace more distributors, with each operating in a defined geographic service area.

390. Consequently, a major new entrant in the shape of Power Distribution Services Ghana Limited (PDS) was granted a license to operate in the Southern Distribution Zone in the year under review, but its eventual debut was not to happen until the 1st Quarter of 2019. Another notable outcome of the reforms was the emergence of independent power producers (IPPs) into the generation market, creating a competitive power generation market. Combined with open access to transmission, also facilitates a bulk power trading market.

Legal Framework

391. The sector-specific legislations governing the power sector include:

(a) The Energy Commission Act, 1997 (Act 541), which established the Energy Commission as a multi-sector regulator responsible for regulating, managing, and developing Ghana's energy resources;

(b) The Public Utilities and Regulatory Commission Act, 1997 (Act 538), which established the PURC as an independent regulatory, responsible for regulating the provision of utility services to consumers;

(c) The Volta River Development Act, 1961 (Act 46), which established the VRA and outlines its composition, functions and general regulatory guidelines. The Volta River Development (Amendment) Act, 2005 (Act 692) amended the Volta River Development Act to provide for the unbundling of the VRA;

(d) The Renewable Energy Act, 2011 (Act 832), which regulates the development, management and utilization of renewable energy sources; and

(e) The Bui Power Authority Act, 2007 (Act 740) established BPA to plan, execute and manage the Bui Hydroelectric Power Project.

392. The sector-specific regulations promulgated by the EC and the PURC that govern the power sector are:

(a) The Electricity Supply and Distribution (Technical and Operational) Rules, 2005 (L.I. 1816), which outline specific operational guidelines for power distribution in Ghana. These were expanded by the Electricity Supply and Distribution (Technical and Operational) Rules, 2008 (L.I. 1935).

(b) The Electricity Regulations 2008 (L.I. 1937) regulate the wholesale electricity market. The Electricity Transmission Rules 2008 (L.I. 1934) establish requirements and procedures related to the high voltage interconnected transmission systems.

(c) The Public Utilities (Consumer Service Committee) Regulations 2002 (L.I. 1704A) establish and governs the Public Utilities Consumer Service Committee of the PURC.

(d) The Public Utilities (Complaints Procedure) Regulations 1999 (L.I. 1665) establish the PURC's procedures for receiving and addressing consumer complaints.

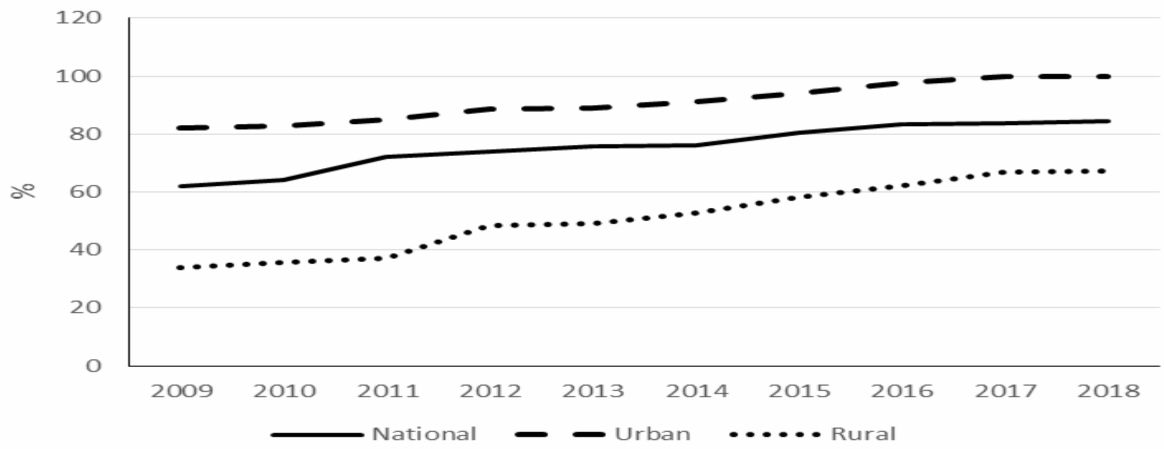
(e) The Public Utilities (Termination of Service) Regulations 1999 (L.I. 1651) govern utility termination and reconnection procedures.

(f) The National Electricity Grid Code, 2009 regulated the supply, transportation and delivery of electricity over the NITS.

393. Ghana ranks highly among countries on the African continent with high electricity access. The available statistical evidence shows that with over 80% access, compared to the sub-Saharan average of 36%9, Ghana lags only South Africa as the nation with the highest electricity access amongst sub-Saharan African countries, notwithstanding the periodic shortfalls that have affected our country's energy supply, such as the most recent one experienced in the years 2014 -2016.

394. The high access rate underscores the significant progress made, despite all the imperfections, since Ghana committed itself to achieving universal access to electricity. The aspiration to attain a universal access to electricity goes as far back as 1989, a time when a relatively small (an estimated 20%) percentage of Ghanaians, mainly city dwellers in the major industrialised capital cities of Accra/Tema, Kumasi and Sekondi/Takoradi had access to electricity. However, in spite of the notable progress made, it is certainly the case, with the benefit of hindsight, that the 2020 target for achieving universal access to electricity is quite ambitious.

Figure 13: Access to Electricity (2009 – 2018)



395. Consequently, in recent times, MoEn has prudently recalibrated the target to reach universal access by 2030, in line with the aims of Sustainable Development Goal (SDG) 7.1 (global universal electrification access) predicated among others on the implementation of 55 new mini-grids for Islands and Lakeside communities in the Sene East, Krachi East and West, Pru, Nkwanta North and South, Gonja Central, East and West and Krachi Nchumuru Districts from 2020, under a $230 million 'Investment Plan for the Scaling -Up Renewable Energy Programme' to be funded by the Climate Investment Funds.

396. There is no denying that the achievement of the impressively high electricity access rate was enabled in a significant way by the policy outcomes occasioned by the National Electrification Scheme (NES) and the Ghana Energy Development and Access Project (GEDAP). Under the NES, the National Electrification Master Plan was established with a detail lay out of strategies to achieve universal electricity coverage throughout the country by 2020. During the first phase of the NES, all District Capitals were connected to the grid. Under Self-Help Electrification Scheme (SHEP), the communities seeking to be connected to the national grid earlier than scheduled in the National Electrification Master Plan were encouraged to contribute some of the logistics required to complement government's efforts. This made electricity extension to some communities take place earlier than would have been the case, were it left to government alone to bear the full cost of the programme.

397. GEDAP, which commenced in 2007 and funded by the World Bank, had as its principal objective the improvement in the operational efficiency of the electricity distribution system so as to increase the population's access to electricity through improving the distribution network to reduce losses, enhance the capacity of the managers of the distribution system and introduce renewable energy as a means of improving access to electricity. Also NES was established to oversee and implement the National Electrification Master Plan which sought to extend electricity to every part of the country by the year 2020. Through programmes like the SHEP, the scheme has been able to extend electricity to over 80 percent of the population as at the end of 2018.

Table 24: Access to Electricity (1990 – 2018)

Year	Access (%)	Year	Access (%)
1990	23.54	2005	54.73
1991	25.69	2006	55.09
1992	27.84	2007	58.79
1993	30.60	2008	60.50
1994	32.13	2009	62.94
1995	34.26	2010	46.70
1996	36.38	2011	64.06
1997	38.48	2012	69.29
1998	42.60	2013	70.70
1999	42.63	2014	78.30
2000	44.68	2015	75.72
2001	46.70	2016	79.30
2002	48.71	2017	82.88
2003	48.30	2018	84.30
2004	52.72		

Source: Ghana Statistical Services, Ministry of Energy and the Energy Commission. NB: Based on Average of 90% daily availability

398. Over the past two and half decades, there has been a significant jump in electricity consumption, which has ultimately induced an increase in electricity generation and a marked change in the energy mix toward increased reliance on thermal generation. Notwithstanding the far-reaching reforms, Ghana has not been spared the harsh realities of demand for electricity outstripping supply in recent past as the huge increase in consumption has not always been matched by available generation capacity, a deficit that has intermittently resulted in power rationing symbolized the phenomenon known as "Dumsor".

399. As commendable as the achievements made towards universal access undoubtedly is, it is worth pointing out that high electricity access is not synonymous with Ghanaian consumers having a reliable and affordable electricity. And therein lies the constraints that have afflicted the counties power sector for three decades now as the power sector has been prone to intermittent bouts of unreliable power supply. Ghana suffered severe power rationing/load shedding in the years 1983–1984, 1997–1998, 2003, 2006–2007, 2014 to 2016, all of which, to varying degrees of magnitude, are largely attributed to fuel supply challenges including the low levels of water in the Akosombo dam and natural gas shortages.

400. With regard to the last major power crisis over the period 2012 up to 2016, measures taken to address it and forestall its recurrence in the near future led to a frantic generation capacity over-contracting, ushering in an era where more than half of installed capacity was run on liquid fuel or gas and such capacities were owned by the private sector. As a corollary, however, the zeal in trying to resolutely fix the generation challenge brought its own unintended consequences in the form of a supply glut with a resultant idle capacity. The 'take or pay' nature of some of the contracted Power Purchase Agreements (PPAs) translates into actual payments for capacity charges even when the plants involved are not dispatched by GRIDCo, on the basis of low demand relative to supply. This has substantial cost implications for ECG and government as shown in Table 25 below.

Table 25: Details of Current PPAs

YEAR 2017					
Power Producers	**Total Power Generated (kWh)**	**Contracted Energy (kWh)**	**Capacity Rate USD/kWh**	**Idle Energy (kWh)**	**Cost of Idle Power (USD)**
Karpower	1,787,685,450.00	2,414,475,000.00	6.3414	626,789,550.00	39,747,232.52
AKSA	797,245,101.90	1,1185,313,320.00	4.5000	388,068,218.10	17,463,069.81
CENIT	59,183,000.00	963,600,000.00	4.2203	904,417,000.00	38,169,110.65
	TOTAL			**1,919,274,768.10**	**95,379,412.98**
					419,669,417.11
JANUARY - MARCH, 2018					
Karpower	855, 779,820.00	965,790,000.00	6.3414	110,010,180.00	6,976,185.55
AKSA	347,452,300.00	489,465,000.00	4.5000	142,012,700.00	6,390,571.50
CENIT		240,900,000.00	4.2203	240,900,000.00	10,166,702.70
	TOTAL			**492,922,880.00**	**23,533,459.75**
		CEDI EQUIVALENT OF TOTAL			**105,900,568.88**

401. Following a review of the PPAs which resulted in a downward revision of the cost entailed in some of the contracted PPAs, a moratorium was placed on the signing of new PPAs altogether. The challenges in the energy sector that require immediate intervention are mainly in the power and downstream petroleum sub-sectors. The upstream petroleum sector and even the Distribution and Transmission sub-sectors under the Power sector can be expected in the near future to be on a reasonably sound footing, especially given the Private Sector Participation (PSP) in ECG and recent expansion in the transmission network by GRIDCo.

Demand and Supply Dynamics of the Power Sector

402. From an almost 90 percent dependence on hydro-electric power generation, particularly the Akosombo and Kpong Hydro Plants, Ghana's energy mix based on installed capacity as at December 2016 was 42.9 percent Hydro, 56.9 percent Thermal and 0.2 percent Renewable (solar), a situation which has occasioned an increase in generation cost and, hence, consumption tariffs.

Key Actors in the Power Sector

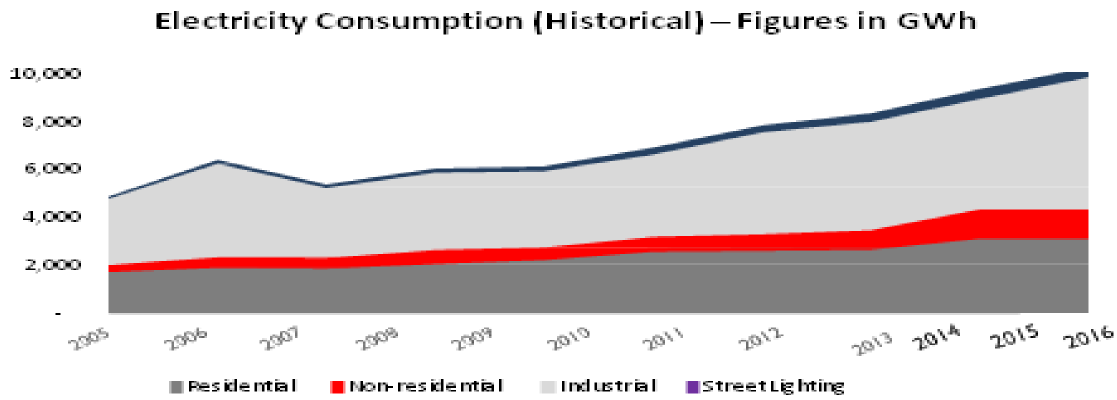
403. The summary of the role of the key stakeholders in the power sector is provided below.

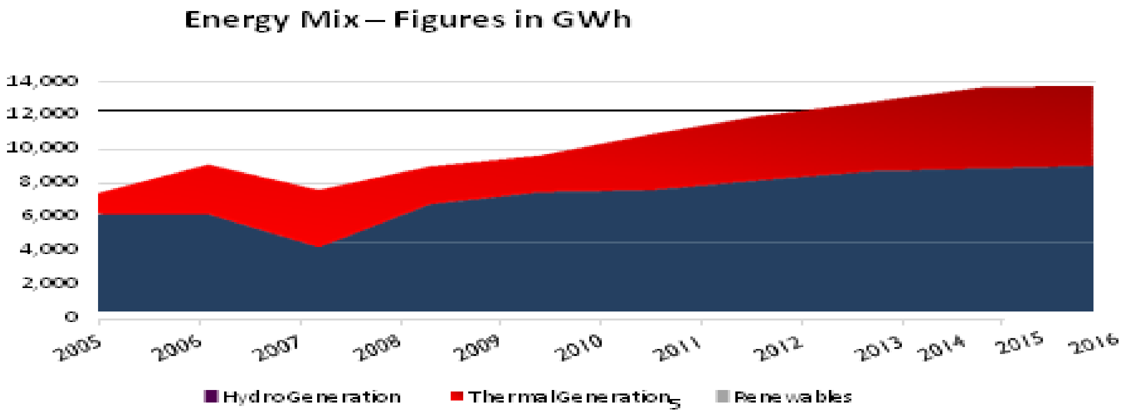
Current Players	Key Responsibilities
Volta River Authority (VRA)	■ Power Generation
Bui Power Authority (BPA)	■ Power Generation
Independent Power Producers (IPPs)	■ Power Generation
Ghana Grid Company (GRIDCo)	■ Power Transmission
Electricity Company of Ghana (ECG)	■ Power Distribution (Southern Ghana)
Northern Electricity Department (NEDCo)	■ Power Distribution (Northern Ghana)
Ministry of Energy	■ Policy development and direction
Public Utilities Regulatory Commission (PURC)	■ Licenses and regulates Power Utility Service Providers, approve electricity tariffs and monitors service quality.
Energy Commission	■ Provides policy advice to the Minister for Energy, licenses operators in the power sector except the generators and sets technical standards for their performance.
Ministry of Finance	Provides financing support for the sector
Ministry of Finance	■ Provides financing support for the sector

Power Generation System

404. Ghana in the main relies on two major power generation systems: hydroelectric plants and thermal plants. Hydroelectric facilities in Ghana are located at Akosombo, Bui and Kpong. The Akosombo and Kpong hydroplants, owned by VRA, contribute close to 60 percent to the generation capacity in the country, while a collection of thermal plants, including combined-cycle gas turbine plants, simple-cycle gas turbine plants, and diesel generators are also within the generation mix, contributing the remaining 40 percent of generation capacity. The Bui Dam hydropower, with its installed capacity of about 400MW, gives a dependable capacity of between 200 to 220MW.

Figure 14: Ghana's Energy Mix (2005 – 2016)





Source: Energy Commission

405. Currently, the Volta River Authority operates most of the generation plants in Ghana, with the exception of Bui Power and the largely privately owned Takoradi Thermal Power Plant- T2 (TICO). Other sources of renewable energy, apart from hydro, are increasingly assuming greater importance, partly as a result of a global trend towards clean energy to ward off environmental concerns, currently contributes no more than 3 percent to the generation mix, with plans for it to be scaled to 10 percent.

Volta River Authority

406. The Volta River Authority (VRA) was established on April 26th 1961, under the Volta River Development Act, 1961 (Act 46). VRA's original mandate was to generate, transmit and distribute electricity. However, reforms in the power sector saw the Authority's mandate in 2005 being largely restricted to electricity generation. This was in the wake of the promulgation of a major amendment to the VRA Act. The amendment in the broad scheme of the Power Sector Reforms paved the way for the entry of Independent Power Producers (IPPs) into the Ghana Energy market.

Table 26: Current Power Generation Capacity Data (End- 2018)

Plant	Installed Capacity (MW)	Dependable Capacity (MW)
Hydro		
Akosombo	1020	900
Kpong	160	140
Bui	400	360
Total	**1580**	**1400**
Thermal		
Takoradi Power Company (TAPCO)	330	300
Takoradi International Company (TICO)	340	320
Tema Thermal 1 Power Plant (TT1PP)	110	100
Cenit Energy Ltd	110	100
Sunon Asogli Power (Ghana) Limited	560	520
Tema Thermal 2 Power Plant (TT2PP)	80	70
Kpone Thermal Power Plant	220	200
Karpowership	470	450
Ameri Plant	250	230
Trojan*	44	40
Genser*	22	18
AKSA	370	350
Cenpower	360	340
Total	**3266**	**3038**
Renewables		
Safisana Biogas*	0.1	0.1
VRA Solar*	2.5	2
BXC Solar*	20	16
Mienergy*	20	16
Total	**42.6**	**34.1**
Grand Total	**4888.6**	**4472.1**

*Source: GRIDCo and ECG/PDS; - means power plant is not available; *connected at the sub-transmission level;*

Table 27: Electricity Import, Export and Net Import

Item	2009	2010	2011	2012	2013	2014	2015	2016*	2017*	2018
Import	198	106	81	128	27	51	223	745	320	140
Export	752	1036	691	667	530	522	587	187	268	740
Net Import	**-554**	**-930**	**-610**	**-539**	**-503**	**-471**	**-364**	**558**	**52**	**-600**

Negative net import' means net export Source: Energy Commission

407. VRA runs a thermal plant at Takoradi and generators at Tema and currently manages the Government of Ghana's equity share in the West Africa Gas Pipeline Project. As already stated, following the amendment, the transmission function became Ghana Grid Company (GRIDCo), while VRA's distribution agency, the Northern Electricity Department (NED), established in April 1987, assumed a new status as the Northern Electricity Distribution Company (NEDCo), a stand-alone, wholly-owned, subsidiary of VRA.

408. The Authority solely operates a total installed electricity generation capacity of 2,600MW, from the Akosombo and Kpong Generation Stations, both located on the Volta River with 1,020MW and 160MW, respectively; with a complement of 2.5MW Solar PV Plant located in Navrongo. VRA also owns a number of thermal plants located in Aboadze near Takoradi, and within the Tema enclave, with a capacity of 1,292MW. These thermal facilities operate on a combined cycle and include the 330MW Takoradi Thermal 1 (T1) Power Plant; 340MW Takoradi Thermal 2 (T2) Power Plant, which is a Joint Venture (JV) between VRA and TAQA from Abu Dhabi; a 110MW Tema Thermal 1 Power Plant (TT1PP); a 80MW Mines Reserve Plant (MRP); 49.5MW Tema Thermal 2 Power Plant (TT2PP); 38MW Tema Thermal 2 Plant Expansion (TT2PP-X); a 220MW Kpone Thermal Power Plant (KTPP); and a 250MW Ameri Power Plant.

409. Previously VRA generated power mainly from hydro sources specifically from the Akosombo and Kpone dams until 1997 when electricity demand outstripped the capacity of the hydro generating system. With the support of the World Bank, the VRA expanded their operations to include a Thermal Power Station at Aboadze, Takoradi in 1998 in addition to Generator plants in 2008.

Table 28: VRA Installed Generation Capacity

Plant	Installed Capacity (MW)	Dependable Capacity (MW)	Type of Plant	Fuel Type
Akosombo	1,020	900	Hydro	Water
Kpong	160	140	Hydro	Water
TAPCO - T1	330	300	Thermal	Gas/LCO
TICO - T2	340	320	Thermal	Gas/LCO
Mines Reserve Plant - MRP (Decommissioned)	80	0	Thermal	Gas
Tema Thermal 1 Plant - TT1PP	110	100	Thermal	Gas/LCO
Tema Thermal 2 Plant - TT2PP	49.5	45	Thermal	Gas
Tema Thermal 2 Plant Expansion - TT2PP-X	38	32	Thermal	Gas
Kpone Thermal Power Plant - KTPP	220	200	Thermal	Gas/DFO
Ameri Power Plant	250	230	Thermal	Gas
VRA Navrongo Solar Plant	2.5	-	Solar	Sunlight
TOTAL CAPACITY	**2,600**	**2,267**		

*"LCO - Light Crude Oil | *DFO - Distillate Fuel Oil | *HFO - Heavy Fuel Oil"*

Power Production: Review of VRA's Performance in 2018

410. The total electricity generated from both hydro and thermal sources decreased by 157 GWh (0.2%) from 7,458GWh in 2017 to 7,438GWh in 2018. This includes generation and transmission substations use of 37GWh (2017:74GWh). Generation from hydro sources increased by 10GWh (0.2%) from 5,034GWh in 2017 to 5,044GWh in 2018. Thermal generation, however, declined by 7% (167GWh) from 2,404GWh in 2017 to 2,237GWh in 2018. The Thermal generation includes 873GWh of energy from the Ameri plant (2017:1229GWh). VRA's 2018 generation from solar plants was 2 GWh (2017:3GWh).

411. To supplement generation from VRA's own plants, gross power of 2,351GWh (2017: 2,136GWh) was purchased from Compagnie Ivoirienne d' Electricite (CIE) OF Cote d' Ivoire and Takoradi International Company Limited (TICO) of Ghana. This represents a decline of 10% (215GWh) from the 2017 power purchase from TICO and CIE.

Table 29: Summary of Power Generated and Purchased by VRA in 2018 and 2017

	Summary of energy generated and purchased in 2018					
	2017		2018		Change	
	GWh	%	GWh	%	GWh	%
VRA Hydro:						
Akosombo	4282	0.45	4273	0.44	-9	0
Akuse	752	8%	771	8%	19	3%
	5034	53%	5044	52%	10	0%
VRA Thermal:						
TTPS	686	7%	730	8%	44	6%
TTIPP	365	4%	314	0.03%	-51	0.14
TT2PP			3	0%	3	0%
T3						0
MRPP						0
KTPS	124	1%	317	3%	193	156%
AMERI	1229	13%	873	0.09	-356	-29
	2404	25%	2237	0.23	-167	-7
Total VRA Hydro & Thermal	7438	78%	7281	76%	-157	-211%
VRA Solar:						
NSPS	3	0	2	0%	-1	
	3	0	0.02	0%	-1	-33
Total Energy by VRA	7441	78%	7283	76%	-158	-2
Purchases % Imports						
TICO	1880	2%	2211	23%	331	18%
CIE	256	3%	140	1%	-116	-45
	2136	22%	2351	24%	215	1%
Total Energy Generated & Bought	9,577	100%	9,634	100%	57	1%

Source: VRA

Bui Power Authority (BPA)

412. Bui Power Authority (BPA) is a state-owned agency mandated to implement, manage and operate the Bui Hydroelectric Power Project. BPA commenced operations in December 2013, adding 400MW to the existing generation capacity. BPA was established by the Bui Power Authority Act, 2007 (Act 740), with a mandate to plan, execute and manage the Bui Hydroelectric

Project and its responsibilities include:

(a) generation of electrical power for general industrial and domestic use;

(b) construction of a transmission system linked to the national grid;

(c) supply of electrical power to certified and licensed utility companies; and

(d) promotion of activities consistent with the provision of facilities for multipurpose uses such as agro businesses, fisheries and tourism.

413. While the Bui Hydroelectric Project was designed primarily for hydropower generation, it also entails the development of an irrigation scheme for agricultural development and leveraging the project for enhanced ecotourism and fisheries. It also includes a Resettlement and Community Support Program.

Table 30: BPA Installed Generation Capacity

Plant	Installed Capacity (MW)	Dependable Capacity (MW)	Type of Plant	Fuel Type
Bui Dam	400	340	Hydro	Water

Table 31: Bui Dam Month End Elevation (Feet)

Month	2014	2015	2016	2017	2018
January	576.2	581.5	585.8	576.9	576.9
February	570.5	578.3	580.1	572.8	572.8
March	565.0	574.4	574.0	565.2	565.2
April	558.8	571.4	565.0	561.5	561.5
May	553.6	567.0	554.4	559.0	559.0
June	550.9	562.6	552.2	556.8	556.8
July	551.7	557.5	552.3	556.7	556.7
August	554.3	555.4	554.0	559.2	559.2
September	559.4	560.6	563.2	564.1	564.1
October	572.1	574.8	580.7	575.6	575.6
November	584.0	591.6	585.2	578.8	578.8
December	583.6	590.6	581.0	576.3	576.3

Source: VRA

Independent Power Producers (IPPs)

414. The IPPs also termed Non-Utility Generators (NUGs) are privately owned power generating entities that produce electric power to feed the power distributions system (ECG) in Ghana and, in some cases, for sale to VRA or directly to end-users. Their activities are normally backed by a PPA, which they execute with the off-taker in line with PURC regulations. This list of operational IPPs are shown in table 26 above.

Power Transmission System

415. The increase in generation capacity required corresponding improvement in the power transmission and distribution system network to accommodate the load factor and, in effect, ensure efficient power supply in the country. The transmission system is an interconnected network that supports the bulk transfer of electricity over long distances from generation facilities to distribution centres called bulk power distribution substations. The Ghana Grid Company (GRIDCo) is in charge of transmission in Ghana.

416. While the generation role entails making sure that electricity is available when customers demand it, the transmission role involves making sure that electricity is available where customers need it. Ghana's high voltage transmission network connects generation sites in Akosombo, Aboadze, Kpong, and Tema to the various load centres around the country. The network features more than 4,000 kilometres of high voltage electric transmission lines that connect more than 40 substations.

417. The main backbone of Ghana's transmission system is a network of 161 kV lines and substations. This primary network is supplemented with a sub-transmission system of 34.5 kV lines and a single 69 kV line in the lower Volta region – the 34.5 kV network is sometimes classified as distribution. Ghana's high voltage transmission system interconnects with Togo and Benin via a 161 kV transmission line15, and with Cote d'Ivoire via a 225 kV transmission line16. A small network of low-voltage lines connects Ghana to the border towns of Po and Leo in Burkina Faso and Dapaong in Togo. These cross-border interconnects allow Ghana to traded power with its neighbouring countries.

Ghana Grid Company Limited (GRIDCo)

418. The Ghana Grid Company Limited (GRIDCo) is a state-owned entity with a mandate to operate and manage the Ghana's transmission system more formally known as National Interconnected Transmission System (NITS) as an Independent System Operator (ISO) and to also serve as the Market Administrator for the Electricity Market. GRIDCo is expected to principally carry out the economic dispatching and transmission of electricity from facilities of wholesale suppliers to bulk customers and distribution utilities in Ghana and West Africa. GRIDCo was established in accordance with the Energy Commission Act, 1997 (Act 541) and the Volta River Development (Amendment) Act, 2005 (Act 692). It was incorporated as a private limited liability company under the Companies Code, 1963, Act 179. The company became operational following the transfer of the core staff and power transmission assets from VRA to GRIDCo.

419. GRIDCo has been licenced by Energy Commission to exclusively operate the NITS and has operated and maintained the NITS since its operationalisation in August, 2008. GRIDCo transmits electricity to thirty-two (32) Bulk Customers and Distribution Utilities from nine (9) Wholesale Suppliers. The summary of the core function of GRIDCo include:

(a) undertaking economic dispatch and transmission of electricity from wholesale suppliers (generating companies) to bulk customers, which include the Electricity Company of Ghana (ECG), Northern Electricity Distribution (NEDCo) and the Mines;

(b) providing fair and non-discriminatory transmission services to all power market participants;

(c) acquiring, owning and managing assets, facilities and systems required to transmit electrical energy;

(d) providing metering and billing services to bulk customers;

(e) carrying out transmission system planning and implement necessary investments to provide the capacity to reliably transmit electric energy; and

(f) managing the Wholesale Power Market.

420. The Company's maintenance and operational activities are carried out on about 5,965.83 circuit kilometres of high voltage transmission lines across the country, which are mainly operated at 161 kV. The other transmission voltages are 69 kV, 225 kV and 330 kV. The transmission lines carry power from various generating stations to sixty-four (64) substations owned by GRIDCo. GRIDCo's main assets include substations and related equipment, transmission towers and lines, system communication equipment, lands, buildings and miscellaneous assets. By virtue of the fact that transmission network interconnects both the supply side (generation) and

demand side (distribution), GRIDCo naturally coordinates and operates the electricity system in Ghana. GRIDCo therefore functions as an ISO for the system, with its attendant responsibility for dispatch.

421. GRIDCo, in 2013, diversified its operations by using its assets, particularly the excess capacity on its fibre optic network, to provide commercial telecommunication and related services.

Power Distribution System

422. The power distribution system is a network that supports the transfer of electricity over shorter distances from the transmission system to the consumers – residential, non-residential and industrial end-users. This function, until recently, was handled by the Electricity Company of Ghana (ECG).

Electricity Company of Ghana (ECG)

423. The Electricity Company of Ghana (ECG) is a limited liability company wholly owned by the Government of Ghana (GoG). ECG was incorporated under the Companies Code, 1963 (Act 179) in February 1997. It began as the Electricity Department on 1st April 1947 responsible for distribution power in the entire country and later became the Electricity Division in 1962. It was subsequently converted into the Electricity Corporation of Ghana by (NLCD 125) in 1967.

424. In 1987, the Northern Electricity Department (NED) was established under the Volta River Authority (VRA) to take over from ECG, the responsibility of electric power distribution in Northern part of Ghana. Since then ECG has been responsible for distribution of electricity in six political/administrative regions in southern Ghana namely, Ashanti, Central, Eastern, Greater Accra, Volta and Western Region.

425. ECG has since been responsible for the distribution of electricity in the southern part of Ghana namely, Ashanti, Central, Eastern, Greater Accra, Volta and Western Region. Northern Electricity Distribution (NEDCo), a subsidiary of Volta River Authority (VRA), is responsible for the management of electric power distribution in Brong Ahafo, Northern, Upper East and Upper West Regions.

426. In 2018, ECG served an estimated customer base of 3.6 million in the South Distribution Zone via an electricity distribution network that is primarily made up of 33kV overhead lines (OHL), 11 kV OHL and low voltage (LV) OHL circuits, 33 kV and 11kV distribution substations. The ECG network covers 9 operational areas and is supplied from GRIDCo's transmission network, via 26 bulk supply point substations.

Northern Electricity Development Company (NEDCo)

427. The Northern Electricity Department Company (NEDCo) is in charge of electricity distribution in the northern sector of Ghana. Operationally, NEDCo has come a long way from its initial start with a load of about 10MW and a customer population of about 12,000 to its current situation where NEDCo's operational area covers 152,665 sq. km (64% compared to ECG's 36%) of Ghana's land area, with a customer population of around 830,000 compared to ECG's customer base of around 3,600,000 in 2018.

428. What seems to be an anomaly (large operational area but small customer base) is due simply to the differences in the land mass between the southern and northern distribution zones. Consequently, NEDCo's operations, owing to the wide geographical area of its northern distribution zone and the sparse nature of dwellings of its customer base, covers about 5.39 customers per square kilometre, whilst ECG's covers about 48.96 customers per square kilometre. The customer density of NEDCo's catchment area is low, with access to electricity in the NEDCo

operating area estimated at about 68%, as at the end of 2018, as against an estimated 84% for the whole country.

429. The tremendous expansion in Ghana's network is a direct result of various government initiatives as part of a concerted effort to attain universal access to power by 2020, which saw various electrification programs embarked upon. Before the power sector reforms began in Ghana in the 80s, the then Electricity Corporation of Ghana (ECG) was responsible for the distribution of power in the whole of the country. In 1987, the Northern Electricity Department (NED) of the VRA was established to distribute electricity to Brong-Ahafo, Northern, Upper East and Upper West Regions of Ghana. NED itself was established in April 1987 when the northern electricity distribution operations of the then Electricity Corporation of Ghana were ceded to the VRA. The Authority, at the time, was in the process of extending the national grid beyond Kumasi to the northern parts of Ghana. The Volta River Development (Amendment) Law, 1987 (PNDCL 171) was passed to enable VRA to enter the distribution market at the level of the consumer.

430. NEDCo's operations originally centred on three operational areas: Upper Area, Northern Area and Brong-Ahafo Area. In 1995, however, the Upper Area was divided into Upper East and Upper West Areas. In 2003, the Brong-Ahafo area was also further divided into two areas, Sunyani and Techiman. In June 1994, GoG initiated the Power Sector Reform (PSR) programme aimed at bringing efficiency and managerial effectiveness in the Energy Sector in order to improve service delivery to all consumers. In pursuance of the Power Sector Reforms, VRA Management registered NEDCo as a wholly-owned VRA subsidiary with a Board of Directors since 1997 to take over the operations of NED.

Private Sector Participation in ECG

431. The Governments of the Republic of Ghana and the United States of America, acting through the Millennium Challenge Corporation **("MCC")** entered into a Millennium Challenge Compact dated August 5, 2014 which provided for a grant of up to US$498,200,000.00 (Four Hundred and Ninety-Eight Million, Two Hundred Thousand United States Dollars) to advance economic growth and reduce poverty in Ghana (the **"Compact"**). The Compact commits Ghana and MCC to a five-year economic development program (the **"Program"**) that will fund investments in Ghana's power sector.

432. The Compact is consistent with the development aspirations of GoG, which in 2014 identified a number of objectives for the improvement of the distribution sector including:

(a) improving the quality of service, efficiency and finances of ECG and NEDCo to support achievement of middle income status;

(b) minimizing the financial burden on the Government;

(c) mobilizing private capital;

(d) achieving universal coverage by 2016; and

(f) ensuring competitiveness of businesses and affordable tariffs for consumers (especially for the poor).

433. The goal of the Compact is to reduce poverty through economic growth in Ghana. The specific objectives of the Program are to:

(a) increase private sector investment and the productivity and profitability of micro, small, medium and large scale businesses;

(b) increase employment opportunities for men and women; and

(c) raise earning potential from self-employment and improved social outcomes for men and women.

434. The Program consists of six projects namely:

(a) ECG Financial and Operational Turnaround Project;

(b) NEDCO Financial and Operational Turnaround Project;

(c) Regulatory Strengthening and Capacity Building Project;

(d) Access Project;

(e) Power Generation Sector Improvement Project; and

(f) Energy Efficiency and Demand Side Management Project

435. The Private Sector Participation (PSP) in ECG is an activity under the ECG Financial and Operational Turnaround Project of the Program. This Activity was premised on the identification and engagement of a private sector entity in the power distribution sector to partner with Ghana to turn around the fortunes of ECG in its operations and finances. Following an international competitive tender, a private sector Consortium consisting of Manila Electric Company (MERALCO), GTS Engineering Services, TG Energy Solutions Ghana Limited, AEnergia, S.A, Santa Baron Ventures Limited, known as Power Distribution Services Ghana Limited (PDS) was selected.

436. The Consortium is majority Ghanaian-owned and was adjudged to have met the legal requirements laid out in the Request for Qualification (RfQ) and the Request for Proposal (RfP) to have comparable technical experience with electricity distribution companies of the same size as ECG, to have relevant experience in developing countries, and to have adequate financial capacity to make the required investments. These attributes of the investor Consortium, it is believed, will put the Company in a solid position to achieve, within the framework designed by PURC and the EC, all of the goals of the ECG PSP Activity, including loss reductions, investments in the Distribution System, and the equitable treatment of ECG Staff transferred to the Company.

437. In pursuit of the PSP programme, the under-listed Agreements were executed with the Consortium in 2018:

(a) Lease and Assignment Agreement dated 3 July 2018 (the "LAA") between Electricity Company of Ghana Limited ("ECG") and Power Distribution Services Ghana Limited ("PDS");

(b) Bulk Supply Agreement dated 3 July 2018, (the "BSA") between ECG and PDS;

(c) Government Support Agreement dated 3 July 2018, (the "GSA") between the Republic of Ghana ("Ghana") and PDS;

438. Under the above Transaction Agreements, ECG would grant the Consortium the right to:

(a) to utilise, operate, maintain, restore, reinforce, and expand the distribution system in accordance with the terms of the Lease & Assignment Agreement and the other Transaction Agreements;

(b) to purchase from ECG the Capacity and Net Electrical Output made available to ECG under the Portfolio PPAs, in accordance with the terms and conditions contained in the Bulk Supply Agreement and the other Transaction Agreements;

(c) to provide Distribution Service to End Users that are connected to the Distribution System in accordance with the Distribution Licence; and

(d) to provide Supply Service to End Users that are connected to the Distribution System in accordance with the Retail Sale Licence; in each case, for a period of 20 years; and

(e) ensure competitiveness of businesses and affordable tariffs for consumers (especially for the poor).

439. The Agreements allow PDS to provide Distribution Service to End Users within the Southern Distribution Zone for the term of the Concession in accordance with the terms of the Distribution Licence, the Retail Sale Licence and the Transaction Agreements. The Company's right to sell electricity to End Users in the Southern Distribution Zone will be exclusive with respect to End Users within the Southern Distribution Zone other than End Users that are currently permitted to select the seller of their choice, for at least five years, and thereafter until Ghana establishes a competitive market for the sale of electricity to End Users.

440. The rates the Company will be permitted to charge to End Users will be approved by the Public Utilities Regulatory Commission (PURC) in accordance with its detailed Rate Setting Guidelines.

Table 32: Grid Electricity Sales by Customer Class (GWh) (2009 – 2018)

	2009	2010	2011	2012	2013	2014	2015*	2016*	2017*	2018
Residential	2,275	2,483	2,527	2,819	3,060	2,772	2,436	3,932	3,931	4,824
Non-residential	924	966	1,199	1,549	1,532	1,529	1,531	1,068	1,356	1,103
Special Load Tariff1	2,951	3,174	3,901	4,153	4,435	4,680	4,274	4,626	4,880	5,046
Street Lighting	144	254	296	370	445	540	536	603	679	683
Total	**6,294**	**6,877**	**7,923**	**8,891**	**9,471**	**9,520**	**8,776**	**10,230**	**10,847**	**11,656**

**Revised Source: ECG/PDS, NEDCo, ENCLAVE POWER, VRA and GRIDCo*

Special load tariff customers of ECG/PDS and NEDCo as well as bulk customers of VRA including VALCO. Data do not include transmission and distribution (commercial and technical) losses

Regulation of the Power Sector

441. The Energy Commission (EC) and the Public Utility Regulatory Commission (PURC) are the regulators of the power sub-sector. The EC is responsible for technical regulation whilst the PURC does the economic component and sets tariffs for the subsector. The EC is thus a multi-sector technical regulator, whilst the PURC is an independent economic regulator with a mandate to balance the interests of both consumers and investors.

The Public Utilities Regulatory Commission (PURC)

442. The Public Utilities Regulatory Commission was set up as a multi-sectorial regulator by Government of Ghana in October 1997 under the Public Utilities Regulatory Commission Act, 1997 (Act 538) as part of the utility sector reform process to regulate the provision of utility services in the electricity and water sectors. By virtue of the Energy Commission Act, 1997 (Act 541), PURC also has regulatory responsibility over charges for transportation of natural gas services.

443. PURC is an independent body and is not subject to the control of any authority in the performance of its functions. The Office of the President exercises administrative oversight over the Commission. The functions of PURC include:

(a) provide guidelines for rates to be charged for the provision of utility services;

(b) examine and approve water and electricity rates;

(c) protect the interest of consumers and providers of utility services;

(d) monitor and enforce standards of performance for provision of utility services;

(e) promote fair competition among public utilities;

(f) receive and investigate complaints and settle disputes between consumers and public utility; and

(g) advise any person or authority in respect of any public utility.

444. In accordance with Sections 16 (3a-3d) of PURC Act 538, the timely billing, collection and efficient disbursement of approved tariff revenue is critical in protecting consumer interest through affordable, reliable supply of electricity and the interest of the utility service provider through cost recovery and financial viability. Therefore, the Tariff Allocation Disbursement Policy Guidelines have been developed by PURC to regulate payments to Utility Providers operating in the regulated market in order to improve cash flow and to ensure financial integrity of the power utilities. The specific objectives of the Guidelines are to:

(a) establish an allocation and payment mechanism of collected tariff revenue to all utility service providers (including Ghana Gas and N-Gas);

(b) minimize or eliminate fiscal cost;

(c) implement a targeted social intervention tools (threshold and cross subsidy);

(d) develop an allocation and payment mechanism of collected revenue to all utility service providers; and

(e) ensure each utility service provider receives its proportion of allocated revenue from approved tariffs.

Table 33: Electricity Tariff (2011 - 2018)

Tariff Category	Effective Date								
	Dec, 2011	Oct, 2013	Jan, 2014	Jul, 2014	Oct, 2014	Apr, 2015	Jul, 2015	Dec, 2015	Mar, 2018
Residential									
0 - 50 (Exclusive)	9.5	15.7	17.2	19.3	20.5	21.1	21.1	33.6	27.7
51 - 300 (GHp/kWh)	17.6	31.4	34.5	38.7	41.2	42.3	42.3	67.3	55.5
301 - 600 (GHp/kWh)	22.8	40.8	44.9	50.2	53.5	54.9	54.9	87.4	72.1
600+ (GHp/kWh)	25.3	45.3	49.8	55.8	59.4	61.0	61.0	97.1	80.1
Service Charge for Lifeline Consumers (GHp/month)	165.3	295.7	324.5	363.8	387.5	397.7	397.7	633.2	213.0
Service Charge for Other Residential Consumers (GHp/month)	165.3	295.7	324.5	363.8	387.5	397.7	397.7	633.2	633.2
Non-Residential									
0 -300 (GHp/kWh)	25.3	45.2	49.6	55.6	59.2	60.8	60.8	96.8	67.8
301 - 600 (GHp/kWh)	26.9	48.1	52.8	59.2	63.0	64.7	64.7	102.1	72.1
600+ (GHp/kWh)	42.4	75.9	83.3	93.4	99.5	102.1	102.1	162.5	113.8
Service Charge (GHp/month)	275.5	492.9	540.9	606.3	645.9	662.9	662.9	1,055.3	1055.3
SLT - Low Voltage									
Maximum Demand (GHp/kVA/month)	1,542.9	2,760.3	3,028.9	3,395.1	3,616.9	3,712.1	3,712.1	5,909.6	5909.6
Energy Charge (GHp/kWh)	26.3	47.1	51.7	58.0	61.8	63.4	63.4	100.9	75.7
Service Charge (GHp/month)	1,102.2	1,971.7	2,163.5	2,425.1	2,583.6	2,651.5	2,651.5	4,221.2	4221.1
SLT - Medium Voltage									
Maximum Demand (GHp/kVA/month)	1,322.5	2,366.0	2,596.2	2,910.1	3,100.2	3,181.8	3,181.8	5,065.4	5065.4
Energy Charge (GHp/kWh)	20.4	36.5	40.0	44.9	47.8	49.1	49.1	78.1	58.6
Service Charge (GHp/month)	1,542.9	2,760.3	3,028.9	3395..1	3,616.9	3,712.1	3,712.1	5,909.6	5909.6
SLT - High Voltage									
Maximum Demand (GHp/kVA/month)	1,322.5	2,366.0	2,596.2	2,910.1	3,100.2	3,181.8	3,181.8	5,065.4	5065.4
Energy Charge (GHp/kWh)	18.7	33.5	36.8	41.2	43.9	45.1	45.1	71.8	53.8
Service Charge (GHp/month)	1,542.9	2,760.3	3,028.9	3,395.1	3,616.9	3,712.1	3,712.1	5,909.6	5909.6
SLT-High Voltage - Mines									
Capacity Charge (GHp/KVA/Month)	1,542.9	2,760.3	3,028.9	3,395.1	3,616.9	3,712.1	3,712.1	5,909.6	5909.6
Energy Charge (GHp/kWh)	29.8	53.2	58.4	65.5	69.8	71.6	71.6	114.0	102.6
Service Charge (GHp/Month)	1,542.9	2,760.3	3,028.9	3,395.1	3,616.9	3,712.1	3,712.1	5,909.6	5909.6

The Energy Commission (EC)

445. The Energy Commission was set up by an Act of Parliament, the Energy Commission Act, 1997 (Act 541), with functions relating to the regulation, management, development and utilisation of energy resources in Ghana. The EC is the technical regulator of Ghana's electricity, natural gas and renewable energy industries, and the advisor to Government on energy matters.

446. EC is mandated to regulate and manage the development and utilization of energy resources in Ghana as well as to provide the legal, regulatory and supervisory framework for all providers of energy in the country, specifically by granting licenses for the transmission, wholesale, supply, distribution and sale of electricity and natural gas and related matters. The functions of the EC are to:

a. serve as the Government's energy policy adviser by making national energy policy recommendations to the Minister of Energy;

b. formulate national policies for the development and utilization of indigenous energy resources, in particular, renewable energy, solar, wind and biomass;

c. prepare, review and update periodically indicative national plans to ensure that all reasonable demands for energy are met;

d. prescribe by legislative instruments standards of performance and technical and operational rules of practice for the supply, distribution, sale of electricity and natural gas to consumers by public utilities;

e. enforce the provision of such legislative instruments uniformly throughout the country;

f. promote competition in the supply, marketing and sale of renewable energy products and other forms of energy;

g. promote energy efficiency and productive uses of electricity, natural gas; and petroleum products;

h. license public utilities for the transmission, wholesale supply, distribution and sale of electricity and natural gas; and

i. secure a comprehensive database for national decision making for the efficient development and utilization of energy resource is the authoritative source of energy statistics in Ghana.

Electricity Marketing Oversight Panel (EMOP)

447. Outside the functions of the regulatory bodies, the Electricity Market Oversight Panel (EMOP) was set up and officially inaugurated with an eleven-member panel sworn into office on 22nd December 2017. The functions of the Panel as outlined by the regulation 18 of the law (L.I. 1937) are to:

(a) monitor the general performance of the market administration functions of the Utility;

(b) ensure the smooth operation of the wholesale electricity market;

(c) review the operations of the wholesale electricity market and studies related to the development of the market;

(d) review procedures, manuals and electricity market rules for the operation of the wholesale electricity market;

(d) monitor pre-dispatch schedules;

(e) resolve disputes referred to it by market participants in respect of transactions in the wholesale electricity market;

(f) ensure the effective and consistent application by the Utility of the rules and standards of the wholesale electricity market;

(g) ensure the long-term optimization of hydro-electricity supply sources in the country;

(i) make appropriate recommendations to the Energy Commission in respect of the Panel's functions, and perform any other function conferred on it by the Commission.

448. The objectives of EMOP are to:

(a) ensure adequate, reliable and competitively priced electricity on the Market;

(b) ensure Improvement of availability of existing power plants;

(c) establish a mechanism for optimizing the hydro resources of the country;

(d) facilitate commercial viability of market participants;

(e) facilitate operations of market participants on sound commercial lines;

(f) ensure efficient, fair and competitive market to attract private investment to the sector;

(g) ensure consistency in the application of market rules by the Utility and strict compliance of its provisions by market participants; and

(h) facilitate easy entry and exit of Market

Petroleum Sector

449. Per the Ministry of Energy (MoEn)'s Medium Term Expenditure Framework (MTEF) for 2018 – 2021, GoG's policy objectives for the petroleum sector are to:

(a) ensure accelerated & integrated development of the oil and gas industry;

(b) promote value addition in the oil and gas industry;

(c) strengthen technical and financial capacity for the oil and gas industry;

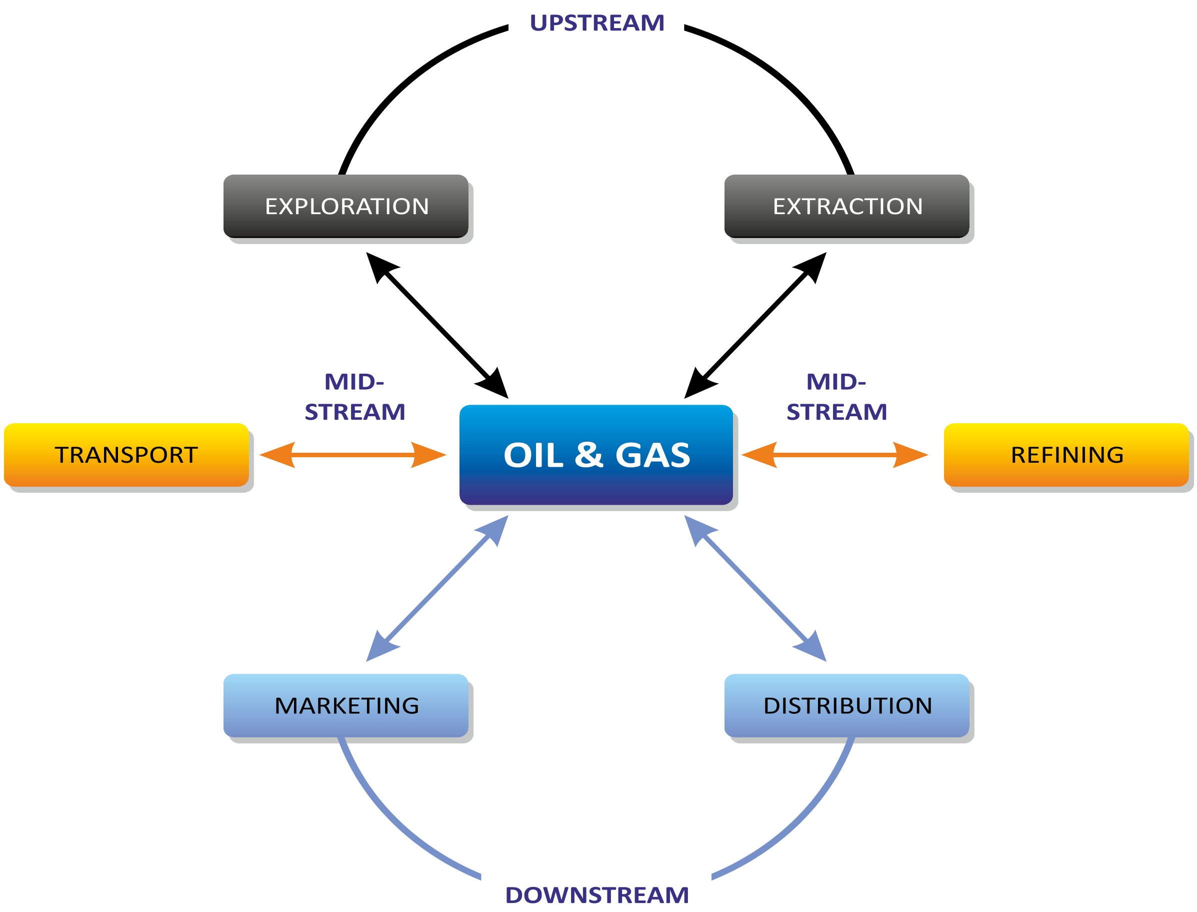
(d) ensure local content & local participation across the oil and gas value chain;

(e) leverage the opportunities offered by the oil and gas industry to create jobs;

(e) comply with laws & international standards for environmental sustainability in oil and gas sector;

(f) ensure effective and transparent management of oil and gas revenues.

450. According to the Ministry of Energy, the petroleum industry is categorized into three segments; Upstream, Midstream and Downstream. Additionally, according to the Ministry, for the purposes of regulation in Ghana, the industry is divided into upstream and downstream subsectors, which cover activities from the exploration and production of petroleum through refining, storage, transportation, to the marketing of petroleum products. Upstream activities include pre-licensing, licensing, exploration and appraisal, field development and production, disposal and decommissioning. Ghana has four sedimentary basins that are considered to have high prospects for the discovery of oil and gas.



Upstream Oil and Gas Sector Operations

451. The upstream activities consist of exploration, development and production of oil and gas both offshore and onshore and are regulated by the Petroleum Commission (PC). Commercial quantities of offshore Oil reserves in Ghana were discovered in the 1970s at Saltpond. The Upstream sector was opened up for private participation as far back the 1970s in view of the large capital outlay required to explore and produce oil.

452. The upstream oil & gas industry was skyrocked to global petroleum limelight in 2007 when oil was discovered in commercial quantities in the Jubilee Field, which is located some 60km offshore Ghana between the Deepwater Tano and West Cape Three Points blocks off the coast of the Ghana's Western Region. The field was estimated to have recoverable reserves of up to 3 billion barrels and about 1.2 billion standard cubic feet of gas. The Jubilee field is expected to produce about 100,000 barrels of oil per day. Additional exploration activities led to further discoveries at the Tweneboa, Enyenra and Ntomme (TEN) fields and the Offshore Cape Three Points (OCTP) fields.

453. The TEN Fields is Ghana's second major oil development, which produced its first oil in August 2016. The field holds recoverable oil reserves of about 240 million barrels, gas reserves of about 360 million cubic feet, and is estimated to produce about 80,000 barrels of oil per day at peak. The TEN project is situated in the Deepwater Tano block, about 60km offshore western Ghana.

454. The OCTP project is an integrated oil and gas project being undertaken by ENI Spa in collaboration with Vitol Energy. The project is expected to produce sufficient gas to operate the thermal power plants in Ghana reliably for 20 years. Oil production from the field commenced in 2017 and gas production would follow in 2018. The field holds an estimated recoverable oil reserves of 204 million barrels and gas reserves of 1,1 billion cubic feet.

455. The country's upstream petroleum sector has grown in leaps and bounds following the tremendous impetus gathered in the wake of the first major crude oil find in 2007. Symbolic of this exponential growth is the fact that the sector now boasts of a regulatory body. Hitherto, the Ghana National Petroleum Corporation was responsible for both exploration and regulation of the upstream sector. Major reforms were introduced by Government of Ghana including separating the sector's regulatory responsibilities from the exploration and production functions of GNPC. This focused approach has yielded more dividends in the form of increasing number of fields and exploration activities.

456. The sector is on track to produce 180,000 to 200,000 per day. Significant gas production is envisaged from both TEN and OCTP fields. Gas production came to standstill on the TEN field following the maritime border dispute with Cote D'lvoire. The TEN field straddles an area which is close to the Cote D'Ivoire maritime border. It is expected that drilling will recommence in late 2017, after resolution of a maritime dispute over the area, between Ghana and the Cote D'Ivoire. The dispute is before the International Tribunal of the Law of the Sea and the tribunal is expected to deliver its decision in September 2017.

Petroleum Commission (PC)

457. The Petroleum Commission is mandated to regulate, manage and co-ordinate all activities in the upstream petroleum industry in Ghana. The Commission was established in July 2011 by an Act of Parliament, Act 821 to promote, regulate and manage the efficient conduct of upstream petroleum operations and all allied activities and the utilization of petroleum resources on a sustainable basis for the country. The Petroleum Commission (PC) Act 2011 (Act 821) established the PC as an independent regulatory, responsible for licensing, regulating, managing and developing Ghana's upstream oil and gas activities.

458. The functions of the Commission are as follows:

(a) licensing and issuance of permit: The Commission registers all companies that intend to operate in Ghana's upstream petroleum sector and issues them operating permit before they can commence operations. They also renew such permits annually to ensure the companies are compliant. The Commission ensures that companies applying for a new permit or a renewal meet all the stated requirements before the permit is issued or as it may be renewed.

(b) local content: The Commission is mandated under Act 821 to promote local content and local participation in petroleum activities as prescribed in relevant legislation to strengthen national development. Additionally, the Board of the Commission is required to establish a Local Content Committee to deal with local content and local participation issues. In November, 2013, LI 2204 (the Local Content law) was promulgated to among other things promote maximisation of value-addition and job creation through the use of local expertise, goods and services business, financing in the petroleum industry value chain and their retention in Ghana.

(c) technical compliance: This function is carried out by the Inspection Unit of the Commission to ensure Contractors, Companies, and their associated agents or representatives fully comply with all the laid down laws, regulations, guidelines and standards within the Ghanaian upstream oil and gas sector.

(d) health, safety, security and environment: The Commission holds the operators, contractors, subcontractors and indeed, any person engaged in petroleum to the highest standards for safety, security, emergency preparedness and protection for the environment. It also ensures that, the exploitation and development of oil and gas resources does not threaten the wellbeing of employees, communities, the natural environment and the general public. The focus of the Commission's HSSE activities covers upstream petroleum operations and activities both offshore and onshore and includes: occupational health and safety; material assets integrity; natural environment; process systems; emergency preparedness and response; security clearance and permit for specific activities etc.

(e) community relations: The PC protects the social, environmental and economic livelihoods of communities that are affected by the petroleum activities of oil and gas companies. The PC promotes effective coordination, management and supervision of corporate, governmental and community interactions to support positive social development outcomes and at the same time enhance revenue generation in the sector.

Legal Framework of the Upstream Petroleum Sector

459. The under-listed are the relevant laws in the upstream sector:

(a) Local Content and Local Participation Regulations 2013 (LI 2204): (the Local Content Law) provides that, indigenous Ghanaian companies are to be given first preference in the grant of a petroleum agreement or a license with respect to petroleum exploration and production. It also requires all foreign companies who intend to provide goods or services in the upstream oil and gas sector to incorporate a joint venture company with an indigenous Ghanaian company and afford that indigenous Ghanaian company at least 10 per cent equity participation and as far as practicable, use goods and services produced by or provided in Ghana for their operations.

(b) Petroleum Exploration and Production Act 2016 (Act 919) (which repealed the Petroleum (Exploration and Production) Law 1984 (PNDCL 84). It introduced a reconnaissance license to create the platform for undertaking data collection (including seismic surveying and shallow drilling) and processing and interpretation or evaluation of petroleum data in the area specified in the license.

(c) Petroleum (Exploration and Production Measurement) Regulation, 2016 (LI 2246): to ensure that an accurate measurement and allocation of petroleum forms the basis for the determination of revenue that accrues to the Republic, a contractor, licensee or the Corporation.

(d) Petroleum Revenue Management Act, 2011 (Act 815) as amended addresses how petroleum revenues are collected, spent and invested and mandates the Public Interest and Accountability Commission to oversee this function.

(e) Petroleum Revenue (Amendment) Act, passed in 2015, amended the Petroleum Revenue Management Act 2011, and provides for the allocation of funds to the Ghana Infrastructure Investment Fund for the purposes of infrastructure development and provided for the composition of the Investment Advisory Committee and other related matters.

(f) Petroleum Income Tax Act 1987 (PNDC Law 188) provides the tax regime for petroleum operations in Ghana.

(g) Ghana National Petroleum Corporation (GNPC) Act, 1983 (PNDC Law 64).

(h) Income Tax Act 2015 (Act 896),

(i) Petroleum Commission Act 2011(Act 821),

(j) Petroleum Commission (Fee and Charges) Regulations, 2015 (LI2221).

(k) Oil and Gas Insurance Placement for the Upstream Sector – Guidelines, Petroleum Measurement Regulations.

(l) Petroleum Income Tax PNDC Law 188.

(m)Petroleum Exploration and Production-Data Management Regulation, 2017 (L.I 2257).

(n) Petroleum Exploration and Production – HSE Regulations 2017 (L.I 2258).

Key actors in Upstream Sector

460. The table below gives details of the key actors in the upstream petroleum sector.

Current Upstream Players		Key Names
International Oil Companies (IOCs)	⇨	Tullow Oil, Kosmos Energy, ENI, Vitol SA
National Oil Company (NOC)	⇨	GNPC, Explorco
Local Oil Companies (lOCs)	⇨	Springfield EP, Fueltrade, Cirrus
Suppliers and Contractors	⇨	Schlumberger, Technip, Amaja, RigWorld
Petroleum Commission	⇨	Regulation and monitoring of upstream oil and gas sector
Ministry of Energy	⇨	Policy development and direction
Ministry of Finance	⇨	Provides financing support for the sector

Ghana National Petroleum Corporation

461. The Ghana National Petroleum Corporation (GNPC) is Ghana's National Oil Company (NOC), established in 1983 by PNDC Law 64, to support the government's objective of providing adequate and reliable supply of petroleum products and reducing the country's dependence on crude oil imports, through the development of the country's own petroleum resources. GNPC was thus to lead the sustainable exploration, development, production and disposal of the petroleum resources of Ghana, by leveraging the right mix of domestic and foreign investments in partnership with the people of Ghana.

462. Following its set up, the Petroleum [Exploration and Production] Law, 1984, PNDC Law 84, was enacted to provide the regulatory framework for the exploitation of the country's hydrocarbon resources. This law sought to establish the contractual relationship among the

Government, GNPC and prospective investors in upstream petroleum operations and also granted GNPC the right of entry into any open acreage to undertake exploration activities.

463. The corporation, which commenced operations in 1985 was to strategically be Government's partner in all petroleum agreements in Ghana. GNPC is also the national gas sector aggregator in Ghana, and aims to supply efficient fuel to meet Ghana's increasing energy needs. The core mandate of the Corporation includes:

(a) promoting the exploration and the orderly and planned development of the petroleum resources of Ghana;

(b) ensuring that Ghana obtains the greatest possible benefits from the development of its petroleum resources;

(c) obtaining the effective transfer to Ghana of appropriate technology relating to petroleum operations;

(d) ensuring the training of citizens of Ghana and the development of national capabilities in all aspects of petroleum operations; and

(e) ensuring that petroleum operations are conducted in such a manner as to prevent adverse effects on the environment, resources and people of Ghana.

464. The activities of GNPC have evolved in line with the developments of the sector over the past decade. They have been actively involved in development of three operating fields upgrading Ghana's upstream sector from a mono oil and gas field to multi oil and gas fields. There are three key operating fields namely Jubilee Field, TEN fields and the Sankofa-Gye-Nyame fields currently. Jubilee and TEN fields are operated by Tullow Oil, whilst ENI Ghana operates the Sankofa field.

465. GNPC has also signed several agreements with other international and local oil companies including Hess Exploration, Medea Development, AGM Petroleum, ERIN and Springfield EP, Sahara Energy, Hill Oil respectively that are at various levels of exploration, appraisal and development.

Table 34: Crude Oil Production (bbls)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
From Saltpond Field	173,444	97,642	75,731	105,464	98,289	97,301	46,630			
From Jubilee Field		1,267,700	23,757,695	28,831,136	36,760,348	37,201,691	37,411,661	26,981,640	32,749,975	28,461,755
TEN Field								5,316,140	20,452,577	23,557,361
OCTP (Sankofa fields)									5,455,512	10,116,318
Total	**173,444**	**1,365,342**	**23,833,426**	**28,936,600**	**36,858,637**	**37,298,992**	**37,458,291**	**32,297,780**	**58,658,064**	**62,135,434**

Source: Petroleum Commission & Ghana National Petroleum Corporation

Table 35: Crude Oil Exports

Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Crude Export (bbls)	173,444	97,642	24,731,475	26,430,934	36,048,290	37,702,873	36,459,906	29,904,461	56,989,873	62,020,235

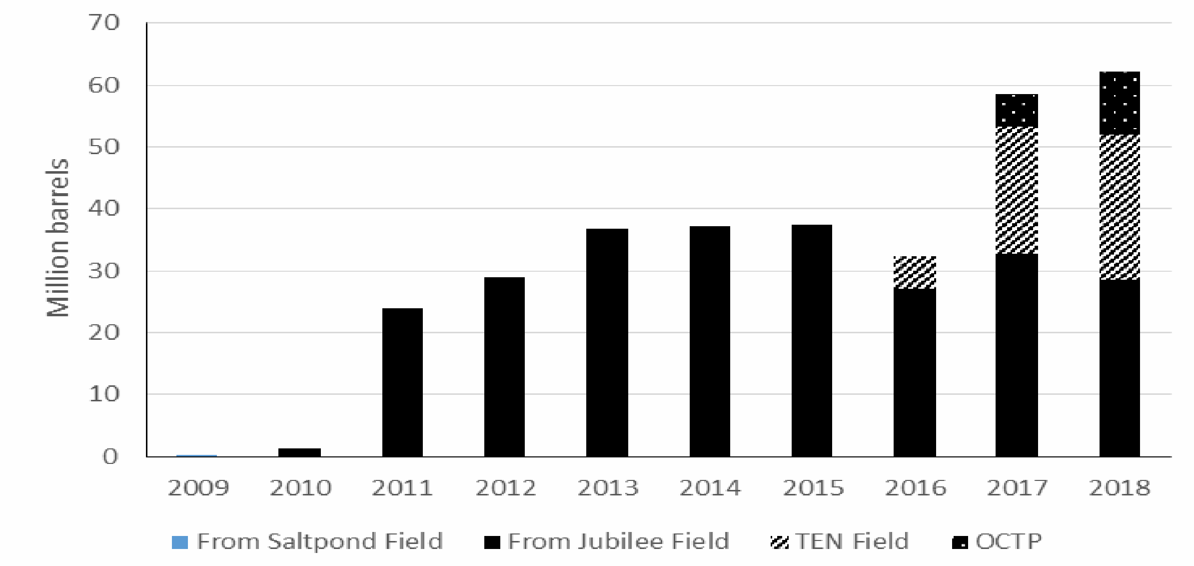
Source: Bank of Ghana & Petroleum Commission

Prospects of the Petroleum Sector

466. In 2017, the International Tribunal for the Law of the Sea (ITLOS), in a momentous judgment, unanimously ruled in favour of Ghana in a three-year maritime boundary dispute case against neighbours Ivory Coast. The ruling gave much impetus to exploration activities in the sector

and improved confidence in the industry and spurred growth in oil production. Consequently, there has been ten (10) additional drilling of new wells - plateau production rate of 80,000 bodp due to favourable ITLOS boundary decision. Also, the Greater Jubilee Development has commenced with estimated ultimate recovery oil volume of 642 MMstb.

Figure 15: Trends in Crude Oil Production 2009 - 2018



467. Other activities that happened in the petroleum sector in 2018 include submission of Plan of Development (PoD) on the Deepwater Tano/Cape Three Points license by HESS; signing of Petroleum Agreement with ExxonMobil to explore for oil in the Deepwater Cape Three Point offshore (DWCTP) Block; an aggressive Seismic campaign on the Voltaian Basin Project by GNPC; negotiation of a number of Farm-Ins; and first bidding round in Q3 of 2018.

Figure 16: Trends in Crude Oil Production 2016 - 2018

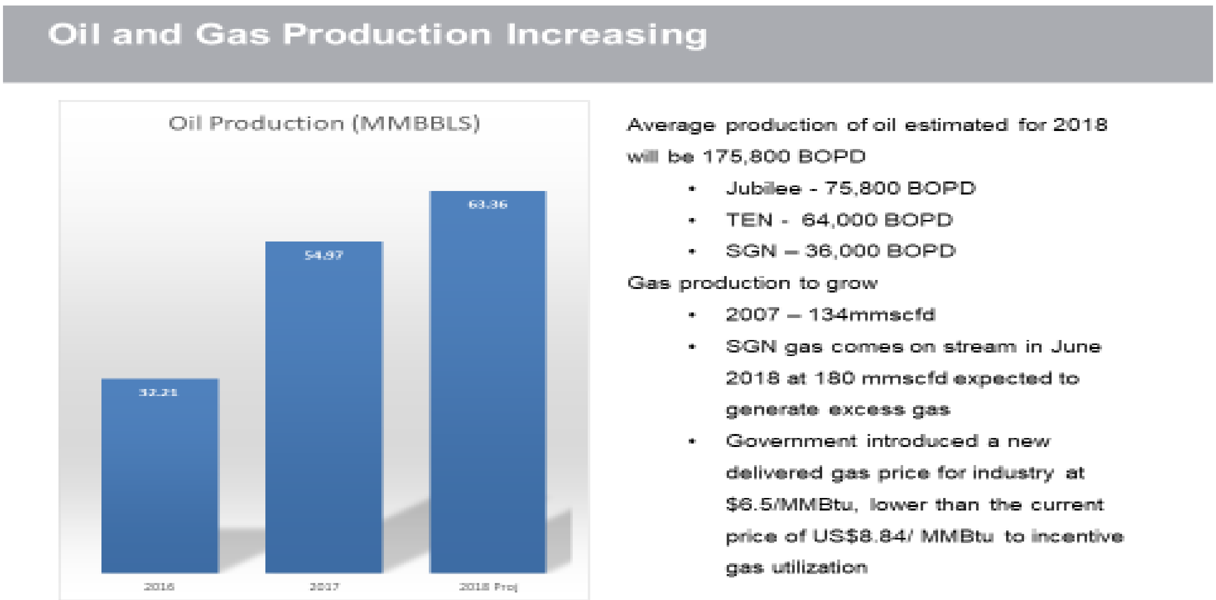


Table 36: Contract Areas (Oil & Gas)

No.	Contract Area	Current Partners	FPSO/ Production Per Day	Current Period(Phase)/ Activity	Development & Production End Date
1	West Cape Three Points	1. Kosmos Energy Ghana HC	FPSO Nkrumah	Production (Jubilee)	12-Jul-34
		2. Anadarko WCTP Company		PoD Submitted (Greater Jubilee)	
		3. Tullow Ghana Ltd			
		4. Ghana National Petroleum Corporation			
		5. PetroSA			
2	Deepwater Tano	1. Tullow Ghana Ltd	FPSO Nkrumah	Production (Jubilee)	18-Jul-36
		2. Anadarko WCTP Company	FPSO Atta Mills	Production (TEN)	
		3. Kosmos Energy Ghana HC			
		4. Ghana National Petroleum Corporation			
		5. Petro SA			
3	Offshore Cape Three Points	1. ENI Ghana Exploration and Production Ltd.	FPSO John Agyekum Kufour	Production (Sankofa Gye-Nyame Field)	14-Mar-36
		2. Vitol Upstream Ghana Ltd			
		3. Ghana National Petroleum Corporation			

Midstream Petroleum Sector

Ghana National Gas Company Limited

468. Ghana National Gas Company (GNGC) Limited is a mid-stream gas business incorporated on 27th July 2011 and commenced business on 28th July 2011 with the responsibility to build, own and operate infrastructure required for the gathering, processing, transporting and marketing of natural gas resources in Ghana. Headquartered in Accra, the company's gas plant is situated at Atuabo, in the Western Region. GNGC enjoys its unique status as the sole national gas aggregator with the responsibility to buy and sell gas along the domestic gas supply chain.

469. The company started commercial operations in April 2015 along the under-listed business lines:

(a) Build Gas Infrastructure;

(b) Aggregate, Process and Deliver Gas Products; and

(c) Lean Gas, LPG and Condensate.

470. The company generates the bulk of its revenues through the processing, transportation and sale of natural gas and natural gas liquids. GNGC currently supplies gas to Volta River Authority (VRA) for power generation. The company's gas infrastructure comprises the following main elements:

(a) offshore gas export pipeline, which consists of a 12-inch diameter 58km long subsea pipeline, transporting dense-phase gas from the Jubilee FPSO to the Gas Processing Plant (GPP);

(b) Gas Processing Plant (GPP) at Atuabo in the Western Region and has a design capacity of 150 MMScfd and normal design capacity of 120 MMScfd;

(c) onshore gas pipeline, which consists of a 20-inch diameter 110 km pipeline, transporting sales gas from the GPP to an existing Thermal Power Plant at Aboadze; and

(d) LPG truck-loading gantry located approximately 2.5km from the GPP near Anokye.

Downstream Sub-Sector

471. The downstream activities consist of mainly the marketing and distribution of oil and gas products are regulated by the National Petroleum Authority (NPA). Some activities such as refining, storage and transportation of petroleum products which are technically midstream activities are regulated by the NPA and hence are considered as part of the downstream sector.

472. The core activities under the downstream oil and gas sector thus covers:

(a) refining of crude oil by Tema Oil Refinery (TOR);

(b) marketing and distribution of wholesale products by Bulk Distribution Companies (BDCs) and Oil Trading Companies (OTCs);

(c) sale of retail products by Oil Marketing Companies (OMCs); and

(d) transportation and storage of both crude and refined petroleum products.

473. The Downstream Oil and gas sector has been in existence much longer than the Upstream sector. This sector's players are mainly indigenous Ghanaian oil marketing companies and multinational firms for the past several decades. As a result of operational challenges being experienced by the country's main refiner, the Tema Oil Refinery, the economy is heavily dependent on the imports of finished petroleum products.

474. As part of its efforts at introducing competition and efficiency within the oil sector, government deregulated the petroleum sector. The downstream sector activities were deregulated in 2006, which opened up wholesaling of refined products to local oil traders and bulk oil distribution companies. Consequently, Bulk Distribution Companies (BDCs) and Oil Trading Companies (OTCs) have been licensed under the National Petroleum Authority (NPA) Act 2004, to import and sell finished petroleum products to the Oil Marketing Companies (OMCs).

Legal Framework of the Downstream Petroleum Sector

475. Ghana has a robust and well defined legal framework regulating the petroleum industry. The sector-specific legislation that governs the Ghanaian petroleum sector is comprised of:

(a) National Petroleum Authority (NPA) Act, 2005 (Act 691) which established the NPA as a regulator responsible for licensing, regulating, managing, and developing Ghana's downstream and midstream oil & gas activities.

(b) Tema Oil Refinery Company Fund Act, 2003 (Act 642)

(c) The Energy Sector Levies Act (ESLA), 2016 (Act 899), which imposed forex under recoveries levies of GHp 5 to help repay forex losses owed to BDCs.

Key actors in downstream Sector

476. The table below gives details of the key actors in the downstream petroleum sector.

Current Midstream & Downstream Players		Key Names
Refineries & SBMs	⇨	Tema Oil Refinery (TOR), Platon Oil. Tema Offshore Mooring Ltd (TOM)
Storage & Pipelines	⇨	Bulk Oil Storage & Transport Co (BOST), Cirrus, Chase Petroleum, TOR, Tema …
Bulk Oil Distribution Companies (BDCs)	⇨	Go-Energy, Fueltrade, Ebony, Cirrus, Chase Petroleum, Vihama, Oil Channel,
Oil Trading Companies (OTCs)	⇨	Woodfields Energy, Sahara Oil, Sage Petroleum,
Oil Marketing Companies (OMCs) and Fuel Dealers	⇨	Goil Gh Ltd, Shell Vivo, Total Petroleum, Star Oil, Zen Petroleum, Allied Oil, Frimps Oil,
Service Providers	⇨	There are Caliberation; Stratification, Lubricant Blending, NDT Inspection, Tank Cleaning and Bunkering companies
Gas Processing and Storage	⇨	Ghana Gas, Quantum Terminal, Fueltrade, Tema Oil Refinery
LPG Marketing Companies (LPG MCs)	⇨	Alive Gas, First Gas, Hills Oil Marketing Co, Go-Gas, World Gas, Trinity Oil, Manbah Gas,
Ministry of Energy	⇨	Policy development and direction
Ministry of Finance	⇨	Provides financing support for the sector
National Petroleum Authority	⇨	Licenses and regulates Downstream and Midstream petroleum service providers.
Energy Commission	⇨	Provides policy advice to the Minister of Energy and licensing of distribution of gas and transportation of crude oil and related products.

Table 37: Petroleum Products Supplied to the Economy (kilotonnes) (2009 – 2018)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
LPG	220.6	178.4	214.4	268.5	251.8	241.5	279.0	281.5	358.9	396.8
Gasoline	701.4	737.8	807.0	992.7	1,080.6	1,102.3	1,163.2	1,069.2	1,072.6	1,256.5
Premix	55.1	32.4	45.6	58.9	53.4	56.2	47.2	56.0	68.8	55.3
Kerosene	89.3	49.3	62.4	45.6	27.8	9.3	6.9	8.1	5.6	5.0
ATK	124.7	108.4	135.3	141.3	131.9	113.9	112.0	132.2	166.6	200.3
Gas Oil	1,280.0	1,271.9	1,431.2	1,665.0	1,722.6	1,713.0	1,902.7	1,765.0	1,661.5	1,836.7
RFO	40.3	30.9	37.5	33.5	39.3	26.8	13.4	12.9	129.0	139.1
Total	2,511.4	2,409.1	2,733.4	3,205.5	3,307.4	3,263.1	3,524.4	3,324.8	3,462.9	3,889.7

Source: National Petroleum Authority NB: LPG include quantities supplied for power generation

Downstream Oil and Gas Operations

477. The downstream petroleum sector is overseen and regulated by the National Petroleum Authority in the main. Certain operators with the sector are also regulated by the Energy Commission. The sector has only two refineries, namely a 45,000bpd capacity TOR and 2000 bpd capacity Platon Energy. TOR has seen several shut downs to the extent that, in some years there has been total dependence on refined petroleum imports by BDCs.

478. Sometime in 2006, the sector opened up to private sector participation. This ballooned the number of investors or companies, with the number of BDCs for instance jumping from an

initial 4 licensed to about 44 in 2017. A similar trend has been seen within the Oil Marketing companies (OMCs) area with massive entry from small indigenous investors.

479. With this increase on the roster of downstream players, the need for regulation and effective monitoring and control has become more paramount. This outturn has compelled the NPA to reinvent itself in order to stand the test by increasing its own capacity both technically, legally and even geographically to meet the complexity and challenges of the industry.

Deregulation of the Downstream Sector

480. In June 2015 downstream regulator NPA begun the implementation of a full price liberalisation regime, following the culmination of the deregulation of the downstream sector that began in 2016. The central tenet of the policy is to allow market forces to determine the price of finished petroleum products without governmental interference. Thus, petroleum Service Providers (OMCs and BDCs) set their own prices of petroleum products, subject to NPA price guidance. In line with the deregulation policy, the NPA monitors the application of the Prescribed Petroleum Pricing Formula to ensure that all Petroleum Service Providers apply the formula in the right way and not pass on unnecessary cost to consumers.

Evolution of The Downstream Sector - Milestones

481. The following are some of the critical milestones that have been achieved in the petroleum downstream industry:

(a) TOR assumed the responsibility for crude oil and finished products procurement and importation in September 1996;

(b) Decentralization of distribution network through the use of Bulk Oil Storage and Transportation (BOST) depots in 1998;

(c) Application of a transparent automatic petroleum pricing formula for cost recovery in June 2001;

(d) Distribution margins adjusted to comparable levels within West African sub-region in January 2003;

(e) Commencement of private sector provision and operation of energy infrastructure and services in January 2004;

(f) Importation of shortfall in supply of refined petroleum products by the Private Sector in March 2004, leading to the setting up of Bulk Distribution Companies (BDCs);

(g) Establishment of the NPA to oversee the deregulated downstream industry in June 2005;

(h) Construction and operation of Single Point Mooring (SPM) and the Conventional Buoy Mooring (CBM) through Private – Public Partnership (PPP) in 2006;

(i) BDCs permitted to sell wholesale to the Oil Marketing Companies (OMCs) and bulk consumers in September 2006;

(j) Bi-monthly adjustment of prices of petroleum products to reflect prevailing oil prices on the international market in October 2007; and

(k) Implementation of petroleum products price liberalization in July 2015.

National Petroleum Authority (NPA)

482. The National Petroleum Authority was established by an Act of Parliament (NPA Act 2005, ACT 691) to regulate the petroleum downstream industry in Ghana. As a Regulator, the Authority

ensures that the industry remains efficient, profitable, fair, and at the same time, ensuring that consumers receive value for money. The core functions of the NPA are as follows:

(a) **licensing:** NPA is responsible for issuing licenses to Petroleum Service Providers (PSPs), monitoring of the operations of PSPs and inspecting facilities of PSPs in the downstream industry. It also ensures that the design, construction and operation of all petroleum infrastructure are executed to predetermined standards.

(b) **monitoring:** The NPA as part of its function also monitors the supply and consumption of petroleum products around the country to ensure that there are adequate stocks of petroleum products to meet the consumption needs of the country. This is done through planning and monitoring the activities and performance statistics of all PSPs, that is the bulk distribution companies (BDCs) and oil marketing companies (OMCs) in the distribution value chain of petroleum products across the country.

(c) **facilitate and monitor pricing of fuel products:** During this price deregulation era, the NPA still has the mandate to compute the ceilings of the Ex-Refinery and Ex-pump prices of petroleum products, and all resultant costs/revenue to the government and the petroleum service providers (PSPs) based on the prescribed petroleum pricing formula. Petroleum product prices are established within a period called the pricing window, which is currently two weeks.

(d) **pricing unification:** As part of its mandate the NPA ensures that the unified prices of petroleum products include as element representing as near as possible the actual cost of distribution to ensure that petroleum products reach the consumer wherever they live in Ghana efficiently at the same price.

(e) **product marking:** The NPA manages Petroleum Product Marking Scheme by introducing a unique identifier (bio-chemical liquid) called marker in trace quantities into petroleum products at depots before distribution unto the market. Marked fuel can be distinguished from unmarked fuel through a process of testing using specialized detecting equipment (LSX2000 and MSX1000). This helps detect and prevent the adulteration of petroleum products.

Bulk Oil Storage and Transportation Company Limited (BOST)

483. BOST was established in 1993 to manage the business of storage and transmission of fuel. The company's core mandate is to develop and maintain a national network of facilities for bulk transportation of petroleum products in Ghana, import petroleum products to ensure fuel security in the country and export to neighbouring countries to improve revenue and to keep strategic petroleum stocks to meet up to 12 weeks of national consumption in Ghana.

484. As part of efforts aimed at decentralizing the distribution of petroleum products in Ghana, government instituted the zonalization policy. Consequently, BOST was established to build and manage a network of storage depots situated at strategic locations in Ghana. The decentralization of the distribution of petroleum products was a way of controlling the inefficiencies in the product delivery process as well as ensuring the supply of good quality products to the market. The Unified Petroleum Price Fund (UPPF) was instituted to ensure uniform pricing of petroleum products at all locations nationwide.

485. In recent years, BOST has struggled to fully fulfil its mandate of maintaining strategic stocks of fuel on behalf of government and ensuring the movement of petroleum products throughout the country in the most cost effective way. BOST has been saddled with cash flow challenges leading to shortfall in revenue. This is largely attributable to the following:

(a) low asset utilization (20-30%);

(b) significant volumes of uncompleted projects (about 9% of current CAPEX are work in progress);

(c) lack of repairs and maintenance of key infrastructure- turnaround time of 2 hours compared to 30 minutes for competition;

(d) grounded assets – three out of the six depots (Bolgatanga, Akosombo and Mami Water) are not operational; and

(e) low volumes of trading activities and margins – 4 cargoes in 2019 compared to 36 in 2016

486. To effectively live up to its mandate, BOST has a plan to address its operational bottlenecks, anchored on both short and medium term objectives and actions at a projected cost of USD 80 Million. The measures are as follows:

(a) rehabilitation of barges: Rehabilitation of two (2) barges and tug boats to be used in transporting products that will bring in transportation revenues to be derived from the Primary Distribution Margin (PDM) fund. This is a guaranteed source of revenue. The additional net revenues expected from the use of the barges, per the company's estimation is at GH¢11million per annum.

(b) renovation of Tema-Akosombo-Petroleum Pipeline (TAPP): BOST will seek to complete the renovation works on the TAPP in order for the pipe to be used in pumping products between the two locations. According to BOST, this will also generate additional net revenue of GH4.6 million per annum to be derived from the PDM fund.

(c) depot upgrade project: This project is aimed at upgrading our depots in an effort to increase productivity by improving the turnaround time taken to serve our customers by 75%. The realization of the upgrade will make BOST attractive to BDCs, which will increase their market share from the current 28% to 60%. Consequently, throughput activity will double from the current 850,000 Mt per annum to 1.7 million metric tonnes, which will result in incremental revenue of GH¢ 10.2 million per annum.

(d) Tema- Akosombo Pipeline: According to BOST, the objective of this project is to complement the 6 inch, TAPP with a bigger pipeline of 12 inches which will double output and improve efficiency on the line in order to boost revenue from the current average revenue from the existing 6-inch pipe line of GH¢ 4.6m per annum to about GH¢10 million per annum.

487. The management of BOST is of the firm belief that a successful completion of the measures elucidated above will put the company on a much firmer commercial footing and ensure that it is well-placed to attain the following:

(a) increase BOST strategic stocks to a minimum of 12 weeks of national consumption. Additionally, to provide strategic reserves for LPG up to 4weeks of national consumption;

(b) increase BOST operational efficiency and to effectively implement the zonalization policy;

(c) embark on various infrastructural developments to meet minimum storage needs;

(d) safeguard BOST's infrastructure and human resource investments throughout the country;

(e) ensure prudent financial management of BOST; and

(f) restructure and position BOST for effective operation and service

Storage Infrastructure

488. BOST has a network of storage infrastructure strategically located across the country. The storage infrastructure locations are Accra Plains, Mami-Water, Akosombo, Kumasi, Buipe and Bolgatanga Depots. The total storage capacity available can accommodate about 6.5 weeks of national consumption. The total available storage capacities for petroleum products at the various depots are provided below:

Depots	Gasoline	Gasoil	Kerosene	Total (m3)
Accra Plains (APD)	101,250	109,250		210,500
Kumasi	34,000	43,000	10,000	87,000
Buipe	13,500	37,600		51,100
Bolgatanga	12,500	35,000		47,500
Akosombo	5,000	7,000		12,000
Mami-Water	5,000	12,500		17,500
Total	**171,250**	**244,350**		**425,600**

489. The modes of transportation of products used by BOST are pipelines, Bulk Road Vehicles (BRVS) and river barges. BOST also has about 347km of transmission pipelines. This comprises of the 261km, 8" Buipe- Bolgatanga Petroleum Products Pipeline (B2P3) and the 86km, 6" Accra Plains Depot – Mami Water – Akosombo pipeline. In addition, the company has four (4) marine barges with total capacity of 3.3 million litres as well as a tug boat which transport products from Akosombo to Buipe along the Volta Lake.

Tema Oil Refinery (TOR) Limited (TOR)

490. TOR was established in 1960 and was 100% owned by the ENI Group of Italy. GoG bought all the shares from ENI Group in 1977 and renamed the Company to Tema Oil Refinery in 1990. The Company owns a refinery with a 45,000 barrel per day capacity for processing of crude oil for further sale to bulk distribution companies or oil marketing companies. TOR also provides storage services for bulk distribution companies at a fee. The total storage capacity for both crude oil and finished petroleum products has increased over the years to 1,000,000 metric tonnes. Government of Ghana holds a 100% direct equity stake in TOR. The full capacity of this plant is below the national demand which is in excess of 65,000 bpsd.

491. TOR procures crude oil, refine, and forward sell to Bulk Distribution Companies (BDC's) for onward distribution to Oil Marketing Companies (OMCs). The BDCs post unconfirmed Letters of Credit in dollars to reduce the risk of non-payment. Previously, TOR sold directly to OMCs on credit. This changed following the licensing of BDCs. TOR has adequate storage facilities to support its operations. The refinery's capacity to produce and store LPG has improved from 7,560 to 10,560 metric tonnes. The refinery's total storage capacity for both crude oil and finished petroleum products has increased from 340,000 metric tonnes to 1,000,000 metric tonnes, which currently is in excess of the Refinery's requirements. The refinery provides storage services for the Bulk Distribution Companies for a fee subject to availability of storage space.

492. As part of the petroleum downstream sector deregulation drive in 1996, there was a consolidation within Tema Oil Refinery Limited (TOR) of responsibilities for importation of crude oil and also of bulk supply of petroleum products to Oil Marketing Companies (OMCs). Since then, TOR has been responsible for both its core "Crude Oil Refining Business",

alongside the "Oil Trading and Logistics Business" that hitherto had been the responsibility of multi-national oil trading companies (1963-1965), the Ghana Supply Commission (1965-1985) and eventually Ghana National Petroleum Corporation (GNPC) (1985-1996).

TOR's "Oil Trading and Logistics Business

493. Due in large part to lack of working capital, TOR began to incur heavy losses in the "Oil Trading and Logistics Business", which in turn impacted severely on viability of the "Crude Oil Buyer's Agent Account" held, on behalf of GoG, at the then Ghana Commercial Bank (now GCB Bank). Over time, TOR's indebtedness resulting from bank overdrafts and trade credit facilities had worsened to the point where remedial measures were required.

494. In 2009, the Ministry of Finance and Economic Planning, on behalf of GoG, appointed Ecobank Development Corporation (EDC) to advice on restructuring the finances of TOR to ensure the sustainability and commercial viability of TOR. EDC appointed Purvin and Gertz to provide technical and commercial advice. Based on the advice received, GoG applied the proceeds of the TOR Debt Recovery Fund (established in line with Act 642) to retire outstanding amounts due to Bank overdrafts and trade creditors.

TOR's "Crude Oil Refining Business

495. Between 1996 and 2000, GoG had mobilized financing from Korea, secured without Sovereign Guarantee, for the implementation of TOR's refinery modernization program. By 2008, the program had been fully implemented and TOR had acquired secondary conversion capability, which enabled the processing of residual fuel oil into gasoline and LPG).

496. In 2011, the Ministry of Energy commissioned the Africa Commission for Economic Transformation (ACET) to conduct a follow-up "Technical Audit" of TOR, taking into account the findings of the previous audit by Purvin and Gertz. The outcome of the ACET audit clearly confirms that TOR's "Crude Oil Refining Business" remains a viable entity, albeit bereft with plant operational inefficiencies. Specifically, the ACET audit validated the previous conclusion by Purvin and Gertz that the refinery cannot operate profitably until measures are taken urgently by TOR to increase plant availability and reliability, and also reduce operational losses (emanating from TOR's own consumption of fuel oil in boilers and furnaces, flaring of unrecovered gas, vapor losses from tanks, and product delivery losses due to unavailability of appropriate flow meters at loading gantries).

497. Furthermore, the audits determined that the level of operational losses incurred by TOR's "Crude Oil Refining Business" were equivalent to about nine percent (9%) of the import value of crude oil feedstock, thereby posing a serious threat to refinery profitability. In 2010, TOR Ltd launched a programme called Plant Stabilization and Profitability Enhancement Initiative (PSPEI) with the objective of addressing the company's critical operational challenges. The estimated cost of the programme was put at $67.7m.

498. According to TOR's Management, the programme was necessary in order to address the operational bottlenecks which had effectively crippled its activities and rendered the refinery operations largely moribund. In particular, the company cited the following as some of the key operational challenges it sought to arrest:

(a) poor history of Plant Availability and reliability leading to numerous shut downs;

(b) unsustainably high levels of fuel oil consumption and losses

Expected Outcomes

499. The company expected that the significant investment in processing capacity would have resulted in an optimization of its refinery operations and yield the under-listed benefits:

(a) reduction in plant operational losses;

(b) reduction in product transfer losses;

(c) profitability enhancement projects;

(d) energy self-sufficiency; and

(e) plant reliability, availability, and optimization.

500. Evidently not all the expected outcomes have materialised as TOR still grapples with severe operational challenges. The refinery in recent times has had challenges with operational efficiency and has been running below its full capacity. This is due in part to level of damage of plant and equipment following TOR's inability to undertake the scheduled or normal 18 to 24 months' turnaround maintenance work since 2009. Management therefore decided to embark on a complete turnaround maintenance, which started in March 2017 and expected to be completed within quarter 3 2017. Currently about 71% of the repair works have been completed at Residue Fuel Catalytic Cracker (RFCC), 39% at Central Distillation Unit (CDU) and 39% at Utilities. The maintenance team is working around the clock to complete repair works to enable TOR become fully operational.

Figure 17: Trends in Imported Crude Oil for Refinery Purposes

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
441	961	1,274	506	374	70	62	989	55	141

Source: TOR & NPA (Energy Commission Energy Statistics 2019)

Evolution of TOR's Business Model (1963 – 2018)

501. Over the fifty-six (56) years since the commencement (in August, 1963) of commercial operations at the Tema Oil Refinery (the 'Refinery") to the present, the business model has evolved as follows:

Phase 1 (1963-1965)

502. Multi-national oil trading companies (namely BP, Mobil, Shell and Texaco) were collectively and individually authorized by Government to import crude oil to be processed at the Refinery into petroleum products. They negotiated and signed "Processing Agreements" with the Ghana Italian Petroleum Company (GHAIP) Limited, then the owner/operator of the Refinery. Under those agreements, they supplied crude oil, paid GHAIP an annually negotiated "processing fee", and took responsibility for bulk marketing and sale of petroleum products through their affiliated Oil Marketing Companies (OMCs) to the domestic market.

Phase 2 (1965-1985)

503. In 1965, the Ghana Supply Commission (through its Petroleum Department) took over, from multi-national oil trading companies, the responsibility for importing crude oil to be processed into petroleum products at the Tema Refinery. From 1965 until 1985, the Ghana Supply Commission, as Government's "Buying Agent", arranged the supply of crude oil to the Refinery, paid GHAIP an annually negotiated "processing fee", and also took responsibility for bulk marketing and sale of petroleum products to OMCs. Moreover, Ghana Supply Commission established a "Crude Oil Buying Agent's Account" at the Bank of Ghana, through which Letters of Credit for crude oil purchases were transparently opened and retired (using direct deposits of the proceeds from the bulk sale of petroleum products to OMCs).

Phase 3 (1985-1996)

504. In 1985, after the Ghana National Petroleum Corporation (GNPC) had commenced business, the staff and activities of the Petroleum Department of the Ghana Supply Commission were transferred to GNPC, at which time GNPC also took over the responsibility as Government's "Buying Agent" for importing crude oil to be processed into petroleum products at the Refinery. GNPC maintained the practice of paying GHAIP (later in 1991, GHAIP was renamed the Tema Oil Refinery Limited or TOR Ltd.) an annually negotiated "processing fee", and also of taking responsibility for bulk marketing and sale of petroleum products to OMCs. During this phase, GNPC transferred the "Crude Oil Buying Agent's Account" from the Bank of Ghana to the London Branch of Ghana Commercial Bank Ltd. (GCB) and eventually, to the Accra High Street Branch of GCB and also helped put in place to Government-to Government bilateral agreements with Nigeria to facilitate crude oil procurement.

Phase 4 (1996-present)

505. From September 1996 onwards, Government embarked on the deregulation of the downstream petroleum sector which led to the transfer from GNPC to TOR Ltd., the responsibility for the importation of crude oil and also of bulk supply of petroleum products to OMCs. Since then, TOR Ltd. had been responsible for managing within the same company, both its core "Refinery Business" alongside the "Oil Trading and Logistics Business" that hitherto has been managed initially by multi-national oil trading companies, subsequently by the Ghana Supply Commission and eventually by GNPC. Kwame to provide input.

Energy Sector Levies Act (ESLA)

506. The Energy Sector Levies Act, 2015 (Act 899, 2015), amended as Act 946, was originally enacted into law in December 2015. A key stated objective of Government is to use proceeds from the relevant portions of the Act to address legacy debts in the state-owned energy sector. The key timelines in connection with ESLA are given below:

(a) Parliamentary Approval received on December 23, 2015

(b) Presidential Assent received on December 24, 2015

(c) Effective implementation date was January 1, 2016

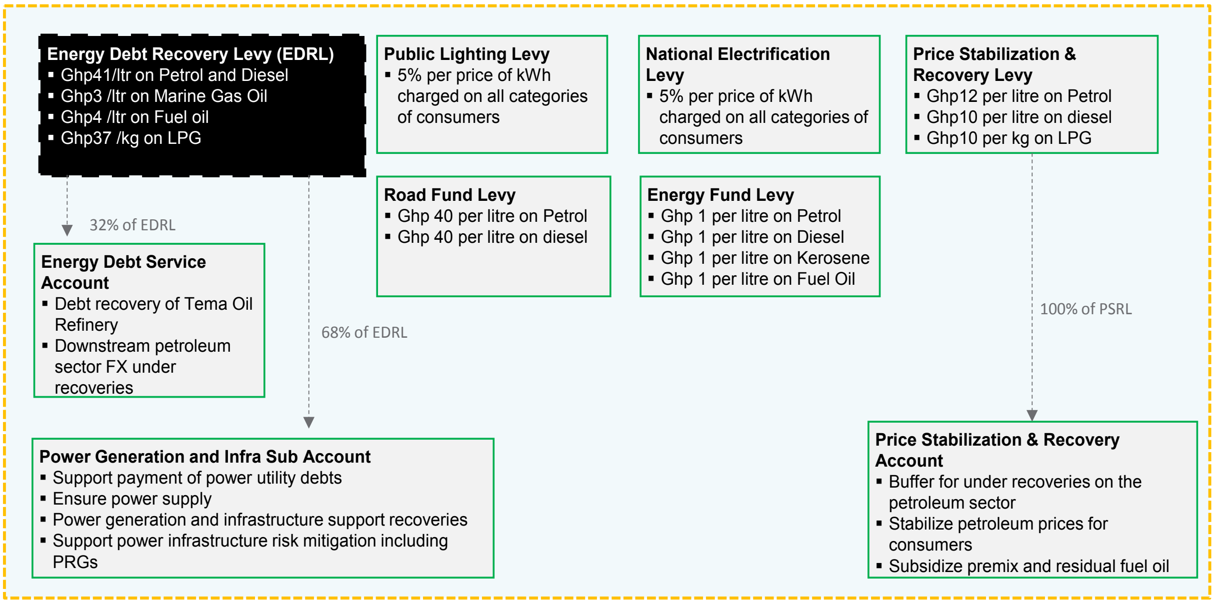
507. A multiplicity of levies existed prior to ESLA. However, the lack of effective coordination and targeting and the need to promote prudent investments in the power sector without constraining the National Budget motivated the introduction and subsequent passing of the ESLA, Act 899.The Act consolidated existing Energy Sector Levies and defines a framework to correct imbalances in the collection, distribution and utilisation of the levies; ensures the financial viability of energy sector State Owned Enterprises (SOEs); facilitate investments in the sector, and mitigate against market, credit and liquidity risks of energy sector SOEs and their counterpart creditor banks.

508. The passing of the ESLA Act in 2015 helped generate receivables for the payment of the energy sector debt service among other requirements in the form of levies. Under the Act, the Energy Debt Recovery Levy (EDRL) is applicable to the energy sector debt management and repayment. The Levies, as imposed by the Act, are derived from the sale of petrol, diesel, marine gas oil, residual fuel oil, liquefied petroleum gas, kerosene, and electricity. The agencies with responsibility for the collection are the Ghana Revenue Authority (GRA), National Petroleum Authority (NPA), Electricity Company of Ghana (ECG), Northern Electricity Distribution Company (NEDCO), and the Volta River Authority (VRA).

509. The Power Generation & Infrastructure Support Levy is to be used to, inter alia, support the

payment of power utility debt and power supply sustainability aimed at ensuring secured, reliable and quality electricity supply. The Power Generation & Infrastructure Support Levy is embedded in and recovered from the Energy Debt Recovery, Public Lighting Levy and National Electrification Scheme Levy, and in the ratio of 68%, 40% and 50% respectively. Likewise, the Energy Debt Recovery, pursuant to the Act is to support payment of the Tema Oil Refinery legacy debt, whilst Foreign Exchange Under-recoveries is to take care of Bulk Oil Distribution Companies' foreign exchange short-comings in the downstream petroleum sector.

510. The Act stipulates that the EDRL collections be paid into two designated accounts namely the Energy Debt Service Account (EDSA) and the Power Generation and Infrastructure Support sub-Account (PGISsA). 32% of EDRL collections are paid into EDSA and the balance of 68% will be transferred into PGISsA as shown below:



511. The ESLA further stipulates that the PGISsA shall be used for the following purposes:

(a) to support the payment of power utility debt;

(b) to ensure power supply sustainability to achieve a secure reliable and quality electricity supply;

(c) for power generation and infrastructure support recoveries; and

(d) to support power infrastructure risk mitigation including partial risk guarantees.

512. Also, under the Act, EDSA is expected to be utilized to facilitate:

(a) the debt recovery of the Tema Oil Refinery company (TOR); and

(b) downstream petroleum sector foreign exchange under recoveries.

Major Landmarks

513. In October 2017, E.S.L.A. PLC, sponsored by Ministry of Finance and administered by KPMG, successfully closed a corporate bond issuance as the first tranche of GH¢ 6 billion under a GH¢10 billion ESLA Bond programme. The transaction, a Cedi-denominated medium- to long-term amortizing bond on the back of Energy Sector Levies Act (ESLA) receivables assigned to a Special Purpose Vehicle (SPV), comprised of bonds of 7-years and 10 years. The bonds were listed on the Ghana Stock Exchange.

514. The objective of the transaction was and remains the utilization of proceeds from the issuance to refinance outstanding obligations of the State-owned Enterprises within the country's energy sector as well as pay off validated government liabilities in respect of claims by the Bulk Oil Distribution Companies (BDCs). Since the initial issuance, there has been tap-ins of GH¢615.95 million (January 2018/2027), and GH¢264.80 million (August 2018/2027).

515. According to the 'Annual Report on the Management of the Energy Sector Levies and Accounts for The Year 2018, Collections in 2018 totaled GH¢3,190.74, for which utilisation were as follows:

(a) an amount of GH¢1,370.03 million was transferred to ESLA PLC towards servicing the ESLA Bond;

(b) GH¢245.68 million for the payment of Premix and Residual Fuel Oil subsidy;

(c) GH¢685 million to Road Fund for road maintenance;

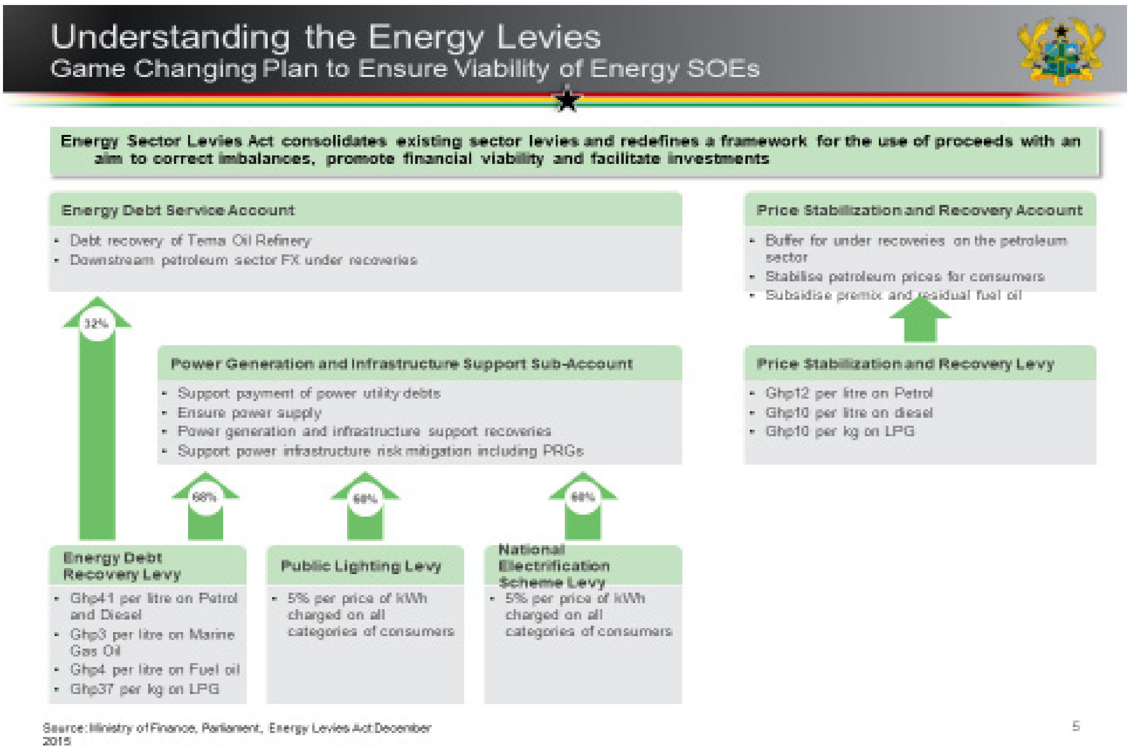
(d) GH¢116.63 million retained by electricity distribution companies for public lighting cost;

(e) GH¢82.67 million transferred to Ministry of Energy for the purposes of public lightening infrastructure and implementation of the National Electrification Programme;

(f) GH¢13.07 million transferred to the Energy Commission to fund its activities;

(g) GH¢47.72 million for the payment of power utility debts; and

(h) GH¢4.20 million for the payment of L/Cs and L/C charges.



ANNEXES

Annex 1: Relevant Provisions, Reporting and Other Requirements of the PFM Act, 2016 (Act 921) for State Owned Enterprises (SOEs) and Public Corporations (PCs)

Section	Requirements	Reporting Timeline
Section 52	A Principal Spending Officer (PSO) of a covered entity, SOE, PC shall be responsible for the assets of the institution under the care of the PSO and shall ensure that proper control systems exist for the custody and management of assets.	
Section 66	The Minister may issue a guarantee on behalf of Government in respect of the obligation of a local government authority, public corporation or other entity if, considering the debt management objectives and the debt management strategy of the Government, the Minister is satisfied that (a) it is in the public interest to issue the guarantee; and (b) the beneficiary of the guarantee has the ability to (i) repay the underlying loan; and (ii) fulfill all payment and other obligations under the underlying loan and under the guarantee and related agreements.	
Section 73	A local government authority, public corporation or state owned enterprise is liable for the debt and other obligations of that local government authority, public corporation or state-owned enterprise without recourse to Government, unless otherwise explicitly guaranteed by Government in accordance with this Act.	
Section 76 (1)	A public corporation or state-owned enterprise may borrow funds up to the limit determined by the Minister and consistent with the annual borrowing and recovery plan.	
Section 76 (2)	A public corporation or state-owned enterprise shall obtain the prior written approval of the Minister in respect of (a) borrowing of an amount above the limit determined by the Minister under subsection (1); or (b) borrowing from a foreign market.	
Section 77 (1)	A public corporation or state-owned enterprise shall, not later than twenty working days after the end of each quarter, submit to the Minister a record of outstanding debt and new borrowings including overdrafts and corporate debt securities issued.	20th January April, July, October
Section 77 (2)	A public corporation or state-owned enterprise shall submit to the Minister annually and upon request (a) a record of the total outstanding debt and borrowing operations of that public corporation or state-owned enterprise; and (b) any other record that the Minister may specify.	Annually and upon request by the Minister
Section 80 (1)	A Principal Spending Officer of a covered entity shall, within two months after the end of each financial year, prepare and submit to the Auditor-General and Controller and Accountant-General, the accounts and information set out in the Schedule.	28th February

Section	Requirements	Reporting Timeline
Section 80 (2)	A Principal Spending Officer of a public corporation shall, within two months after the end of each financial year, (a) prepare, in the format determined by the Controller and Accountant-General, a summary statement of financial performance of that public corporation; (b) submit the summary statement to the Controller and Accountant-General and the Auditor-General; and (c) submit a copy of the summary statement to the Minister.	28th February
Section 90	The governing body of a public corporation or state-owned enterprise shall establish and maintain policies, procedures, risk management and internal control systems, and governance and management practices, to ensure that that public corporation or state-owned enterprise manages its resources prudently and operates efficiently in accordance with the objectives for which the public corporation or state-owned enterprise was established.	
Section 91	The Board of Directors of a public corporation shall ensure the efficient management of the financial resources of the public corporation including the collection and receipt of moneys due to that public corporation.	
Section 92	A person appointed by the Government as a director of a public corporation who fails to report on the operations of that public corporation to the Minister as required under section 80 shall be removed from office.	
Section 93 (1)	The governing body of a public corporation or state-owned enterprise shall, not later than four months before the beginning of each financial year, submit to the Minister through the relevant sector Minister, a financial plan reflecting the proposed revenue and expenditure estimate of that public corporation or state-owned enterprise in respect of the ensuing financial year.	31st August
Section 93 (2)	The governing body of a public corporation or state-owned enterprise shall, at the end of every quarter and at any other time that the Minister and relevant sector minister may determine, report to them on (a) operations of that public corporation or state-owned enterprise in relation to its approved business plan for the year; and (b) any other matter that the Minister may specify as a matter to be included in the report.	31st March, 30th June, 31st October, 31st December
Section 94 (1)	The Minister may issue a financial directive to a public corporation or state-owned enterprise requesting that public corporation or state-owned enterprise to (c) provide financial information that the Minister may specify; and (d) submit to a special audit or review by a person appointed by the Minister.	

Section	Requirements	Reporting Timeline
Section 94 (2)	A public corporation or state-owned enterprise shall comply with a financial directive issued under subsection (1).	
Section 94 (3)	A financial directive issued under subsection (1) shall be disclosed in the annual report of the public corporation or state-owned enterprise concerned, covering the year in which the directive was received.	
Section 94 (4)	The annual report referred to under subsection (3) shall indicate the extent to which the public corporation or state-owned enterprise concerned complied with the directive.	
Section 95	The governing body of a public corporation or a state-owned enterprise shall (a) cause to be prepared, not later than two months after the end of each financial year, an annual account in respect of that financial year; and (b) submit to the Minister, not later than four months after the end of each financial year, an audited financial statement.	(a) 28th February (b) 30th April
Section 96	A person, acting in an office or employment connected with the procurement or control of Government stores, or the collection, management or disbursement of amounts in respect of a public fund or a public trust who (a) (makes an unauthorised commitment resulting in a financial obligation for the Government, (b) fails to collect moneys due to the Government, (c) is responsible for any improper payment of public funds or payment of money that is not duly verified in line with existing procedures, (d) is responsible for any deficiency in or for the loss, damage or destruction of any public funds, stamp, security, stores or any other Government property, (e) accepts or receives money or valuable consideration for the performance of an official duty, (f) in relation to the duties of that person, willfully makes or signs a false certificate, false return or false entry in a book, or (g) fails to report knowledge or information in respect of fraud committed by a person against the Government, contrary to any enactment related to public financial management, to the appropriate authority or law enforcement authority commits an offence and is liable on summary conviction to a term of imprisonment of not less than six months and not more than five years or to a fine of not less than one hundred penalty units and not more than two thousand, five hundred penalty units or to both.	

Section	Requirements	Reporting Timeline
Section 98 (1)	A person who (a) refuses or fails to produce or submit any information required under this Act, (b) issues a local purchase order outside the Ghana Integrated Financial Management Information System or any other electronic platform in use by Government, (c) misuses or permits the misuse of any Government property which results in a loss of public resources, (d) contravenes or knowingly permits another person to contravene a provision of this Act or the Regulations, or (e) instigates another person to contravene a provision of this Act or the Regulations, commits an offence and where no penalty is provided for the offence, is liable on summary conviction to a fine of not less than one hundred and fifty penalty units and not more than two hundred and fifty penalty units or to a term of imprisonment of not less than six months and not more than two years or to both.	
Section 98 (2)	A person who contravenes subsection (1) is, in addition to the penalty specified in that subsection (a) liable for any liability contracted on behalf of Government as a result of the contravention; and (b) subject to disciplinary action by Government including dismissal, demotion or suspension.	

Annex 2: Status of Financial Statements received from SOEs, JVCs and OSEs

No	Name	Availability of Financial Statement FY 2016	FY 2017	FY 2018	Remarks
	STATE OWNED ENTERPRISES (SOEs)				
	Commercial SOEs				
1	Architectural Engineering Services Limited	Audited Financial Statement	Audited Financial Statement	Draft Financial Statement	Commercial SOE
2	Bui Power Authority	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Commercial SOE
3	Bulk Oil & Storage Company	Audited Financial Statement	Draft Financial Statement	Draft Financial Statement	Commercial SOE
4	Consolidated Bank Ghana Limited	Not Applicable	Not Applicable	Audited Financial Statement	Commercial SOE
5	Electricity Company of Ghana	Audited Financial Statement	Audited Financial Statement	Draft Financial Statement	Commercial SOE
6	E.S.L.A. PLC	Not Applicable	Not Applicable	Audited Financial Statement	Special Purpose Vehicle
7	Ghana Airports Company Limited	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement*	Commercial SOE
8	Ghana Amalgamated Trust PLC	Not Applicable	Not Applicable	Not Applicable	Special Purpose Vehicle
9	Ghana Commodity Exchange Limited	Not Applicable	Not Applicable	Not Applicable	Commercial SOE
10	Ghana Cylinder Manufacturing Company Limited	Audited Financial Statement	Audited Financial Statement	Draft Financial Statement	Commercial SOE
11	Ghana Exim Bank	Audited Financial Statement*	Audited Financial Statement*	Draft Financial Statement	Commercial SOE
12	Ghana Integrated Aluminium Development Corporation	Not Applicable	Not Applicable	Not Applicable	Commercial SOE
13	Ghana Gas Company Limited	Audited Financial Statement	Draft Financial Statement	Draft Financial Statement	Commercial SOE
14	Ghana Grid Company	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Commercial SOE
15	Ghana Heavy Equipment Limited	Draft Financial Statement	Draft Financial Statement	No Financial Accounts	Commercial SOE
16	Ghana Infrastructure Investment Fund	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Commercial SOE
17	Ghana National Petroleum Corporation	Audited Financial Statement	Audited Financial Statement	Draft Financial Statement	Commercial SOE

No	Name	Availability of Financial Statement			
		FY 2016	FY 2017	FY 2018	Remarks
18	Ghana National Procurement Agency (GNPA) Limited	No Financial Accounts	No Financial Accounts	No Financial Accounts	Commercial SOE
19	Ghana Ports and Harbours Authority	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement*	Commercial SOE
20	Ghana Post Company Limited	Audited Financial Statement	Audited Financial Statement	Draft Financial Statement	Commercial SOE
21	Ghana Publishing Company	Draft Financial Statement	Draft Financial Statement	Draft Financial Statement	Commercial SOE
22	Ghana Railway Company Limited	No Financial Accounts	No Financial Accounts	No Financial Accounts	Commercial SOE
23	Ghana Reinsurance Company	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Commercial SOE
24	Ghana Supply Company Limited	Draft Financial Statement	Draft Financial Statement	Draft Financial Statement	Commercial SOE
25	Ghana Trade Fair Company Limited	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Commercial SOE
26	Ghana Water Company Limited	Audited Financial Statement	Audited Financial Statement	Draft Financial Statement	Commercial SOE
27	GIHOC Distilleries	Audited Financial Statement	Audited Financial Statement	Draft Financial Statement	Commercial SOE
28	Graphic Communications Group Limited	Audited Financial Statement	Audited Financial Statement	Draft Financial Statement	Commercial SOE
29	National Mortgage and Housing Fund Limitted	Not Applicable	Not Applicable	Not Applicable	Commercial SOE
30	Northern Electricity Development Company (NEDCo)	No Financial Accounts	No Financial Accounts	No Financial Accounts	Commercial SOE
31	Precious Minerals Marketing Company	Audited Financial Statement	Audited Financial Statement	Draft Financial Statement	Commercial SOE
32	PSC Shipyard	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Commercial SOE
33	Social Investment Fund	Audited Financial Statement	Audited Financial Statement	No Financial Accounts	Commercial SOE
34	State Housing Company Limited	Draft Financial Statement	Draft Financial Statement	Draft Financial Statement	Commercial SOE
35	TDC Development Company Limited	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Commercial SOE
36	Tema Oil Refinery	Draft Financial Statement	Draft Financial Statement	Draft Financial Statement	Commercial SOE

No	Name	Availability of Financial Statement FY 2016	FY 2017	FY 2018	Remarks
37	Venture Capital Trust Fund	Audited Financial Statement*	Audited Financial Statement*	Audited Financial Statement*	Commercial SOE
38	Volta Aluminum Company Limited	Draft Financial Statement	Draft Financial Statement	Draft Financial Statement	Commercial SOE
39	Volta Lake Transport Company	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Commercial SOE
40	Volta River Authority	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Commercial SOE
	Subvented Agencies				
1	Community Water & Sanitation Agency	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Subvented Agency
2	Ghana Broadcasting Corporation	Draft Financial Statement	Draft Financial Statement	Draft Financial Statement	Subvented Agency
3	Ghana Highway Authority	Audited Financial Statement	Audited Financial Statement	Draft Financial Statement	Subvented Agency
4	Ghana Meteorological Agency	No Financial Accounts	No Financial Accounts	No Financial Accounts	Subvented Agency
5	Ghana News Agency	No Financial Accounts	No Financial Accounts	No Financial Accounts	Subvented Agency
6	Irrigation Company of the Upper Region(ICOUR)	No Financial Accounts	No Financial Accounts	No Financial Accounts	Subvented Agency
7	National Theatre of Ghana	Draft Financial Statement	Draft Financial Statement	Draft Financial Statement	Subvented Agency
8	News Times Corporation	Draft Financial Statement	Draft Financial Statement	Draft Financial Statement	Subvented Agency
	Other State Entities				
1	Bank Of Ghana	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Regulator
2	Copyright Administration	No Financial Accounts	No Financial Accounts	No Financial Accounts	Regulator
3	Driver and Vehicle Licensing Authority	Draft Financial Statement	Draft Financial Statement	Draft Financial Statement	Regulator
4	Energy Commission	No Financial Accounts	No Financial Accounts	No Financial Accounts	Regulator
5	Environmental Protection Agency	Audited Financial Statement*	Audited Financial Statement	Draft Financial Statement	Regulator
6	Food And Drugs Authority	No Financial Accounts	No Financial Accounts	No Financial Accounts	Regulator
7	Forestry Commission	Audited Financial Statement	Draft Financial Statement	Draft Financial Statement	Regulator

No	Name	Availability of Financial Statement FY 2016	FY 2017	FY 2018	Remarks
8	Ghana Civil Aviation Authority	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Regulator
9	Ghana Cocoa Board	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Regulator
10	Ghana Export Promotion Authority	No Financial Accounts	No Financial Accounts	No Financial Accounts	Regulator
11	Ghana Free Zones Authority	Audited Financial Statement	Audited Financial Statement	No Financial Accounts	Regulator
12	Ghana Investment Promotion Centre	No Financial Accounts	No Financial Accounts	No Financial Accounts	Regulator
13	Ghana Irrigation Development Authority	Draft Financial Statement	Draft Financial Statement	Draft Financial Statement	Regulator
14	Ghana Maritime Authority	Audited Financial Statement	Audited Financial Statement	Draft Financial Statement	Regulator
15	Ghana Museums and Monuments Board	No Financial Accounts	No Financial Accounts	No Financial Accounts	Regulator
16	Ghana Shippers Authority	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Regulator
17	Ghana Standards Authority	No Financial Accounts	No Financial Accounts	No Financial Accounts	Regulator
18	Grains And Legumes Development Board	No Financial Accounts	No Financial Accounts	No Financial Accounts	Regulator
19	Health Facilities Regulatory Agency	No Financial Accounts	No Financial Accounts	No Financial Accounts	Regulator
20	Lands Commission	No Financial Accounts	No Financial Accounts	No Financial Accounts	Regulator
21	Minerals Commission	No Financial Accounts	No Financial Accounts	No Financial Accounts	Regulator
22	National Accreditation Board	Audited Financial Statement	Draft Financial Statement	Draft Financial Statement	Regulator
23	National Commission on Culture	No Financial Accounts	No Financial Accounts	No Financial Accounts	Public Corporation
24	National Communications Authority	No Financial Accounts	No Financial Accounts	No Financial Accounts	Regulator
25	National Council for Tertiary Education	No Financial Accounts	No Financial Accounts	No Financial Accounts	Regulator
26	National Film and Television Institute	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Public Corporation
27	National Identification Authority	No Financial Accounts	No Financial Accounts	No Financial Accounts	Regulator

No	Name	Availability of Financial Statement FY 2016	FY 2017	FY 2018	Remarks
28	National Information Technology Agency	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Regulator
29	National Insurance Commission	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Regulator
30	National Lottery Authority	No Financial Accounts	No Financial Accounts	No Financial Accounts	Regulator
31	National Pensions Regulatory Authority	Audited Financial Statement	Audited Financial Statement	Draft Financial Statement	Regulator
32	National Petroleum Authority	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Regulator
33	National Sports Authority	No Financial Accounts	No Financial Accounts	No Financial Accounts	Regulator
34	Office of the Administrator of Stool Lands	No Financial Accounts	No Financial Accounts	No Financial Accounts	Regulator
35	Petroleum Commission	No Financial Accounts	No Financial Accounts	No Financial Accounts	Regulator
36	Postal and Courier Services Regulatory Commission	No Financial Accounts	No Financial Accounts	No Financial Accounts	Regulator
37	Public Utilities Regulatory Commission	No Financial Accounts	No Financial Accounts	No Financial Accounts	Regulator
38	Securities And Exchange Commission	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Regulator
39	Traditional Medicine Practice Council	No Financial Accounts	No Financial Accounts	No Financial Accounts	Regulator
40	Water Resources Commission	No Financial Accounts	No Financial Accounts	No Financial Accounts	Regulator
	Joint Ventures (JVs)				
1	Accra Abattoir Company Limited	Draft Financial Statement	Draft Financial Statement	Draft Financial Statement	Joint Venture
2	Agricultural Development Bank	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Joint Venture
3	Aveyime Rice Project	No Financial Accounts	No Financial Accounts	No Financial Accounts	Joint Venture
4	Benso Oil Palm Plantation	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Joint Venture
5	Cocoa Processing Company	Audited Financial Statement	Audited Financial Statement	Draft Financial Statement	Joint Venture
6	First Savings and Loans Limited	Draft Financial Statement	Draft Financial Statement	Draft Financial Statement	Joint Venture

No	Name	Availability of Financial Statement FY 2016	FY 2017	FY 2018	Remarks
7	GCB Bank	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Joint Venture
8	GHACEM Limited	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Joint Venture
9	Ghana Agro-Food Company Limited	No Financial Accounts	No Financial Accounts	No Financial Accounts	Joint Venture
10	Ghana Community Network (GCNET)	No Financial Accounts	No Financial Accounts	No Financial Accounts	Joint Venture
11	Ghana Libya Arab Holding Company	Audited Financial Statement	Audited Financial Statement	No Financial Accounts	Joint Venture
12	Ghana Oil Company Limited	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Joint Venture
13	Ghana Rubber Estates Limited	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Joint Venture
14	Ghana Smart City Limited	Not Applicable	Not Applicable	Not Applicable	Joint Venture
15	Ghana Women's Fund	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Joint Venture
16	Intercity STC Company	No Financial Accounts	No Financial Accounts	No Financial Accounts	Joint Venture
17	Kumasi Abattoir Company Limited	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Joint Venture
18	Metro Mass Transport Company	Draft Financial Statement	Draft Financial Statement	Draft Financial Statement	Joint Venture
19	National Investment Bank	Draft Financial Statement	Draft Financial Statement	No Financial Accounts	Joint Venture
20	PBC Limited	Audited Financial Statement	Audited Financial Statement	Draft Financial Statement	Joint Venture
21	Shelter- Afrique	No Financial Accounts	No Financial Accounts	No Financial Accounts	Joint Venture
22	SIC Company Limited	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Joint Venture
23	SIC Life Company	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Joint Venture
24	Standard Chartered Bank	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Joint Venture

No	Name	Availability of Financial Statement FY 2016	FY 2017	FY 2018	Remarks
25	Twifo Oil Palm Plantation	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Joint Venture
26	Vodafone (Ghana Telecom)	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Joint Venture
Mining Companies					
1	Abosso Goldfields (Ghana) Limited	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Mining Company
2	Adamus Resources Limited	No Financial Accounts	No Financial Accounts	No Financial Accounts	Mining Company
3	Anglogold Ashanti Iduapriem	No Financial Accounts	No Financial Accounts	Audited Financial Statement	Mining Company
4	AngloGold Ashanti Limited	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Mining Company
5	Asanko Gold Ghana Limited	Audited Financial Statement	Audited Financial Statement	No Financial Accounts	Mining Company
6	Ghana Bauxite Company Limited	No Financial Accounts	No Financial Accounts	No Financial Accounts	Mining Company
7	Ghana Manganese Company Limited	Audited Financial Statement	Audited Financial Statement	No Financial Accounts	Mining Company
8	Golden Star (Bogoso/Prestea) Limited	Audited Financial Statement	Audited Financial Statement	No Financial Accounts	Mining Company
9	Golden Star (Wassa) Limited	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Mining Company
10	Goldfields Ghana Limited (Tarkwa)	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Mining Company
11	Great Consolidated Diamonds Limited	No Financial Accounts	No Financial Accounts	No Financial Accounts	Mining Company
12	Chirano Gold Mines	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Mining Company
13	Med Mining Limited	No Financial Accounts	No Financial Accounts	No Financial Accounts	Mining Company
14	Mensin Gold Bibiani Limited	No Financial Accounts	No Financial Accounts	No Financial Accounts	Mining Company
15	Owere Mines Limited	No Financial Accounts	No Financial Accounts	No Financial Accounts	Mining Company
16	Perseus Mining (Ghana) Limited	Audited Financial Statement	Audited Financial Statement	Audited Financial Statement	Mining Company

Annex 3: Energy Indicators (2009 – 2018)

Energy Indicator	Unit	2009	2010	2011	2012	2013	2014	2015*	2016*	2017*	2018
Total Primary Energy Supply	KTOE	6,039	6,947	7,610	8,363	8,565	9,148	9,551	9,520	9,622	10,510
Total Final Energy Consumed	KTOE	5,706	5,629	6,174	6,613	6,887	6,983	7,170	7,049	6,991	7,477
Total Electricity Generated	GWh	8,958	10,166	11,200	12,024	12,870	12,963	11,491	13,023	14,067	16,246
Total Electricity Consumed	GWh	7,454	8,317	9,187	9,258	10,583	10,695	9,780	11,518	12,246	13,185
Total Petroleum Products Consumed	KTOE	2,598	2,491	2,827	3,318	3,422	3,377	3,545	3,274	3,115	3,484
Total Biomass Consumed	KTOE	2,493	2,464	2,576	2,589	2,676	2,792	2,785	2,783	2,829	2,794
Population	million	23.4	24.7	25.3	25.9	26.5	27.0	27.7	28.3	29.0	29.6
Exchange rate	C/$	1.42	1.43	1.51	1.81	1.92	2.94	3.78	3.92	4.36	4.59
GDP current	million US$	25,773	32,186	39,517	41,656	64,401	52,950	47,767	54,858	58,920	65,556
GDP, PPP (constant 2011 international $)	million $	69,502	74,993	85,526	93,474	100,309	103,216	105,464	109,100	117,985	199,070
Total Energy Consumed/capita	TOE/capita	0.24	0.23	0.24	0.26	0.26	0.26	0.26	0.25	0.24	0.25
Total Electricity Generated/capita	kWh/capita	382.8	411.6	442.7	464.2	485.7	480.1	414.8	460.2	485.8	548.6
Total Electricity Consumed/capita	kWh/capita	318.5	336.7	363.1	357.4	399.4	396.1	353.1	407.0	422.8	445.2
Total Petroleum Products Consumed/capita	TOE/capita	0.11	0.10	0.11	0.13	0.13	0.13	0.13	0.12	0.11	0.12
Total Biomass Consumed/capita	TOE/capita	0.11	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.09
Total Primary Energy Supply/capita	TOE/capita	0.26	0.28	0.30	0.32	0.32	0.34	0.34	0.34	0.33	0.35
Grid Emission Factor (all other projects)	tCO_2/MWh	0.57	0.51	0.44	0.48	0.46	0.36	0.31	0.43	0.47	0.53

* *Revised*

It is the amount of CO_2 emitted per unit of electricity generated and supplied into the national electricity grid. In simple terms, the grid emission factor measures the carbon intensity of the national electricity grid. Project activities displacing electricity from the grid can use this emission factor to estimate the CO_2 emissions impacts of the project.

NB: Total Electricity Consumed include commercial losses

Source: GDP in current prices and Population data from Ghana Statistical Service; GDP in PPP (constant 2011 international $) from World Bank database. 2018 GDP in PPP estimated

Source: Energy Commission - Ghana

Annex 4a: Power Generation Capacity (2009 – 2018)

Plant	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Hydro Generation										
Akosombo	5,842	5,961	6,494	6,950	6,727	6,509	4,156	3,854	4,282	4,273
Kpong	1,035	1,035	1,067	1,121	1,144	1,148	819	763	752	771
Bui	-	-	-	-	362	730	870	944	582	974
Sub-Total	**6,877**	**6,995**	**7,561**	**8,071**	**8,233**	**8,387**	**5,844**	**5,561**	**5,616**	**6,017**
Thermal Generation										
Takoradi Power Company (TAPCO)	453	1,234	1,137	1,061	1,783	890	1,784	1,204	686	730
Takoradi International Company (TICO)	1,040	1,160	657	1,168	1,032	712	1,336	1,926	1,880	2,211
Tema Thermal 1 Power Plant (TT1PP)	570	591	559	622	475	697	541	178	365	314
Tema Reserve Power Plant (TRPP)	-	-	-	-	-	-	-	-	-	-
Emergency Reserve Power Plant (ERPP)	-	-	-	-	-	-	-	-	-	-
Kumasi Reserve Power Plant (KRPP)	-	-	-	-	-	-	-	-	-	-
Mines Reserve Plant (MRP)	18	20	13	20	-	195	170	3	-	-
Tema Thermal 2 Power Plant (TT2PP)	-	28	50	141	94	223	216	25	1	3
Sunon Asogli Power (Ghana) Ltd (SAPP)	-	138	1,224	848	694	1,255	1,185	377	1,417	1,970
Cenit Energy Ltd (CEL)	-	-	-	94	454	513	317	413	59	2
Takoradi T3	-	-	-	-	102	87	31	-	-	-
Karpowership	-	-	-	-	-	-	64	1,822	1,814	2,556
Ameri Plant	-	-	-	-	-	-	-	1,233	1,228	873
Trojan*	-	-	-	-	-	-	-	54	51	-
Kpone Thermal Power Plant (KTPP)	-	-	-	-	-	-	-	198	124	317
AKSA Enery Ltd	-	-	-	-	-	-	-	-	799	748
Genser*	-	-	-	-	-	-	-	-	-	392
Cenpower	-	-	-	-	-	-	-	-	-	79
Sub-Total	**2,081**	**3,171**	**3,639**	**3,953**	**4,635**	**4,572**	**5,644**	**7,435**	**8,424**	**10,195**
Renewables										
Safisana Biogas*	-	-	-	-	-	-	-	-	-	0.32
VRA Solar*	-	-	-	-	3	4	3	3	3	2.5
BXC Solar*	-	-	-	-	-	-	-	24	25	26.6
Meinergy*	-	-	-	-	-	-	-	-	-	3.7
Sub-Total	**-**	**-**	**-**	**-**	**3**	**4**	**3**	**27**	**28**	**33**
Total Generation	**8,958**	**10,166**	**11,200**	**12,024**	**12,870**	**12,963**	**11,491**	**13,023**	**14,067**	**16,246**
Installed Capacity (MW)	**1,970**	**2,165**	**2,170**	**2,280**	**2,831**	**2,831**	**3,656**	**3,795**	**4,398**	**4,889**

*Source: GRIDCo and ECG/PDS; - means power plant is not available; *connected at the sub-transmission level;*

Annex 4B: Power Generation Capacity Data (2018)

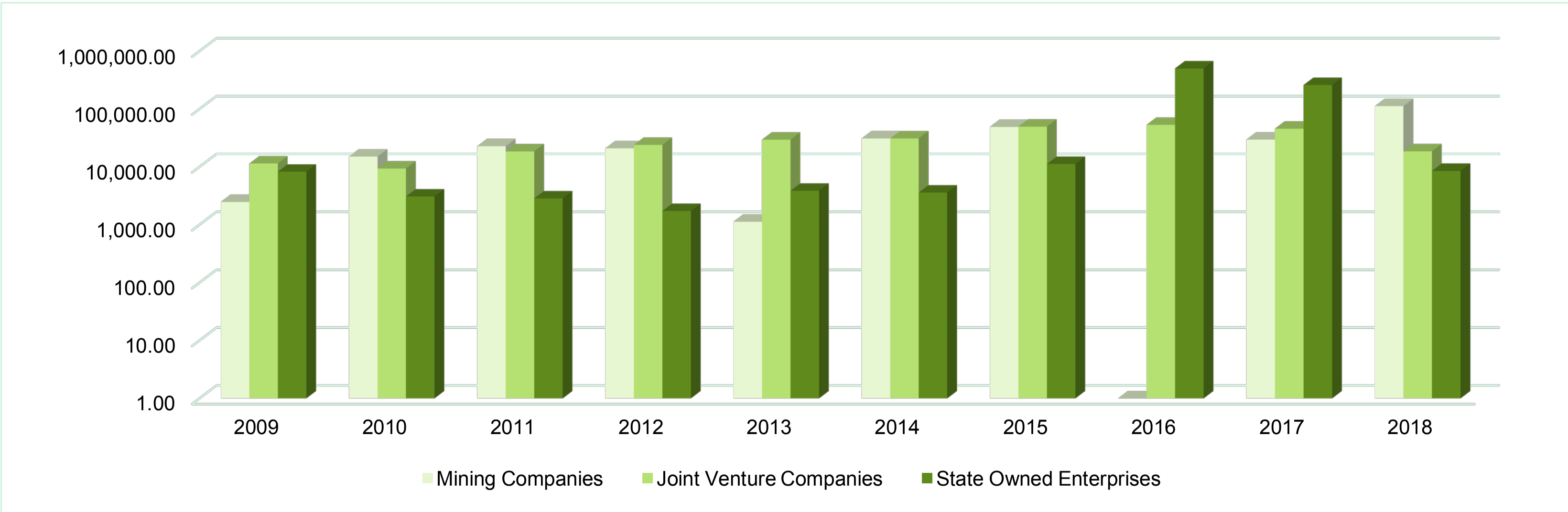
Plant	Installed Capacity (MW)	Dependable Capacity (MW)
Hydro		
Akosombo	1020	900
Kpong	160	140
Bui	400	360
Total	**1580**	**1400**
Thermal		
Takoradi Power Company (TAPCO)	330	300
Takoradi International Company (TICO)	340	320
Tema Thermal 1 Power Plant (TT1PP)	110	100
Cenit Energy Ltd	110	100
Sunon Asogli Power (Ghana) Limited	560	520
Tema Thermal 2 Power Plant (TT2PP)	80	70
Kpone Thermal Power Plant	220	200
Karpowership	470	450
Ameri Plant	250	230
Trojan*	44	40
Genser*	22	18
AKSA	370	350
Cenpower	360	340
Total	**3266**	**3038**
Renewables		
Safisana Biogas*	0.1	0.1
VRA Solar*	2.5	2
BXC Solar*	20	16
Mienergy*	20	16
Total	**42.6**	**34.1**
Grand Total	**4888.6**	**4472.1**

Annex 5: Dividend Receipts Trends by Categories (2009 – 2018)

S/N		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Total
1	Mining Companies	2,477.83	15,078.50	22,718.08	20,893.43	1,130.69	31,034.93	49,036.07	0.00	29,593.89	112,070.96	284,034.38
2	Joint Venture Companies	11,420.23	9,348.76	18,482.99	23,998.58	29,540.10	31,056.53	49,588.83	53,283.28	45,766.83	18,588.41	291,074.54
3	State Owned Enterprises	8,250.34	3,085.34	2,850.00	1,730.00	3,863.60	3,599.99	11,225.00	503,680.00	259,530.00	8,520.00	806,334.27
	Grand Total	**22,148.40**	**27,512.60**	**44,051.07**	**46,622.01**	**34,534.39**	**65,691.45**	**109,849.90**	**556,963.28**	**334,890.72**	**139,179.37**	**1,381,443.19**

Source: Non-Tax Policy Unit, (May, 2018)

Annex 6: Dividend Receipts Trends by Categories (2009 – 2018)



Annex 7: Trends in Dividend Receipts by Categories (2009 – 2018)

NATIONAL DOMESTIC SUPPLY_2018														
All Products are in Litres except LPG which is in Kg														
Month	Fuel oil (Industrial)	Fuel oil (Power Plant)	Gas oil (Diesel)	Marine Gasoil (Local)	Naphtha (Unified)	Kerosene	*LPG	LPG - Propane (Power Plant)	Gasoline (Premium)	Premix	Marine Gasoil (Foreign)	Gasoil (Mines)	ATK	Gasoil (Rig)
Jan-18	1,324,000	28,646,560	134,532,200	2,133,000	99,000	828,000	24,101,190	8,485,880	147,495,500	7,155,000	2,764,500	26,149,100	23,692,700	6,951,660
Feb-18	3,526,320	24,922,000	119,607,400	3,105,000	-	778,500	21,916,340	6,481,165	121,491,700	6,169,500	759,400	26,096,300	11,156,500	8,746,200
Mar-18	2,246,700	30,645,610	152,839,800	4,382,000	526,500	333,000	22,814,290	8,224,516	154,917,600	7,668,000	417,000	29,878,200	21,373,700	9,789,500
Apr-18	2,378,000	-	134,192,100	1,903,500	108,000	526,500	23,961,960	9,630,400	136,002,000	6,696,000	378,000	27,304,700	20,126,100	8,507,000
May-18	-	-	160,057,800	1,658,000	54,000	553,500	24,949,320	9,245,230	147,122,900	7,344,000	283,500	25,852,300	17,346,500	7,037,000
Jun-18	6,202,484	-	149,544,000	1,998,000	81,000	432,000	23,946,030	9,820,600	132,584,000	7,762,500	867,500	24,298,100	21,624,100	8,100,420
Jul-18	3,196,200	-	129,067,000	1,975,500	-	301,500	23,411,730	9,534,481	124,958,300	6,169,500	3,170,960	24,854,500	22,799,900	9,451,000
Aug-18	2,098,000	-	147,190,800	1,975,500	18,000	445,500	25,261,150	8,288,800	138,679,200	6,250,500	446,500	31,550,600	24,408,800	8,186,000
Sep-18	5,195,843	-	124,288,400	2,343,393	324,000	347,000	24,026,875	10,200,200	126,237,800	3,780,000	-	25,774,100	18,116,100	5,231,100
Oct-18	4,177,900	224,137	143,741,500	1,743,135	162,000	841,500	24,373,680	9,684,228	136,062,400	5,481,000	270,000	32,841,500	24,149,300	11,325,340
Nov-18	3,134,000	10,611,099	145,751,700	3,406,684	162,000	603,000	23,592,460	9,128,490	145,050,700	5,508,000	1,541,000	31,373,600	22,081,300	7,593,000
Dec-18	2,599,000	9,234,000	151,795,700	1,849,500	270,000	171,000	25,973,760	7,300,110	151,834,200	3,307,500	1,242,000	30,055,600	21,663,100	13,426,300
TOTAL	**36,078,447**	**104,283,406**	**1,692,608,400**	**28,473,212**	**1,804,500**	**6,161,000**	**288,328,785**	**106,024,100**	**1,662,436,300**	**73,291,500**	**12,140,360**	**336,028,600**	**248,538,100**	**104,344,520**

Source: Non-Tax Policy Unit, (May, 2018)

Annex 8: Financial Indicators And Ratios For SOEs (2016 - 2018)

		Sales/Revenue			Direct Cost/Cost of sales			Gross Profit			General/Administrative Expenses			Other Expenses			EBIT		
		2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018
INF	AESL	11.55	9.11	9.96	0.00	0.00	0.00	11.55	9.11	9.96	14.26	13.86	14.22	0.00	0.00	0.00	-2.71	-4.75	-4.26
	CWSA	58.97	35.73	64.61	0.00	0.00	0.00	58.97	35.73	64.61	16.03	20.64	28.01	36.82	15.28	34.39	6.12	-0.19	2.21
	GACL	363.03	440.72	524.51	99.69	137.61	171.59	263.60	303.12	352.92	65.26	150.60	204.55	0.00	0.00	0.00	198.34	152.52	148.37
	GHA	1,529.72	1,300.94	1,491.02	1,524.30	1,295.61	1,488.90	5.41	5.33	2.12	8.04	8.10	6.48	0.00	0.00	0.00	-2.62	-2.77	-4.36
	GPHA	908.22	1,066.99	1,212.23	706.95	789.26	889.75	201.47	277.73	322.48	145.60	89.15	130.20	0.00	0.00	0.00	150.58	288.19	303.27
	NTG	3.33	3.82	3.73	3.18	3.36	3.77	0.15	0.46	-0.04	0.00	0.00	0.00	0.00	0.00	0.00	0.15	0.46	-0.04
	PTS	25.11	28.44	38.91	14.32	16.36	20.73	10.79	12.08	18.18	26.84	11.61	13.42	0.00	0.00	0.00	-7.38	0.62	6.00
	SHC	25.13	26.34	27.92	4.72	2.95	3.57	20.41	23.39	24.35	7.59	4.08	6.28	6.00	8.81	6.94	6.82	10.50	11.13
	TDC	37.85	54.25	75.74	3.88	9.36	16.94	33.97	44.89	58.80	26.80	31.50	27.04	0.00	0.00	0.00	7.17	13.39	31.76
	Sub-Total	2,962.91	2,966.34	3,448.63	2,357.04	2,254.51	2,595.25	606.32	711.84	853.38	310.42	329.54	430.20	42.82	24.09	41.33	356.47	457.97	494.08
TRANS	VLTC	8.38	13.58	9.51	10.41	25.40	9.00	-2.03	-11.82	0.51	6.10	2.63	4.32	0.00	0.00	0.00	-8.13	-14.45	-3.81
	Sub-Total	8.38	13.58	9.51	10.41	25.40	9.00	-2.03	-11.82	0.51	6.10	2.63	4.32	0.00	0.00	0.00	-8.13	-14.45	-3.81
MAN	GCMC	9.45	7.88	6.89	6.75	6.87	4.88	2.70	1.00	2.01	1.74	2.74	3.51	0.00	0.00	0.00	0.99	-1.71	-1.43
	GIHOC	51.68	45.45	62.58	39.12	34.59	46.16	12.56	10.86	16.42	2.42	2.51	4.02	2.93	1.79	3.99	7.44	6.97	8.81
	GSCL	6.35	1.92	1.74	0.00	0.00	0.00	6.35	1.92	1.74	3.32	2.61	3.13	0.00	0.00	0.00	3.03	-0.69	-1.39
	GTFCL	1.37	2.82	3.76	0.00	0.00	0.00	1.37	2.82	3.76	0.94	1.24	2.10	0.00	0.00	0.00	0.43	1.58	1.66
	GWCL	922.59	917.81	934.03	593.51	665.56	622.56	329.08	252.25	311.47	153.30	162.30	195.72	0.00	0.00	0.00	175.78	89.95	115.75
	PMMC	22.82	14.51	23.20	8.99	0.11	0.78	13.83	14.40	22.42	0.00	0.00	14.38	0.00	0.00	0.00	13.83	14.40	8.04
	VALCO	258.32	336.03	467.53	349.59	436.49	608.54	-91.27	-100.46	-141.06	45.85	13.43	14.52	0.00	0.00	0.00	-137.12	-113.89	-155.57
	Sub-Total	1,272.58	1,326.42	1,499.73	997.96	1,143.62	1,282.91	274.62	182.79	216.77	207.57	184.83	237.38	2.93	1.79	3.99	64.38	-3.39	-24.14
FIN	EXIM	53.28	59.40	61.25	0.00	0.00	0.00	53.28	59.40	61.25	124.83	36.19	70.21	6.53	17.67	18.07	-79.21	5.07	54.45
	CBG	0.00	0.00	138.21	0.00	0.00	13.48	0.00	0.00	124.73	0.00	0.00	57.50	0.00	0.00	82.00	0.00	0.00	-28.41
	GHANA RE	142.40	193.00	205.70	96.27	129.20	147.20	81.07	93.14	75.14	32.99	45.00	43.20	0.00	0.00	0.00	48.08	49.40	53.00
	GIIF	110.68	131.97	150.72	0.00	0.00	0.00	111.58	133.57	154.32	14.64	5.31	12.75	0.00	0.00	0.00	96.94	128.26	167.07
	VCTF	4.63	1.56	2.31	0.00	0.00	0.00	4.63	1.56	2.31	4.68	4.01	3.74	1.91	4.83	0.19	-1.96	-7.28	-1.62
	Sub-Total	310.99	385.93	558.19	96.27	129.20	160.68	250.56	287.67	417.75	177.14	90.51	187.40	8.44	22.50	100.26	63.86	175.45	244.49
COMM	GBC	65.12	60.19	64.33	0.00	0.00	0.00	65.12	60.19	64.33	58.34	56.69	61.57	9.08	9.73	8.17	-2.30	-6.23	-5.41
	GCGL	75.00	81.67	72.18	37.48	40.81	38.98	37.52	40.86	33.20	22.41	22.95	24.46	7.50	8.28	7.69	7.61	9.63	1.05
	GHANA POST	51.05	60.71	65.67	32.85	47.60	50.95	18.20	13.11	14.72	15.87	10.38	10.94	0.00	0.00	0.00	2.33	2.73	3.78
	GPCL	0.64	8.91	10.65	0.00	2.73	4.87	0.64	6.18	5.78	3.32	3.55	5.15	0.00	0.16	0.16	-2.68	2.47	0.47
	NTC	13.00	12.57	12.69	6.79	7.86	7.66	6.21	4.71	5.03	5.22	5.75	6.28	0.00	0.00	0.00	0.99	-1.04	-1.25
	Sub-Total	204.81	224.05	225.52	77.12	99.00	102.46	127.69	125.05	123.06	105.16	99.32	108.40	16.58	18.17	16.02	5.95	7.56	-1.36
ENE	BOST	3,031.86	1,300.41	602.94	2,831.24	1,259.08	311.08	200.62	41.33	291.86	481.57	242.22	214.53	42.44	54.69	0.00	-323.39	-255.58	77.33
	BPA	402.24	259.68	477.22	44.92	47.01	50.78	357.32	212.68	426.44	240.62	37.68	47.74	0.38	0.71	1.25	116.32	174.29	377.45
	ECG	5,695.07	6,219.00	6,037.92	4,395.21	5,822.21	8,286.43	1,299.86	396.79	-2,248.51	400.21	455.77	524.54	194.66	264.45	255.93	704.99	-323.43	-3,028.98
	GNGC	932.37	1,109.34	1,199.55	431.06	318.35	299.57	501.31	790.99	899.98	62.44	70.68	126.97	308.80	177.82	181.42	130.07	542.49	591.59
	GNPC	2,450.91	1,182.85	2,285.62	1,268.72	453.28	1,137.12	1,182.19	729.57	1,148.50	786.25	345.44	690.23	739.94	123.75	220.19	739.94	123.75	220.19
	GRIDCO	673.84	715.20	490.47	342.70	353.53	373.15	331.14	361.67	117.32	165.62	211.06	130.41	99.46	211.38	167.52	66.06	-60.77	-180.61
	TOR	221.36	218.54	283.15	66.35	155.67	221.85	155.01	62.87	61.30	24.62	37.03	29.62	413.71	308.23	347.80	-283.32	-282.39	-316.12
	VRA	2,934.36	2,981.75	3,173.79	2,978.97	3,081.73	3,047.63	-44.61	-99.98	126.16	792.21	502.62	560.74	1,158.27	779.51	427.55	-1,995.09	-1,382.11	-862.13
	Sub-Total	16,342.01	13,986.77	14,550.67	12,359.17	11,490.85	13,727.61	3,982.84	2,495.92	823.06	2,953.54	1,902.50	2,324.78	2,957.66	1,920.53	1,601.66	-844.42	-1,463.76	-3,121.28
	Grand Total	21,101.67	18,903.09	20,292.26	15,897.97	15,142.59	17,877.92	5,240.00	3,791.44	2,434.53	3,759.93	2,609.33	3,292.48	3,028.43	1,987.08	1,763.26	-361.90	-840.63	-2,412.01

		Tax			Depreciation			Amortization			Interest Expense			Operating Income			Net Profit			EBITDA		
		2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018
INF	AESL	-0.63	0.56	0.17	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-2.71	-4.75	-4.26	-1.85	-3.97	-4.22	-2.71	-4.75	-4.26
	CWSA	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	42.94	15.09	36.60	6.13	-0.19	2.68	6.12	-0.19	2.21
	GACL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.50	42.00	198.34	152.52	148.37	152.92	89.20	20.42	198.34	154.78	148.37
	GHA	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-2.62	-2.77	-4.36	-2.62	-2.77	-4.36	-2.62	-2.77	-4.36
	GPHA	58.71	8.16	72.58	268.47	254.09	213.24	0.00	0.00	0.00	67.24	63.71	73.85	-212.60	-65.51	-20.96	56.56	52.34	194.68	419.05	542.28	516.51
	NTG	-0.04	-0.04	-0.04	0.07	0.10	0.11	0.11	0.11	0.11	0.00	0.00	0.00	0.08	0.36	-0.15	0.16	0.49	-0.04	0.22	0.56	0.07
	PTS	-4.96	0.49	1.57	0.70	0.75	1.22	0.00	0.00	0.00	0.00	0.00	0.00	-16.05	0.47	4.76	-2.42	0.13	4.43	-6.68	1.37	7.22
	SHC	0.00	0.00	0.00	0.34	0.39	0.50	0.00	0.00	0.00	0.00	0.00	0.00	12.48	18.92	17.57	6.48	10.11	10.63	7.16	10.89	11.63
	TDC	1.38	2.85	7.63	1.39	1.61	1.51	0.00	0.00	0.00	0.00	2.54	0.66	7.17	13.39	31.76	5.79	10.55	24.22	7.17	13.39	31.76
	Sub-Total	54.46	12.02	81.91	270.97	256.94	216.58	0.11	0.11	0.11	67.24	70.75	116.51	27.03	127.72	209.33	221.15	155.89	248.44	626.04	715.56	709.15
TRANS	VLTC	0.00	0.00	0.00	0.00	0.00	21.09	0.00	0.00	0.00	0.00	0.00	0.00	-8.13	-14.45	-24.90	-6.73	-11.60	-21.27	-8.13	-14.45	17.28
	Sub-Total	0.00	0.00	0.00	0.00	0.00	21.09	0.00	0.00	0.00	0.00	0.00	0.00	-8.13	-14.45	-24.90	-6.73	-11.60	-21.27	-8.13	-14.45	17.28
MAN	GCMC	0.00	0.00	0.00	0.28	0.33	0.34	0.00	0.00	0.00	0.86	0.50	0.00	0.68	-2.07	-1.84	-0.14	-2.54	-1.77	1.27	-1.38	-1.09
	GIHOC	0.49	1.00	1.14	2.81	2.85	3.00	0.00	0.00	0.00	2.90	1.92	2.74	7.33	5.50	9.40	1.24	1.20	1.93	10.25	9.82	11.81
	GSCL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.03	-0.69	-1.39	1.43	0.39	0.07	3.03	-0.69	-1.39
	GTFCL	0.00	0.74	0.81	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.43	1.58	1.66	-0.45	0.25	0.26	0.43	1.58	1.66
	GWCL	0.00	0.00	0.00	55.02	755.59	758.72	0.00	0.00	0.00	19.63	26.59	25.36	101.13	-692.23	-668.33	101.13	-692.23	-668.33	230.80	845.54	874.47
	PMMC	-0.56	0.03	0.39	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13.83	14.40	8.04	-7.36	-6.31	1.15	13.83	14.40	8.04
	VALCO	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-137.12	-113.89	-155.57	-105.73	-107.35	-153.64	-137.12	-113.89	-155.57
	Sub-Total	-0.07	1.77	2.34	58.11	758.77	762.06	0.00	0.00	0.00	23.39	29.01	28.10	-10.69	-787.40	-808.03	-9.88	-806.59	-820.33	122.49	755.38	737.93
FIN	EXIM	0.00	0.00	0.00	1.13	0.72	0.89	0.00	0.00	0.00	0.00	0.00	0.00	52.15	59.65	143.62	-79.21	5.07	54.45	-78.07	5.80	55.34
	CBG	0.00	0.00	5.57	0.00	0.00	13.63	0.00	0.00	0.00	0.00	0.00	338.79	0.00	0.00	138.21	0.00	0.00	-22.84	0.00	0.00	-14.77
	GHANA RE	16.46	13.56	11.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.63	174.30	190.40	29.33	34.03	38.60	48.08	49.40	53.00
	GIIF	0.00	0.00	0.00	0.00	0.00	0.43	0.00	0.00	0.00	0.00	0.00	0.00	111.58	133.57	154.32	96.94	128.26	167.07	96.94	128.26	167.07
	VCTF	0.00	0.00	0.00	0.28	0.63	0.57	0.00	0.00	0.00	0.00	0.00	0.00	-0.61	-3.41	-2.21	-2.24	-7.91	-2.19	-1.68	-6.65	-1.05
	Sub-Total	16.46	13.56	17.37	1.41	1.35	15.52	0.00	0.00	0.00	0.00	0.00	338.79	163.75	364.11	624.34	44.82	159.45	235.09	65.27	176.81	259.59
COMM	GBC	0.00	0.00	0.00	4.39	3.98	3.65	0.00	0.00	0.00	0.06	0.00	0.00	2.39	-0.48	-0.89	-7.19	-10.21	-9.06	2.09	-2.25	-1.76
	GCGL	2.50	4.79	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.80	0.82	1.00	15.11	17.91	6.35	4.29	7.75	-1.09	7.61	9.63	1.05
	GHANA POST	0.40	0.60	0.64	1.56	1.73	2.64	0.00	0.00	0.00	0.11	0.10	0.15	0.77	1.00	1.32	0.25	0.31	0.53	3.89	4.46	6.42
	GPCL	0.00	0.00	0.00	0.07	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-2.75	2.63	0.63	0.00	2.66	0.58	-2.61	2.47	0.47
	NTC	0.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.99	-1.04	-1.25	-0.99	-0.81	-1.01	0.99	-1.04	-1.25
	Sub-Total	3.20	5.39	0.64	6.02	5.71	6.29	0.00	0.00	0.00	0.97	0.92	1.15	16.51	20.02	6.16	-3.64	-0.30	-10.05	11.97	13.27	4.93
ENE	BOST	0.00	0.00	0.00	56.72	0.00	64.00	0.00	0.00	0.00	78.53	54.69	72.34	-337.67	-200.89	13.33	-458.64	-310.27	-59.01	-266.67	-255.58	141.33
	BPA	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	116.70	174.99	378.70	19.12	81.60	287.27	116.32	174.29	377.45
	ECG	153.45	144.70	0.00	561.77	0.00	0.00	0.00	0.00	0.00	44.44	46.59	56.72	337.88	-58.98	-2,773.05	276.74	-497.42	-3,172.53	1,266.76	-323.43	-3,028.98
	GNGC	8.89	-154.50	167.49	132.87	136.76	135.26	0.85	5.01	5.02	98.97	103.52	8.51	305.15	578.54	632.73	-461.16	458.67	383.26	263.79	684.26	731.87
	GNPC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8.49	60.75	93.55	395.94	384.14	458.27	114.22	384.14	526.12	-344.00	260.39	238.08
	GRIDCO	24.14	2.59	-42.48	0.00	0.00	0.00	0.00	0.00	0.00	25.39	65.51	16.83	165.52	150.61	-13.09	69.13	-31.10	-114.29	66.06	-60.77	-180.61
	TOR	0.00	0.00	0.00	62.62	62.66	62.43	0.00	0.00	0.00	0.00	0.00	0.00	67.77	-36.82	-30.75	-529.79	-397.54	-382.73	-220.70	-219.73	-253.69
	VRA	0.00	39.28	55.84	0.00	0.00	0.00	0.00	0.00	0.00	538.48	137.25	445.00	-836.82	-1,036.89	-434.58	-1,319.68	-430.54	-220.10	-1,995.09	-947.82	-862.13
	Sub-Total	186.48	32.07	180.85	813.98	199.42	261.69	0.85	5.01	5.02	794.30	468.31	692.95	214.47	-45.30	-1,768.43	-2,290.06	-742.46	-2,752.01	-1,113.53	-688.39	-2,836.68
	Grand Total	260.53	64.81	283.11	1,150.49	1,222.19	1,283.23	0.96	5.12	5.13	885.90	568.99	1,177.50	402.94	-335.30	-1,761.53	-2,044.34	-1,245.61	-3,120.13	-295.88	958.17	-1,107.80

		Total Assets			Non-current Assets			Current Assets			Total Liabilities			Current Liabilities			Equity			Net Debt		
INF		2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018
	AESL	30.91	33.65	30.62	10.25	9.82	9.52	20.66	23.82	21.09	14.82	21.53	22.72	14.82	21.53	22.72	16.09	12.12	7.90	14.02	20.76	21.86
	CWSA	51.76	40.79	74.34	3.53	3.47	27.97	48.23	37.32	46.37	13.28	2.51	9.01	0.88	0.74	0.54	38.48	38.28	65.33	34.95	34.81	37.36
	GACL	5,845.45	6,727.35	7,152.14	5,395.24	6,406.53	6,929.93	450.21	320.82	222.22	874.33	1,603.46	2,019.63	57.22	140.16	233.03	4,971.12	5,123.90	5,132.51	753.73	1,579.06	1,999.38
	GHA	742.58	1,631.52	2,219.54	45.19	48.00	49.22	697.39	1,583.52	2,170.32	686.91	1,577.67	2,167.34	686.91	1,577.67	2,167.34	55.67	53.85	53.88	664.79	1,567.88	2,153.16
	GPHA	10,054.87	10,271.10	11,042.35	9,577.85	9.643.18	10,253.34	477.02	627.92	789.01	3,713.08	3,857.89	4,078.19	350.36	343.24	369.37	6,341.79	6,413.21	6,963.97	3,415.42	3,385.36	3,563.04
	NTG	1.99	2.25	1.96	1.52	1.57	1.62	0.05	0.07	0.34	1.14	0.91	0.67	1.14	0.91	0.67	0.85	1.34	1.29	1.02	0.78	0.50
	PTS	21.94	23.16	35.85	9.45	9.72	12.49	12.49	13.44	23.36	21.45	22.54	30.81	11.23	11.23	9.99	0.49	0.61	5.04	15.53	16.31	24.27
	SHC	35.68	46.53	57.17	5.38	10.51	12.73	30.30	36.02	44.44	16.38	17.57	18.85	15.94	17.13	18.65	19.30	28.96	38.33	12.63	7.97	9.63
	TDC	196.79	228.52	258.16	72.82	73.85	71.00	123.98	154.67	187.16	64.66	77.60	66.34	63.41	76.35	65.09	132.13	150.92	191.82	41.62	34.10	11.57
	Sub- Total	16,981.97	19,004.87	20,872.13	15,121.23	6,563.47	17,367.82	1,860.33	2,797.60	3,504.31	5,406.05	7,181.68	8,413.56	1,201.91	2,188.96	2,887.40	11,575.92	11,823.19	12,460.07	4,953.71	6,647.03	7,820.77
TRANS	VLTC	208.32	197.97	148.28	205.03	194.79	146.36	3.28	3.19	1.92	52.09	68.78	49.30	19.88	22.31	26.14	156.22	129.20	98.92	51.94	68.49	48.90
	Sub- Total	208.32	197.97	148.28	205.03	194.79	146.36	3.28	3.19	1.92	52.09	68.78	49.30	19.88	22.31	26.14	156.22	129.20	98.92	51.94	68.49	48.90
MAN	GCMC	20.91	22.48	51.18	12.90	14.17	46.82	8.01	8.31	4.36	14.17	18.29	28.07	8.73	14.22	25.21	6.74	4.20	23.11	12.72	18.05	27.29
	GIHOC	42.71	34.49	59.98	26.32	24.03	22.79	16.38	10.46	37.19	24.63	15.21	38.77	12.65	8.79	35.01	18.08	19.28	21.21	23.50	14.08	37.64
	GSCL	19.79	21.68	20.72	16.86	18.20	17.73	2.92	3.49	2.98	3.62	4.33	3.45	3.62	1.87	1.29	16.16	17.34	17.27	2.68	3.02	2.71
	GTFCL	3.61	4.37	4.19	1.29	0.95	0.85	2.32	3.42	3.35	5.73	6.23	5.80	5.73	6.23	5.80	-2.11	-1.87	-1.60	5.53	5.93	5.57
	GWCL	3,470.18	14,008.09	13,635.29	2,765.27	13,116.66	12,509.36	704.91	891.43	1,125.93	1,427.74	1,671.22	2,194.38	756.32	975.65	1,259.88	2,042.44	12,336.87	11,440.91	1,362.35	1,628.35	2,136.72
	PMMC	33.75	38.83	41.42	28.37	27.95	28.44	10.28	10.88	12.98	54.67	61.31	62.75	16.28	15.09	11.23	-16.02	-22.48	-21.33	54.52	60.70	62.27
	VALCO	1,241.82	1,275.27	1,359.77	1,018.89	1,023.10	1,064.74	222.93	252.22	294.99	537.81	642.54	822.70	406.70	517.16	703.49	704.01	632.78	537.07	520.62	615.90	802.45
	Sub- Total	4,832.77	15,405.21	15,172.55	3,869.90	14,225.06	13,690.73	967.75	1,180.21	1,481.78	2,068.37	2,419.13	3,155.92	1,210.03	1,539.01	2,041.91	2,769.30	12,986.12	12,016.64	1,981.92	2,346.03	3,074.65
FIN	EXIM	695.00	911.93	1,014.28	181.09	225.70	284.69	513.91	686.23	729.59	57.23	269.09	294.82	2.78	6.70	22.17	637.77	642.84	697.29	-154.18	-232.04	110.54
	CBG	0.00	0.00	7,488.73	0.00	0.00	130.75	0.00	0.00	7,357.99	0.00	0.00	7,061.57	0.00	0.00	6,969.29	0.00	0.00	427.16	0.00	0.00	5,939.70
	GHANA RE	405.94	493.30	512.70	100.93	53.70	59.60	305.01	439.60	453.10	147.60	200.00	180.20	135.11	192.90	168.50	258.34	293.20	332.50	115.59	150.70	136.30
	GIIF	1,310.10	1,464.10	1,624.12	2.33	2.28	3.91	1,307.77	1,461.82	1,620.21	3.56	1.55	2.41	3.56	1.55	2.41	1,306.53	1,464.80	1,621.71	-1,228.79	-1,089.40	-739.10
	VCTF	44.69	64.21	61.78	34.61	47.37	45.98	10.08	16.84	15.80	0.67	0.52	0.28	0.67	0.52	0.28	44.02	63.70	61.51	-3.51	-15.34	-14.35
	Sub- Total	2,455.74	2,933.54	10,701.61	318.97	329.05	524.93	2,136.77	2,604.49	10,176.69	209.07	471.16	7,539.28	142.12	201.67	7,162.65	2,246.66	2,464.54	3,140.17	-1,270.89	-1,186.08	5,433.09
COMM	GBC	99.80	100.38	102.43	59.24	55.54	52.24	40.56	44.84	50.19	51.67	62.46	73.57	51.67	62.46	73.57	48.13	37.93	28.86	49.29	59.19	68.03
	GCGL	68.76	62.18	61.75	21.82	21.18	22.46	46.94	41.00	39.29	37.57	18.05	23.20	17.53	15.41	18.89	31.19	44.12	38.55	35.54	13.51	20.46
	GHANA POST	47.14	66.66	67.22	24.30	32.27	32.84	22.84	34.39	34.38	45.07	61.48	59.50	31.21	46.23	46.80	2.07	5.17	7.73	39.89	53.50	52.85
	GPCL	19.78	8.84	9.09	16.86	1.97	1.37	2.92	6.87	7.72	3.62	3.52	2.69	3.62	3.52	2.69	16.16	5.57	6.15	2.69	3.36	2.48
	NTC	31.87	32.83	31.96	22.32	21.69	20.87	9.55	11.14	11.09	8.38	10.16	10.30	8.38	10.16	10.30	23.52	22.70	21.65	8.36	10.03	9.99
	Sub- Total	267.35	270.89	272.45	144.54	132.65	129.78	122.81	138.24	142.67	146.31	155.67	169.26	112.41	137.78	152.25	121.07	115.49	102.94	135.77	139.59	153.81
ENE	BOST	2,358.92	2,437.30	2,895.33	1,078.80	1,427.15	1,754.93	1,280.12	1,010.15	1,140.40	2,526.23	1,700.92	2,217.68	2,101.67	1,063.67	1,395.89	-167.30	736.67	677.66	2,387.28	1,623.79	2,168.66
	BPA	4,513.56	4,834.51	5,772.41	3,602.97	3,771.65	4,086.60	910.60	1,062.86	1,685.81	3,158.49	3,326.50	3,841.09	14.96	11.97	16.01	1,355.07	1,506.19	1,931.37	3,121.26	3,304.55	3,819.77
	ECG	18,295.73	19,745.79	20,554.26	13,646.89	15,164.08	16,485.90	4,648.84	4,581.71	4,068.36	10,230.08	11,353.01	13,751.21	6,490.32	7,159.05	9,155.36	8,065.65	8,392.78	6,803.04	9,746.76	10,918.26	13,199.58
	GNGC	5,400.75	6,258.52	7,552.42	3,883.42	4,066.33	4,167.03	1,517.33	2,192.19	3,385.39	5,808.93	4,333.08	5,264.61	1,951.29	2,716.84	3,419.39	-399.38	1,826.44	2,209.70	5,794.07	6,142.72	7,419.38
	GNPC	15,353.10	5,348.49	4,759.71	10,175.62	4,264.42	3,554.83	5,177.49	1,084.06	1,204.88	7,261.41	2,545.55	2,476.25	953.12	404.19	1,005.37	8,091.74	2,803.73	2,283.17	6,771.33	2,269.43	2,430.25
	GRIDCO	4,605.25	6,002.63	5,448.70	3,673.03	4,786.39	4,562.54	932.22	1,216.24	886.16	2,354.49	3,664.25	3,441.21	929.52	1,252.25	1,612.06	2,250.76	2,338.38	2,007.49	2,156.61	3,465.72	3,225.42
	TOR	1,499.82	1,629.62	1,764.40	1,126.39	1,085.98	1,048.54	373.43	543.64	715.86	3,382.57	2,086.82	2,256.96	1,990.98	1,836.72	1,984.57	-1,882.76	-457.19	-492.54	3,347.19	2,027.63	2,247.00
	VRA	15,432.84	16,906.34	18,787.55	10,020.71	10,136.94	10,653.68	5,412.13	6,769.40	8,133.87	10,140.16	9,182.55	9,417.72	7,566.74	6,588.47	6,946.83	5,292.67	7,723.80	9,369.83	9,711.81	8,638.06	8,711.41
	Sub- Total	67,459.98	63,163.19	67,534.78	47,207.83	44,702.94	46,314.05	20,252.15	18,460.25	21,220.73	44,862.36	38,192.68	42,666.73	21,998.60	21,033.17	25,535.48	22,606.45	24,870.81	24,789.72	43,036.31	38,390.16	43,221.47
	Grand Total	92,206.13	100,975.68	114,701.80	66,867.49	66,147.96	78,173.67	25,343.09	25,183.99	36,528.10	52,744.25	48,489.10	61,994.06	24,684.95	25,122.90	37,805.83	39,475.62	52,389.34	52,608.45	48,888.77	46,405.22	59,752.69

		Gross Profit Margin			Net Profit Margin			Operating Capital			Return on Operating Capital			Equity/asset ratio			Return on Assets			Current Ratio			Gearing Ratio			Return on Capital Employed			Total Asset Turnover			Interest Coverage Ratio			state share-holding %
INF		2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	
	AESL	0.00	0.00	0.00	-16.02	-43.58	-42.37	5.84	2.29	-1.63	-31.68	-173.36	258.90	0.52	0.36	0.26	-5.99	-11.80	-13.78	1.39	1.11	0.93	0.87	1.71	2.77	-0.11	-0.33	-0.53	0.37	0.27	0.33				100
	CWSA	0.00	0.00	0.00	10.40	-0.53	4.15	47.35	36.58	45.83	12.95	-0.52	5.85	0.74	0.94	0.88	11.82	-0.47	3.61	54.81	50.43	85.87	0.91	0.91	0.57	12.05	-0.47	3.63	1.14	0.88	0.87				
	GACL	72.61	68.78	67.29	42.12	20.24	3.89	-424.12	-1,282.64	-1,797.41	-36.06	-6.95	-1.14	0.85	0.76	0.72	2.62	1.33	0.29	7.87	2.29	0.95	0.15	0.31	0.39	0.03	0.01	0.00	6.21	6.55	7.33		33.89	3.53	100
	GHA	0.35	0.41	0.14	-0.17	-0.21	-0.29	10.48	5.85	2.98	-25.03	-47.35	-146.26	0.07	0.03	0.02	-0.35	-0.17	-0.20	1.02	1.00	1.00	11.94	29.12	39.96	-4.71	-5.14	-8.35	2.06	0.80	0.67				
	GPHA	22.18	26.03	26.60	6.23	4.91	16.06	126.66	284.68	419.64	44.65	18.39	46.39	0.63	0.62	0.63	0.56	0.51	1.76	1.36	1.83	2.14	0.54	0.53	0.51	0.58	0.53	1.82	9.03	10.39	10.98	2.24	4.52	4.11	100
	NTG	4.50	12.04	-1.07	4.80	12.83	-1.07	-1.09	-0.84	-0.33	-13.71	-54.63	12.12	0.43	0.60	0.66	8.04	21.78	-2.04	0.04	0.07	0.51	1.20	0.58	0.39	0.19	0.37	-0.03	1.67	1.70	1.90				100
	PTS	42.97	42.48	46.72	-9.64	0.46	11.39	1.26	2.21	13.37	-192.06	5.88	33.13	0.02	0.03	0.14	-11.03	0.56	12.36	1.11	1.20	2.34	31.69	26.74	4.82	-22.60	1.09	17.13	1.14	1.23	1.09				100
	SHC	81.22	88.80	87.21	25.79	38.38	38.07	14.36	18.89	25.79	45.13	53.52	41.22	0.54	0.62	0.67	18.16	21.73	18.59	1.90	2.10	2.38	0.65	0.28	0.25	32.83	34.39	27.60	0.70	0.57	0.49				
	TDC	89.75	82.75	77.63	15.30	19.45	31.98	60.57	78.32	122.07	9.56	13.47	19.84	0.67	0.66	0.74	2.94	4.62	9.38	1.96	2.03	2.88	0.31	0.23	0.06	4.34	6.93	12.54	0.19	0.24	0.29		5.27	48.12	100
	Sub- Total	34.84	35.70	33.84	8.76	5.77	6.87	-17.63	-94.96	-129.97	-20.70	-21.28	30.01	0.50	0.51	0.52	2.98	4.23	3.33	7.94	6.90	11.00	5.36	6.71	5.52	2.51	4.15	5.98	2.50	2.51	2.66	2.24	14.56	18.59	
TRANS	VLTC	-24.22	-87.04	5.36	-80.31	-85.42	-233.66	-16.60	-19.12	-24.22	40.54	60.67	87.82	0.75	0.65	0.67	-3.23	-5.86	-14.34	0.16	0.14	0.07	0.33	0.53	0.49	-3.57	-6.60	-17.41	0.04	0.07	0.06				
	Sub- Total	-24.22	-87.04	5.36	-80.31	-85.42	-233.66	-16.60	-19.12	-24.22	40.54	60.67	87.82	0.75	0.65	0.67	-3.23	-5.86	-14.34	0.16	0.14	0.07	0.33	0.53	0.49	-3.57	-6.60	-17.41	0.04	0.07	0.06	#DIV/0!	#DIV/0!	#DIV/0!	
MAN	GCMC	28.57	12.69	29.23	-1.48	-32.23	-25.76	-0.72	-5.91	-20.85	19.44	42.98	8.51	0.32	0.19	0.45	-0.67	-11.30	-3.47	0.92	0.58	0.17	1.89	4.30	1.18	-1.15	-30.75	-6.83	0.45	0.35	0.13	1.15	-3.42	0.00	
	GIHOC	24.30	23.89	26.24	2.40	2.64	3.08	3.73	1.67	2.18	33.24	71.86	88.53	0.42	0.56	0.35	2.90	3.48	3.22	1.29	1.19	1.06	1.30	0.73	1.77	4.13	4.67	7.73	1.21	1.32	1.04	2.57	3.63	3.22	100
	GSCL	0.00	0.00	0.00	22.52	20.31	4.02	-0.70	1.62	1.69	-204.29	24.07	4.14	0.82	0.80	0.83	7.23	1.80	0.34	0.81	1.87	2.31	0.17	0.17	0.16	8.84	1.97	0.36	0.32	0.09	0.08				100
	GTFCL	0.00	0.00	0.00	-32.85	8.87	6.91	-3.41	-2.81	-2.45	13.20	-8.90	-10.61	-0.58	-0.43	-0.38	-12.47	5.72	6.21	0.40	0.55	0.58	-2.62	-3.17	-3.48	21.23	-13.44	-16.15	0.38	0.65	0.90				100
	GWCL	35.67	27.48	33.35	10.96	92.13	93.62	-51.41	-84.22	-133.95	-196.71	-821.93	-498.94	0.59	0.88	0.84	2.91	6.04	6.41	0.93	0.91	0.89	0.67	0.13	0.19	3.73	-5.31	-5.40	0.27	0.07	0.07	8.95	3.38	4.56	
	PMMC	0.61	0.99	0.97	-32.25	-43.49	4.96	-6.00	-4.21	1.75	-122.67	-149.88	-65.71	-0.47	-0.58	-0.51	-21.81	-16.25	2.78	0.63	0.72	1.16	-3.40	-2.70	-2.92	-42.13	-26.58	3.81	0.68	0.37	0.56				100
	VALCO	-148.49	-132.08	-145.49	-40.93	-31.95	-32.86	-183.77	-264.94	-408.51	-57.53	-40.52	-37.61	2.38	219.21	190.47	-8.51	-8.42	-11.30	2.30	2.15	2.02	3.11	4.30	7.21	-12.66	-14.16	-23.41	87.41	116.41	165.81	0.00	0.00	0.00	100
	Sub- Total	-8.48	-9.57	-7.96	-10.23	2.32	7.71	-34.61	-51.26	-80.02	-73.62	-126.05	-73.10	0.50	31.52	27.44	-4.34	-2.70	0.60	1.04	1.14	1.17	0.16	0.54	0.59	-2.57	-11.94	-5.70	12.96	17.04	24.08	3.17	0.90	1.94	
FIN	EXIM	0.00	0.00	0.00	-148.65	8.54	88.89	511.13	679.53	707.41	-15.27	0.85	7.82	0.92	0.70	0.69	-11.23	0.64	5.46	185.13	102.46	32.90	-0.24	-0.36	0.16	-11.44	0.56	5.49	0.08	0.07	0.06	0.00	0.00	0.00	100
	CBG	0.00	0.00	90.25	0.00	0.00	-16.53	0.00	0.00	388.70	0.00	0.00	-3.80	0.00	0.00	0.06	0.00	0.00	-0.30	0.00	0.00	1.06	0.00	0.00	13.91	0.00	0.00	-4.40	0.00	0.00	0.02	0.00	0.00	-0.08	
	GHANA RE	45.72	41.89	33.80	20.60	17.63	18.77	169.90	246.70	284.60	28.30	20.02	18.62	0.64	0.59	0.65	11.84	10.01	10.34	2.26	2.28	2.69	0.45	0.51	0.41	10.83	11.33	11.21	0.44	0.45	0.43	0.00	0.00	0.00	100
	GIIF	0.00	0.00	0.00	87.59	97.19	110.85	1,304.20	1,460.27	1,617.80	7.43	8.78	10.33	1.00	1.00	1.00	7.40	8.76	10.29	366.89	943.11	672.29	-0.94	-0.74	-0.46	7.42	8.77	10.30	0.08	0.09	0.09	0.00	0.00	0.00	100
	VCTF	0.00	0.00	0.00	-48.33	-508.01	-94.63	9.41	16.32	15.53	-17.83	-40.76	-6.76	0.98	0.99	1.00	-3.75	-10.36	-1.70	14.95	32.39	57.36	-0.08	-0.24	-0.23	-5.08	-12.42	-3.56	0.10	0.02	0.04	0.00	0.00	0.00	100
	Sub- Total	9.14	8.38	24.81	-17.76	-76.93	21.47	398.93	480.56	602.81	0.53	-2.22	5.24	0.71	0.66	0.68	0.85	1.81	4.82	113.85	216.05	153.26	-0.16	-0.17	2.76	0.35	1.65	3.81	0.14	0.13	0.13	0.00	0.00	-0.02	
COMM	GBC	0.00	0.00	0.00	-11.04	-16.96	-14.08	-11.11	-17.62	-23.38	64.72	57.95	38.75	0.48	0.38	0.28	-7.20	-10.17	-8.85	0.78	0.72	0.68	1.02	1.56	2.36	-14.94	-26.93	-31.39	0.65	0.60	0.63	-38.33	0.00	0.00	100
	GCGL	50.03	50.03	46.00	5.72	9.49	-1.51	29.41	25.59	20.40	14.59	30.29	-5.34	0.45	0.71	0.62	6.24	12.46	-1.77	2.68	2.66	2.08	1.14	0.31	0.53	8.37	16.57	-2.54	1.09	1.31	1.17	9.51	11.74	1.05	100
	GHANA POST	35.65	21.59	22.42	0.49	0.51	0.81	-8.37	-11.84	-12.42	-2.99	-2.62	-4.27	0.04	0.08	0.11	0.53	0.47	0.79	0.73	0.74	0.73	19.27	10.35	6.84	1.57	1.52	2.60	1.08	0.91	0.98	21.18	27.30	25.20	100
	GPCL	100.00	69.36	54.27	0.00	29.85	5.45	-0.70	3.35	5.03	0.00	79.40	11.53	0.82	0.63	0.68	0.00	30.09	6.38	0.81	1.95	2.87	0.17	0.60	0.40	0.00	50.00	9.06	0.03	1.01	1.17	0.00	0.00	0.00	100
	NTC	47.77	37.47	39.64	-7.85	-6.44	-7.96	1.17	0.98	0.79	-87.18	-82.65	-127.85	0.74	0.69	0.68	-3.20	-2.47	-3.16	1.14	1.09	1.08	0.36	0.44	0.46	-4.34	-3.58	-4.66	0.41	0.38	0.40	0.00	0.00	0.00	100
	Sub- Total	46.69	35.69	32.46	-2.54	3.29	-3.46	2.08	0.09	-1.92	-2.17	16.47	-17.44	0.51	0.50	0.48	-0.73	6.08	-1.32	1.23	1.43	1.49	4.39	2.65	2.12	-1.87	7.52	-5.39	0.65	0.84	0.87	-1.53	7.81	5.25	
ENE	BOST	6.62	3.18	48.41	-15.13	-23.86	-9.79	-821.55	-53.52	-255.49	55.83	579.73	23.10	-0.07	0.30	0.23	-19.44	-12.73	-2.04	0.61	0.95	0.82	-14.27	2.20	3.20	-178.29	-22.59	-3.94	1.29	0.53	0.21	-4.12	-4.67	1.07	100
	BPA	88.83	81.90	89.36	4.75	31.42	60.20	895.64	1,050.89	1,669.80	2.13	7.76	17.20	0.30	0.31	0.33	0.42	1.69	4.98	60.87	88.77	105.30	2.30	2.19	1.98	0.43	1.69	4.99	0.09	0.05	0.08	0.00	0.00	0.00	100
	ECG	22.82	6.38	-37.24	4.86	-8.00	-52.54	-1,841.48	-2,577.34	-5,087.00	-15.03	19.30	-62.37	0.44	0.43	0.33	1.51	-2.52	-15.43	0.72	0.64	0.44	1.21	1.30	1.94	2.34	-3.95	-27.83	0.31	0.31	0.29	15.86	-6.94	-53.40	100
	GNGC	53.77	71.30	75.03	-49.46	41.35	31.95	-433.96	-524.65	-34.00	106.27	-87.42	-1,127.24	-0.07	0.29	0.29	-8.53	7.33	5.07	0.78	0.81	0.99	-14.51	3.36	3.36	-13.35	12.95	9.27	0.17	0.18	0.16	1.31	5.24	69.52	100
	GNPC	48.23	61.68	50.25	4.66	32.45	23.02	4,224.36	679.87	199.50	2.70	56.46	263.72	0.53	0.52	0.48	0.74	7.18	11.05	5.43	2.68	1.20	0.84	0.81	1.06	0.79	7.76	14.01	0.16	0.22	0.48	-40.52	4.29	2.54	100
	GRIDCO	49.14	50.57	23.92	10.26	-4.35	-23.30	2.70	-36.01	-725.91	2,560.37	86.36	15.74	0.49	0.39	0.37	1.50	-0.52	-2.10	1.00	0.97	0.55	0.96	1.48	1.61	1.88	-0.65	-2.98	0.15	0.12	0.09	2.60	-0.93	-10.73	100
	TOR	70.03	28.77	21.65	-239.33	-181.91	-135.17	-1,617.55	-1,293.08	-1,268.71	32.75	30.74	30.17	-1.26	-0.28	-0.28	-35.32	-24.39	-21.69	0.19	0.30	0.36	-1.78	-4.43	-4.56	107.87	191.96	173.83	0.15	0.13	0.16	0.00	0.00	0.00	100
	VRA	-1.52	-3.35	3.98	-44.97	-14.44	-6.93	-2,154.61	180.93	1,187.04	61.25	-237.96	-18.54	0.34	0.46	0.50	-8.55	-2.55	-1.17	0.72	1.03	1.17	1.83	1.12	0.93	-16.78	-4.17	-1.86	0.19	0.18	0.17	-3.71	-10.07	-1.94	100
	Sub- Total	42.24	37.55	34.42	-40.55	-15.92	-14.07	-218.31	-321.61	-539.35	350.78	56.87	-107.28	0.09	0.30	0.28	-8.46	-3.31	-2.67	8.79	12.02	13.85	-2.93	1.00	1.19	-11.89	22.87	20.69	0.31	0.22	0.21	-3.57	-1.64	0.88	
	Grand Total	16.70	3.45	20.49	-23.77	-27.81	-35.86	18.98	-1.05	-28.78	49.23	-2.59	-12.46	0.51	5.69	5.01	-2.16	0.04	-1.60	22.17	39.61	30.14	1.19	1.88	2.11	-2.84	2.94	0.33	2.77	3.47	4.67	#DIV/0!	#DIV/0!	#DIV/0!	

Annex 9 : Financial Indicators And Ratios For JVCs (2016 - 2018)

		Revenue/Turnover			Direct Cost/Cost of Sales			Gross Profit			General/Administrative Expenses			Other Expenses			EBIT		
		2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018
ENE	GOIL	3,494.39	4,078.56	5,091.62	3,316.56	3,875.76	4,804.49	177.83	202.80	287.13	84.03	96.00	122.84	40.85	44.63	53.85	52.95	62.17	110.44
	Sub Total	3,494.39	4,078.56	5,091.62	3,316.56	3,875.76	4,804.49	177.83	202.80	287.13	84.03	96.00	122.84	40.85	44.63	53.85	52.95	62.17	110.44
TRANS	MMT	149.36	146.33	133.32	135.65	147.03	153.74	13.71	-0.69	-20.42	0.00	0.00	5.20	0.00	0.00	0.00	13.71	-0.69	-25.62
	Sub Total	149.36	146.33	133.32	135.65	147.03	153.74	13.71	-0.69	-20.42	0.00	0.00	5.20	0.00	0.00	0.00	13.71	-0.69	-25.62
MAN	-1	1,072.73	1,112.39	1,267.17	776.65	865.29	978.38	296.08	247.10	288.79	68.66	82.58	110.78	9.74	1.02	-1.40	233.03	169.18	184.49
	Sub Total	1,072.73	1,112.39	1,267.17	776.65	865.29	978.38	296.08	247.10	288.79	68.66	82.58	110.78	9.74	1.02	-1.40	233.03	169.18	184.49
FIN	STAN-CHART	641.09	684.23	726.62	100.59	128.98	139.22	540.50	555.25	587.40	142.28	154.31	165.05	41.77	76.81	88.45	345.56	425.28	325.82
	GCB	1,192.92	1,394.73	1,603.64	445.78	666.41	698.58	746.22	728.32	905.06	305.02	362.81	425.96	243.93	336.31	258.80	446.78	308.89	446.38
	SIC	160.11	161.93	177.99	109.12	99.81	124.60	50.99	62.12	53.39	62.18	74.00	104.55	0.00	0.00	0.00	6.56	14.01	61.50
	SIC-LIFE	212.96	258.29	304.52	147.03	176.23	213.06	65.93	82.06	91.46	38.98	46.62	53.07	156.23	55.06	101.16	-93.58	-4.27	151.43
	ADB	443.71	622.14	599.87	173.23	219.84	221.66	278.25	406.90	387.48	279.94	309.74	343.23	104.02	49.82	10.19	-105.71	47.34	34.06
	GWF	0.59	0.61	0.58	0.22	0.00	0.00	0.36	0.61	0.58	0.29	0.36	0.61	0.00	0.00	0.00	0.05	0.23	-0.08
	FGSL	7.00	6.72	6.42	0.88	1.13	0.64	6.12	5.59	5.78	6.13	5.92	8.09	0.00	0.00	0.00	-0.02	-0.32	-2.31
	Sub Total	2,658.38	3,128.65	3,419.64	976.85	1,292.40	1,397.76	1,688.37	1,840.85	2,031.15	834.82	953.75	1,100.56	545.94	518.00	458.60	599.64	791.16	1,016.80
AGR	CPC	53.04	64.93	135.23	59.84	66.58	128.69	-6.80	-1.65	6.55	21.93	18.12	17.07	16.91	20.94	16.79	-45.64	-40.71	-27.31
	TOPP	50.77	58.51	54.12	42.58	48.34	47.34	7.66	8.71	7.35	5.06	5.36	5.76	0.00	0.00	0.00	2.60	3.35	1.59
	GREL	171.48	297.15	245.71	133.77	202.18	201.79	37.71	94.97	43.92	29.16	42.66	39.25	0.00	0.00	0.00	8.55	52.32	4.67
	KAC	4.13	5.18	6.07	2.97	3.50	4.39	1.16	1.68	1.68	1.42	1.79	1.80	0.00	0.00	0.00	-0.26	-0.11	-0.12
	AAC	2.76	1.90	2.22	2.46	1.83	2.08	0.30	0.07	0.14	0.18	0.20	0.20	0.00	0.00	0.00	0.12	-0.13	-0.06
	PBC	1,891.34	2,360.03	1,805.72	1,687.08	2,128.41	1,617.17	204.26	231.62	188.55	46.50	58.61	149.29	75.00	88.48	67.57	82.76	84.53	-36.14
	BOPP	74.23	89.97	79.09	57.73	71.34	65.16	16.50	18.63	13.93	7.05	8.51	9.39	0.00	0.00	0.00	9.45	10.12	4.54
	Sub Total	2,247.75	2,877.67	2,328.16	1,986.43	2,522.18	2,066.62	260.79	354.03	262.12	111.30	135.25	222.76	91.91	109.42	84.36	57.58	109.37	-52.83
COMM	VODA-FONE	1,114.38	1,245.16	1,248.78	536.15	556.60	603.44	578.23	688.56	645.34	587.31	639.42	791.18	448.50	1,113.35	753.57	-457.58	-1,064.21	-899.41
	Sub Total	1,114.38	1,245.16	1,248.78	536.15	556.60	603.44	578.23	688.56	645.34	587.31	639.42	791.18	448.50	1,113.35	753.57	-457.58	-1,064.21	-899.41
MIN	AGL	717.01	784.09	1,047.17	602.64	595.21	990.74	114.37	188.88	56.43	133.39	97.77	148.31	0.00	0.00	0.00	-19.02	91.11	-91.88
	AGI	0.00	1,261.71	1,556.91	0.00	929.61	1,123.52	0.00	332.09	433.39	0.00	3.76	4.34	0.00	0.09	0.14	0.00	328.25	428.90
	AGA	17,746.31	19,924.73	19,014.72	14,292.02	16,505.27	15,301.48	3,454.29	3,419.45	3,713.25	256.34	282.75	366.50	1,197.66	2,827.46	1,779.47	2,000.29	309.25	1,567.28
	GSWL	487.72	764.43	916.35	414.14	606.27	539.43	73.58	158.16	376.92	65.72	109.17	134.11	0.00	0.00	0.00	7.86	48.99	242.81
	GGL	2,771.49	3,091.79	3,050.22	2,035.97	2,284.17	2,261.04	735.52	807.62	789.18	169.14	234.16	630.88	0.00	2.48	1.22	169.14	231.68	629.66
	CGM	1,086.08	1,403.26	1,379.11	1,128.70	1,308.05	1,221.85	-42.61	95.21	157.26	62.82	42.54	59.85	18.70	13.87	11.14	-124.14	38.79	86.27
	PMGL	777.30	932.09	1,309.76	567.14	690.21	877.00	210.16	241.88	432.76	72.45	84.12	90.28	98.59	133.38	97.18	39.12	24.39	245.31
	Sub Total	23,585.92	28,162.10	28,274.25	19,040.61	22,918.79	22,315.06	4,545.31	5,243.29	5,959.19	759.86	854.27	1,434.26	1,314.94	2,977.27	1,889.15	2,073.26	1,072.46	3,108.35
	Grand Total	34,322.90	40,750.86	41,762.94	26,768.90	32,178.06	32,319.49	7,560.31	8,575.94	9,453.30	2,445.98	2,761.27	3,787.57	2,451.88	4,763.69	3,238.13	2,572.60	1,139.44	3,442.23

		TAX			depreciation			amortization			interest expense			Operating Income			net profit			EBITDA		
		2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018
ENE	GOIL	21.42	19.43	32.19	0.00	0.00	0.00	0.00	0.00	0.00	4.11	7.68	8.20	93.80	106.80	164.29	53.65	65.09	81.95	52.95	62.17	110.44
	Sub Total	21.42	19.43	32.19	0.00	0.00	0.00	0.00	0.00	0.00	4.11	7.68	8.20	93.80	106.80	164.29	53.65	65.09	81.95	52.95	62.17	110.44
TRANS	MMT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13.71	-0.69	-25.62	-14.93	-23.99	-24.75	13.71	-0.69	-25.62
	Sub Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13.71	-0.69	-25.62	-14.93	-23.99	-24.75	13.71	-0.69	-25.62
MAN	-1	52.91	59.99	41.61	0.00	0.00	0.00	0.00	0.00	0.00	19.90	26.23	31.09	227.42	164.52	178.01	189.86	110.21	141.47	233.03	169.18	184.49
	Sub Total	52.91	59.99	41.61	0.00	0.00	0.00	0.00	0.00	0.00	19.90	26.23	31.09	227.42	164.52	178.01	189.86	110.21	141.47	233.03	169.18	184.49
FIN	STAN-CHART	101.52	117.57	95.13	5.37	6.09	6.50	1.18	1.18	1.08	89.69	116.26	123.97	620.78	676.77	712.92	224.51	283.60	210.65	352.10	429.55	333.45
	GCB	147.78	96.18	123.25	32.93	44.30	48.30	8.39	13.46	43.20	133.85	292.54	388.05	1,062.69	1,113.15	1,260.56	299.01	212.72	323.13	488.10	366.65	537.88
	SIC	0.82	1.96	13.76	0.00	0.00	0.00	0.00	0.00	0.00	1.97	1.23	3.27	-11.27	-7.27	-44.58	5.41	11.36	44.66	6.56	14.01	61.50
	SIC-LIFE	0.99	0.03	3.37	2.13	2.33	0.00	0.00	0.00	0.00	0.00	0.00	0.00	21.53	1.85	194.16	-94.57	-4.30	143.80	-93.58	-4.27	151..43
	ADB	35.69	18.46	26.45	12.09	12.75	13.47	3.72	5.62	9.25	166.75	211.25	213.35	278.25	406.90	387.48	-70.03	26.51	5.91	-89.90	65.70	56.78
	GWF	0.01	0.06	0.00	0.02	0.02	0.05	0.00	0.00	0.00	0.01	0.01	0.01	0.36	0.61	0.58	0.04	0.17	-0.08	0.07	0.25	-0.03
	FGSL	0.28	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.63	0.36	0.00	7.00	6.72	5.78	-0.29	-0.31	-2.31	-0.02	-0.32	-2.31
	Sub Total	287.08	234.27	261.96	52.54	65.49	68.31	13.29	20.26	53.53	392.90	621.65	728.65	1,979.34	2,198.73	2,516.90	364.09	529.74	725.77	663.33	871.57	987.26
AGR	CPC	0.00	0.00	0.00	4.69	0.16	0.13	0.00	0.00	0.00	17.50	20.48	17.12	-33.42	-19.93	-10.65	-45.65	-32.43	-25.56	-40.95	-40.55	-27.18
	TOPP	2.92	0.91	0.59	0.20	0.23	0.26	0.00	0.00	0.00	0.00	0.00	0.00	2.40	3.12	1.33	2.81	4.44	3.09	2.80	3.58	1.85
	GREL	0.27	3.96	0.51	14.53	17.97	22.25	0.00	0.00	0.00	6.50	6.54	8.47	-5.98	34.34	-17.58	2.59	48.73	6.56	23.08	70.29	26.92
	KAC	0.63	0.34	-0.40	1.16	0.63	0.85	0.00	0.00	0.00	0.69	0.13	0.21	-1.42	-0.74	-0.97	-0.11	-1.42	-0.74	0.90	0.52	0.74
	AAC	0.00	0.00	0.00	0.19	0.18	0.19	0.00	0.00	0.00	0.00	0.00	0.00	-0.07	-0.31	-0.25	0.11	-0.82	-0.64	0.31	0.05	0.13
	PBC	0.00	0.70	0.00	1.42	1.47	21.43	0.00	0.00	0.00	112.05	136.07	150.98	156.34	171.54	10.01	-15.80	-22.40	-187.12	84.18	86.00	-14.71
	BOPP	2.62	1.88	0.73	0.47	0.22	3.64	0.00	0.00	0.00	0.00	0.00	0.00	8.98	9.90	0.90	8.09	10.92	5.91	9.92	10.34	8.18
	Sub Total	6.44	7.79	1.43	22.66	20.86	48.75	0.00	0.00	0.00	136.74	163.22	176.78	126.83	197.92	-17.21	-47.96	7.02	-198.50	80.24	130.23	-4.07
COMM	VODA-FONE	10.49	7.49	4.72	160.11	160.76	167.56	0.00	55.56	14.45	416.04	476.25	637.75	-169.19	-167.18	-327.85	-297.47	-847.89	-717.40	-441.98	-1,048.23	-848.08
	Sub Total	10.49	7.49	4.72	160.11	160.76	167.56	0.00	55.56	14.45	416.04	476.25	637.75	-169.19	-167.18	-327.85	-297.47	-847.89	-717.40	-441.98	-1,048.23	-848.08
MIN	AGL	3.45	13.53	55.32	0.00	0.00	0.00	0.00	0.00	0.00	11.14	19.22	40.11	-19.02	91.11	-91.88	-30.14	88.79	-38.30	-19.02	91.11	-91.88
	AGI	0.00	92.82	151.28	0.00	122.24	137.63	0.00	2.78	3.42	0.00	571.00	345.00	0.00	203.31	288.00	0.00	214.22	252.31	0.00	453.28	569.96
	AGA	794.23	477.13	617.27	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,197.95	3,136.71	3,346.75	336.18	-755.46	723.36	5,110.00	3,971.69	5,454.13
	GSWL	0.00	57.17	59.56	0.00	0.00	0.00	0.00	0.00	0.00	31.48	29.45	44.42	7.86	48.99	242.81	24.67	74.75	143.03	7.86	48.99	242.81
	GGL	116.60	255.09	7.86	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.48	1.22	566.38	573.46	158.30	457.17	371.11	183.47	169.14	231.68	629.66
	CGM	0.00	46.87	49.91	0.00	0.00	0.00	0.00	0.00	0.00	0.97	0.00	0.43	-105.44	52.66	97.41	-78.75	11.09	42.00	-124.14	38.79	86.27
	PMGL	0.00	58.27	0.00	117.03	176.36	272.42	26.81	6.27	101.17	7.27	6.54	7.19	-6.14	-24.87	-31.10	-46.65	-116.90	42.34	182.97	207.02	618.90
	Sub Total	914.28	1,000.89	941.20	117.03	298.60	410.05	26.81	9.05	104.59	50.86	628.69	438.37	3,641.60	4,081.37	4,010.28	662.48	-112.40	1,348.21	5,326.81	5,042.56	7,509.85
	Grand Total	1,292.63	1,329.85	1,283.11	352.35	545.71	694.67	40.10	84.87	172.57	1,020.54	1,923.72	2,020.84	5,913.51	6,581.47	6,498.81	909.72	-272.22	1,356.75	5,928.10	5,226.79	7,914.27

		Total Assets			Non-Current Assets			Current Assets			Total Liabilities			Current Liabilities			Equity			Net Debt			Gross Profit Margin			Net Profit Margin		
		2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018
ENE	GOIL	868.42	1,036.51	1,345.51	315.03	436.27	578.76	553.39	600.24	766.75	558.87	669.44	906.86	547.13	657.23	839.77	309.56	367.07	438.65	489.62	605.47	818.55	5.09	4.97	5.64	1.54	1.60	1.61
	Sub Total	868.42	1,036.51	1,345.51	315.03	436.27	578.76	553.39	600.24	766.75	558.87	669.44	906.86	547.13	657.23	839.77	309.56	367.07	438.65	489.62	605.47	818.55	5.09	4.97	5.64	1.54	1.60	1.61
TRANS	MMT	154.86	193.68	210.66	119.07	168.30	184.82	35.79	25.38	25.84	100.20	163.03	204.76	19.34	36.24	38.53	54.65	30.65	5.90	94.77	158.49	201.60	9.18	-0.47	-15.32	-10.00	-16.39	-18.56
	Sub Total	154.86	193.68	210.66	119.07	168.30	184.82	35.79	25.38	25.84	100.20	163.03	204.76	19.34	36.24	38.53	54.65	30.65	5.90	94.77	158.49	201.60	9.18	-0.47	-15.32	-10.00	-16.39	-18.56
MAN	-1	535.97	502.81	533.74	227.05	227.39	235.00	308.92	275.42	298.74	200.04	161.61	200.30	182.75	142.28	180.21	335.92	341.20	333.44	26.53	39.03	67.40	27.60	22.21	22.79	17.70	9.91	11.16
	Sub Total	535.97	502.81	533.74	227.05	227.39	235.00	308.92	275.42	298.74	200.04	161.61	200.30	182.75	142.28	180.21	335.92	341.20	333.44	26.53	39.03	67.40	27.60	22.21	22.79	17.70	9.91	11.16
FIN	STAN-CHART	4,373.56	4,776.98	5,961.50	2,199.63	2,377.93	2,837.19	2,173.94	2,399.05	3,124.31	3,608.35	3,856.23	4,913.68	3,523.57	3,763.80	4,644.79	765.22	920.76	1,047.82	2,153.81	2,163.53	2,382.57	84.31	81.15	80.84	35.02	41.45	28.99
	GCB	6,049.60	9,558.15	10,635.05	1,232.61	2,427.28	5,084.11	4,817.00	7,130.87	5,550.94	5,034.49	8,445.00	9,309.63	4,415.98	7,364.56	8,847.73	1,015.11	1,113.15	1,325.42	3,854.52	7,422.32	7,356.01	62.55	52.22	56.44	25.07	15.25	20.15
	SIC	187.37	216.69	518.78	82.40	98.02	349.45	104.97	118.67	169.33	106.22	115.52	224.67	104.03	115.36	182.59	81.15	101.17	294.11	50.23	49.05	147.19	31.85	38.36	30.00	3.38	7.01	25.09
	SIC-LIFE	368.23	442.94	664.58	320.37	381.58	589.59	47.86	9.85	347.35	408.94	485.10	540.58	7.01	5.19	19.22	-40.71	-42.16	124.00	398.86	402.65	513.29	30.96	31.77	30.03	-44.41	-1.66	47.22
	ADB	3,035.49	3,545.14	3,597.40	1,063.60	1,141.27	1,594.49	1,971.90	2,403.87	2,002.90	2,580.72	3,066.13	2,957.68	2,199.70	2,607.58	2,683.36	454.78	479.01	639.71	1,048.16	1,297.20	1,494.04	62.71	65.40	64.59	-15.78	4.26	0.98
	GWF	1.53	1.75	1.59	0.05	0.03	0.17	1.48	1.72	1.43	0.90	0.95	0.95	0.04	0.10	0.09	0.63	0.80	0.65	0.71	0.79	0.73	62.16	0.00	0.00	6.78	27.87	-13.79
	FGSL	41.38	37.50	40.81	13.26	14.71	18.34	28.12	22.79	22.47	30.70	27.12	32.74	24.07	27.12	32.74	10.68	10.38	8.06	26.22	23.78	30.57	87.45	83.19	90.04	-4.21	-4.60	-35.91
	Sub Total	14,057.17	18,579.16	21,419.70	4,911.91	6,440.82	10,473.34	9,145.27	12,086.83	11,218.73	11,770.32	15,996.05	17,979.94	10,274.40	13,883.71	16,410.53	2,286.85	2,583.10	3,439.77	7,532.50	11,359.33	11,924.40	60.28	50.30	50.28	0.84	12.80	10.39
AGR	CPC	500.07	541.19	611.73	457.52	492.00	517.73	42.55	49.19	94.00	525.36	665.97	772.94	327.84	388.28	460.14	25.29	124.77	161.21	524.73	665.22	770.64	-12.82	-2.54	4.84	-86.07	-49.95	-18.90
	TOPP	61.43	70.68	69.95	32.24	34.11	39.31	29.19	36.57	30.64	21.43	26.26	22.43	17.65	22.08	18.57	39.99	44.43	4.75	10.39	12.58	11.04	0.15	0.15	0.14	5.53	7.59	5.71
	GREL	319.75	561.55	690.74	220.12	424.56	477.15	99.63	136.99	213.59	151.01	184.37	296.23	42.60	70.70	95.44	168.73	377.18	394.51	129.09	145.11	275.16	21.99	31.96	17.87	1.51	16.40	2.67
	KAC	2.79	3.24	3.12	1.50	2.04	1.91	1.29	1.20	1.22	1.92	2.53	2.53	0.61	1.21	1.22	1.32	1.32	1.32	28.09	32.41	0.28	28.09	32.41	0.28	-34.44	-14.31	-15.90
	AAC	1.64	1.59	1.46	1.29	1.14	0.99	0.35	0.45	0.47	0.16	0.20	0.13	0.13	0.16	0.14	1.47	1.39	1.32	-0.06	-0.18	-0.10	0.11	0.04	0.06	3.99	-43.16	-28.83
	PBC	462.87	667.58	757.22	267.03	417.95	366.61	195.85	249.63	390.61	459.36	564.05	807.90	380.57	493.11	501.67	3.52	103.54	-50.67	400.78	532.60	752.85	10.80	9.81	10.01	-0.84	-0.95	-10.36
	BOPP	66.33	75.51	81.44	46.62	51.48	51.70	19.71	24.03	29.74	10.98	10.86	13.05	10.98	7.34	4.78	55.35	64.65	68.38	7.32	8.31	4.83	22.23	20.71	17.61	10.90	12.14	7.47
	Sub Total	1,414.88	1,921.34	2,215.66	1,026.32	1,423.28	1,455.40	388.57	498.06	760.27	1,170.22	1,454.24	1,915.21	780.38	982.88	1,081.96	295.67	717.28	580.82	1,100.34	1,396.05	1,814.70	10.08	13.22	7.26	-14.20	-10.32	-8.31
COMM	VODA-FONE	1,205.11	1,445.83	1,383.64	708.58	677.89	669.60	496.53	767.94	714.04	5,624.01	6,912.96	7,698.84	1,106.45	1,029.98	6,128.66	-4,418.90	-5,467.13	-6,315.21	5,421.67	6,580.92	7,364.81	51.89	55.30	51.68	-39.66	-84.18	-67.91
	Sub Total	1,205.11	1,445.83	1,383.64	708.58	677.89	669.60	496.53	767.94	714.04	5,624.01	6,912.96	7,698.84	1,106.45	1,029.98	6,128.66	-4,418.90	-5,467.13	-6,315.21	5,421.67	6,580.92	7,364.81	51.89	55.30	51.68	-39.66	-84.18	-67.91
MIN	AGL	749.58	1,190.61	1,623.97	417.47	871.41	1,192.15	332.10	319.20	431.82	593.87	938.47	1,379.76	563.71	327.58	371.55	155.71	252.14	244.21	538.55	937.10	1,356.03	15.95	24.09	5.39	-4.20	11.32	-3.66
	AGI	0.00	1,234.76	1,439.10	0.00	974.10	1,119.76	0.00	260.66	319.34	0.00	718.66	888.72	0.00	123.88	170.23	0.00	516.05	550.38	0.00	692.02	824.58	0.00	26.32	27.84	0.00	16.98	16.21
	AGA	30,059.05	31,892.82	32,035.20	25,159.17	25,296.90	26,118.12	4,899.88	6,595.92	5,917.08	18,485.92	19,946.82	19,043.66	3,193.75	3,777.30	3,824.16	11,573.13	11,946.00	12,991.55	17,582.42	19,041.15	17,457.09	19.46	17.16	19.53	1.89	-3.79	3.80
	GSWL	1,065.20	1,204.89	1,306.48	513.35	596.11	664.29	551.85	608.79	642.20	936.99	995.31	934.73	571.51	590.41	604.10	128.21	209.59	371.76	918.29	917.29	889.11	27.04	25.95	33.04	5.06	9.78	15.61
	GGL	6,965.74	7,766.25	7,533.74	4,900.57	5,135.98	5,431.88	2,065.17	2,630.27	2,101.86	2,095.30	2,273.62	1,994.96	704.35	819.69	569.85	4,870.43	5,492.63	5,538.77	1,332.35	1,153.02	1,371.31	26.54	26.12	25.87	16.50	12.00	6.01
	CGM	1,482.61	1,561.02	1,112.96	911.44	856.37	696.79	571.18	704.66	416.17	358.08	367.70	395.29	250.25	189.26	223.71	1,124.54	1,193.32	717.67	135.94	-47.85	256.60	-3.92	6.78	11.40	-11.43	2.76	6.26
	PMGL	1,641.67	1,624.86	1,747.88	1,260.19	1,310.70	1,229.71	381.48	314.16	518.17	1,367.60	1,410.28	1,457.23	300.88	1,245.23	1,129.21	274.07	214.58	290.74	1,312.92	1,339.60	1,418.32	27.04	25.95	33.04	-6.00	-12.54	3.23
	Sub Total	41,963.86	46,475.21	46,799.33	33,162.18	35,041.56	36,452.70	8,801.66	11,433.66	10,346.64	23,837.75	26,650.86	26,094.35	5,584.45	7,073.35	6,892.82	18,126.09	19,824.31	20,705.08	21,820.48	24,032.33	23,573.04	16.02	21.77	22.30	0.26	5.22	6.78
	Grand Total	60,200.27	70,154.54	73,908.24	40,470.14	44,415.52	50,049.61	19,730.13	25,687.53	24,131.01	43,261.42	52,008.20	55,000.26	18,494.90	23,805.68	31,572.47	16,989.85	18,396.48	19,188.45	36,485.90	44,171.62	45,764.50	25.73	23.90	20.66	-6.22	-11.63	-9.26

		Operating Capital			Return on Operating Capital			Equity/Asset Ratio			Return on Assets			Current Ratio			Gearing Ratio			Return on Capital Employed			Total Asset Turnover			Interest Coverage			state share-holding %
		2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	
ENE	GOIL	6.26	-56.99	-73.02	857.03	-114.21	-112.23	0.36	0.35	0.33	6.18	6.28	6.09	1.01	0.91	0.91	1.58	1.65	1.87	16.70	17.16	16.20	4.02	3.93	3.78	12.88	8.10	13.47	51.00
	Sub Total	6.26	-56.99	-73.02	857.03	-114.21	-112.23	0.36	0.35	0.33	6.18	6.28	6.09	1.01	0.91	0.91	1.58	1.65	1.87	16.70	17.16	16.20	4.02	3.93	3.78	12.88	8.10	13.47	
TRANS	MMT	-64.41	-137.65	-178.92	23.18	17.43	13.83	0.35	0.16	0.03	-9.64	-12.39	-11.75	1.85	0.70	0.67	1.73	5.17	34.17	-11.02	-15.24	-14.38	0.96	0.76	0.63				45
	Sub Total	-64.41	-137.65	-178.92	23.18	17.43	13.83	0.35	0.16	0.03	-9.64	-12.39	-11.75	1.85	0.70	0.67	1.73	5.17	34.17	-11.02	-15.24	-14.38	0.96	0.76	0.63	#DIV/0!	#DIV/0!	#DIV/0!	
MAN	-1	126.17	133.14	118.53	150.48	82.77	119.36	0.63	0.68	0.62	43.48	33.65	34.56	1.69	1.94	1.66	0.08	0.11	0.20	53.75	30.57	40.02	2.00	2.21	2.37	11.71	6.45	5.93	
	Sub Total	126.17	133.14	118.53	150.48	82.77	119.36	0.63	0.68	0.62	43.48	33.65	34.56	1.69	1.94	1.66	0.08	0.11	0.20	53.75	30.57	40.02	2.00	2.21	2.37	11.71	6.45	5.93	
FIN	STANCHART	-1,349.63	-1,364.75	-1,520.48	-26.09	-31.47	-21.93	0.17	0.19	0.18	8.05	8.99	5.59	0.62	0.64	0.67	2.81	2.35	2.27	26.41	27.99	16.00	0.15	0.14	0.12	3.85	3.63	2.63	20,000 S
	GCB	401.02	-233.69	-3,296.80	121.72	-156.90	-16.32	0.17	0.12	0.12	8.07	3.84	5.06	1.09	0.97	0.63	3.80	6.67	5.55	18.30	9.70	18.08	0.20	0.15	0.15	3.34	1.06	1.15	21.00
	SIC	0.94	3.32	-13.25	699.21	422.71	-464.12	0.43	0.47	0.57	3.50	6.47	11.85	1.01	1.03	0.93	0.62	0.48	0.50	6.50	11.21	13.29	0.85	0.75	0.34	3.34	11.43	18.78	40.00
	SIC-LIFE	40.86	4.66	328.13	-229.05	-91.49	46.15	-0.11	-0.10	0.19	-25.41	-0.96	22.79	6.83	1.90	18.07	-9.80	-9.55	4.14	-26.18	-0.98	22.28	0.58	0.58	0.46	0.00	0.00	0.00	80.00
	ADB	-227.80	-203.70	-680.46	39.46	-32.25	-8.34	0.15	0.14	0.18	-2.96	1.85	1.58	0.90	0.92	0.75	2.30	2.71	2.34	-8.38	2.83	0.65	0.15	0.18	0.17	-0.63	0.22	0.16	32.00
	GWF	1.44	1.62	1.34	5.02	15.42	-2.24	0.41	0.45	0.41	2.60	9.67	-4.82	33.85	17.68	15.79	1.13	0.99	1.13	2.68	10.24	-5.11	0.38	0.35	0.36	4.86	24.00	-5.28	
	FGSL	4.05	-4.34	-10.28	-0.39	7.44	22.43	0.26	0.28	0.20	-0.04	-0.86	-5.65	1.17	0.84	0.69	2.46	2.29	3.79	-1.70	-2.95	-28.58	0.17	0.18	0.16	-0.02	-0.90	0.00	2.00
	Sub Total	-161.30	-256.70	-741.68	87.13	19.07	-63.48	0.21	0.22	0.26	-0.88	4.14	5.20	6.50	3.42	5.36	0.47	0.85	2.82	2.52	8.29	5.23	0.35	0.33	0.25	2.11	5.63	2.49	
AGR	CPC	-285.29	-339.09	-366.14	0.16	0.10	0.07	0.05	0.23	0.26	-0.09	-0.06	-0.04	0.13	0.13	0.20	20.75	5.33	4.78	-0.27	-0.21	-0.17	0.11	0.12	0.22	-2.61	-1.99	-1.60	48.38
	TOPP	11.54	14.49	12.07	0.24	0.25	0.15	0.65	0.63	0.07	0.05	0.05	0.03	1.65	1.66	1.65	0.26	0.28	2.32	0.06	0.08	0.04	0.83	0.83	0.77	0.00	0.00	0.00	40
	GREL	57.03	66.29	118.15	0.05	1.06	0.23	0.53	0.67	0.57	0.01	12.52	3.90	2.34	1.94	2.24	0.77	0.38	0.70	0.13	0.14	0.08	0.54	0.53	0.36	0.55	8.00	1.31	25
	KAC	0.68	-0.01	0.00	-16.10	132.91	0.00	0.47	0.41	0.42	32.35	15.96	23.55	2.13	0.99	1.00	1.12	1.80	1.81	-0.10	0.59	0.61	1.40	2.48	2.84	-0.38	5.08	5.00	41
	AAC	0.22	0.29	0.33	1.41	0.17	0.39	0.90	0.87	0.90	0.19	0.03	0.09	2.69	2.81	3.36	-0.04	-0.13	-0.08	0.07	-0.57	-0.48	1.68	1.19	1.52	0.00	0.00	0.00	20.35
	PBC	-184.72	-243.48	-111.06	0.09	0.09	1.68	0.01	0.16	-0.07	-0.03	-0.03	-0.25	0.51	0.51	0.78	113.86	5.14	-14.86	-0.19	-0.13	-0.73	4.09	3.54	2.38	0.74	0.62	-0.24	36.69
	BOPP	8.73	16.69	24.96	0.93	0.65	0.24	0.83	0.86	0.84	0.12	0.14	0.07	1.80	3.27	6.22	0.13	0.13	0.07	0.15	0.16	0.08	1.12	1.19	0.97	0.00	0.00	0.00	0.43
	Sub Total	-55.97	-69.26	-45.96	-1.89	19.32	0.39	0.49	0.55	0.43	4.66	4.09	3.91	1.61	1.61	2.21	19.55	1.85	-0.75	-0.02	0.01	-0.08	1.39	1.41	1.29	-0.24	1.67	0.64	
COMM	VODAFONE	-609.92	-262.04	-5,414.62	72.47	400.03	15.66	-3.67	-3.78	-4.56	-36.68	-72.50	-61.29	0.45	0.75	0.12	-1.23	-1.20	-1.17	-447.98	-252.07	17.87	0.92	0.86	0.90	-1.10	-2.23	-1.41	30
	sub total	-609.92	-262.04	-5,414.62	72.47	400.03	15.66	-3.67	-3.78	-4.56	-36.68	-72.50	-61.29	0.45	0.75	0.12	-1.23	-1.20	-1.17	-447.98	-252.07	17.87	0.92	0.86	0.90	-1.10	-2.23	-1.41	
MIN	AGL	-231.61	-8.38	60.27	13.01	-1,059.55	-63.55	0.21	0.21	0.15	-4.02	7.46	-2.36	0.59	0.97	1.16	3.46	3.72	5.55	-16.22	10.29	-3.06	0.96	0.66	0.64	-1.71	4.74	-2.29	10
	AGI	0.00	-458.05	-569.38	0.00	-46.77	-44.31	0.00	0.42	0.38	0.00	17.35	17.53	0.00	1.39	1.61	0.00	2.34	2.50	0.00	19.28	19.88	0.00	1.02	1.08	0.00	0.57	1.24	10
	AGA	1,706.13	2,818.62	2,092.92	19.70	-26.80	34.56	0.39	0.37	0.41	1.12	-2.37	2.26	1.53	1.75	1.55	1.52	1.59	1.34	1.25	-2.69	2.56	0.59	0.62	0.59	0.00	0.00	0.00	10
	GSWL	80.60	-931.07	-611.05	30.61	-8.03	-23.41	0.17	0.13	0.17	2.32	6.20	10.95	1.27	0.25	0.46	4.79	6.24	4.88	5.00	12.16	20.36	0.47	0.57	0.75	0.25	1.66	5.47	10
	GGL	1,360.82	1,810.58	1,532.01	33.60	20.50	11.98	0.70	0.71	0.74	6.56	4.78	2.44	2.93	3.21	3.69	0.27	0.21	0.25	7.30	5.34	2.63	0.40	0.40	0.40	0.00	93.42	516.11	10
	CGM	320.93	515.39	192.46	-38.68	7.53	44.83	0.76	0.76	0.64	-8.37	2.48	7.75	2.28	3.72	1.86	0.12	-0.04	0.36	-10.07	2.83	9.70	0.73	0.90	1.24	-128.43	0.00	198.78	10
	PMGL	80.60	-931.07	-611.05	-57.87	12.56	-6.93	0.17	0.13	0.17	-2.84	-7.19	2.42	1.27	0.25	0.46	4.79	6.24	4.88	-0.03	-0.31	0.07	0.47	0.57	0.75	5.38	3.73	34.14	10
	Sub Total	473.92	402.29	298.03	0.05	-157.22	-6.69	0.34	0.39	0.38	-0.75	4.10	5.86	1.41	1.65	1.54	2.14	2.90	2.82	-1.82	6.70	7.45	0.52	0.68	0.78	-17.79	14.88	107.64	
	Grand Total	**-40.75**	**-35.32**	**-862.52**	**169.78**	**38.17**	**-4.74**	**-0.18**	**-0.20**	**-0.36**	**0.91**	**-4.66**	**-2.49**	**2.07**	**1.57**	**1.78**	**3.48**	**1.62**	**5.71**	**-55.41**	**-29.23**	**10.33**	**1.45**	**1.46**	**1.43**	**#DIV/0!**	**#DIV/0!**	**#DIV/0!**	

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