

**KWAME ASANTE  
& ASSOCIATES**

**VOLTA LAKE TRANSPORT COMPANY LIMITED**

**Financial Statements for the Year Ended  
31 December 2017**

## CONTENTS

	Page
Directors and Corporate Information	1-2
Report of the Directors	3
Report of the Auditors	4
Income Statement	5
Balance Sheet	6
Cash Flow Statement	7
Notes to the Financial Statements	9-18

**DIRECTORS AND CORPORATE INFORMATION**

<b>BOARD OF DIRECTORS</b>	Mr. Emmanuel Antwi-Darkwa	- Chairman
	Mr. Richard Okrah	- Member
	Mr. Emmanuel Ofosu Offei	- Member
	Mrs Halima Yakubu	- Member
	Ms. Alexandra Totoe/Ebenezer Tagoe	- Member
	Mrs. Halima Yakubu	- Member
	Mr. Kenneth Appiah-Oppong- AG MD	- Member
	Mr. Josiah Attah	- Member
	Mr. Winfred Amanu	- Secretary

**SECRETARY** Conrad Asiedu

**REGISTERED OFFICE** Volta River Authority  
28th February Road  
P. O. Box MB 77  
Accra

**SOLICITORS** Legal Services Department  
Volta River Authority  
P.O. Box MB 77  
Accra

**BANKERS** Ghana Commercial Bank Limited  
Standard Chartered Bank Ghana  
Limited  
Zenith Bank Ghana Limited  
Anum Rural Bank

**AUDITORS** Kwame Asante & Associates  
Chartered Accountants  
P. O. box 58  
Trade Fair centre  
Accra  
Tel: 0302-231460

**REPORT OF THE DIRECTORS**

The Directors have the pleasure in submitting their annual report together with the audited financial statements of the Company for the year ended 31 December 2017.

**Statement of Directors' Responsibilities**

The Directors are responsible for the preparation of financial statements for each financial year, which give a true and fair view of the state of affairs of the Company and of the profit and loss and cash flows for that period. In preparing those financial statements, the Directors have selected suitable accounting policies and then applied them consistently, made judgments and estimates that are reasonable and prudent and followed International Financial Reporting Standards (IFRS) for small and medium scale entities.

The Directors are responsible for ensuring that the Company keeps proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company. The Directors are also responsible for safeguarding the assets of the Company and taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Results**

The Income Statement and Income Surplus for the year ended 31 December 2017 are set out on page 4 and 7.

**Principal Activity**

The principal business activities of the Company during the year were as follows:

- (a) To operate as public carriers, all forms of water borne transport including hovercraft for persons and or freight on the Volta Lake.
- (b) To act as Ship owners, Charterers, Warehousemen, Storekeepers, Wharfingers, Lightermen, and Stevedores.

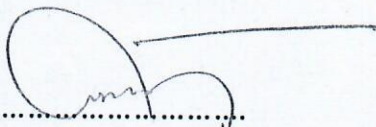
**Auditors**

Due to the five year audit rotational rule by the Auditor General, Kwame Asante & Associates will not continue in office as Auditors of the Company.

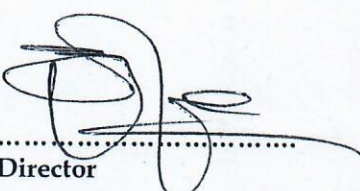
**Acknowledgement**

The Board of Directors would like to express its appreciation to the management and staff of the company and Volta River Authority for their dedicated services in 2017.

**By Order of the Board**

  
.....  
Director

Accra.

  
.....  
Director

Date.....

**REPORT OF THE AUDITORS  
TO THE MEMBERS OF  
VOLTA LAKE TRANSPORT COMPANY LIMITED**

**Opinion**

We have audited the financial statements of Volta Lake Transport Company Limited, which comprise the balance sheet as at 31 December 2016, the income statement, statement of comprehensive income, and statement of cashflows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the basis for opinion paragraph, the financial statements (pages 6 to 19) give a true and fair view of the financial position of the Company as at 31 December 2016, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) for Small and Medium Enterprises (SMEs) and comply with the Company Act.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBD Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The company has been making consistent losses for the past five years without any improvement in sight.

The Company recorded a net loss after tax of GH¢11,603,795 in year under review.

The company has over the years have cashflow problems making it difficult for the company to meet its indebtedness as and when they fall due.

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

**Key Audit Matters**

Land and Buildings value at GH¢ 5,197,987 which represents the value of civil works was omitted.

How this was resolved.

This was discussed with the client and the necessary adjustment passed to reinstate the amount omitted.

**Responsibility of directors for the Financial Statements**

The Directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRSs and the provisions of the companies Act 1963 (Act179), and for such internal control as the Directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going

concern basis of accounting unless the Directors either intend to liquidate or to cease operations, or has no realistic alternative but to do so.

#### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

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

We also provide the Finance Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters

that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

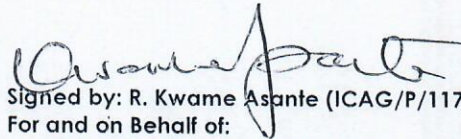
From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes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

#### Report on Other Legal and Regulatory Requirements

The Companies Act 1963 (Act 179) requires that in carrying out our audit we consider and report on the following matters. We confirm that:

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii) in our opinion, proper books of account have been kept by the Company, so far as it appears from our examination of those books; and
- iii) the balance sheet (statement of financial position) and profit or loss (statement of profit or loss and other comprehensive income) of the Company is in agreement with the books of accounts.

The engagement partner on the audit resulting in this independent auditor's report is  
[R. Kwame Asante].



Signed by: R. Kwame Asante (ICAG/P/117)

For and on Behalf of:

**KWAME ASANTE & ASSOCIATES (ICAG/F/2016/056)**

CHARTERED ACCOUNTANTS

**NO 5<sup>TH</sup> CRESCENT ASYLUM DOWN**

**Accra**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	Notes	2017 GH¢	2016 GH¢
Revenue	2	13,581,166	8,379,488
Cost of Sales	3	(25,401,839)	(10,413,410)
<b>Gross Profit/(Loss)</b>		<b>(11,820,673)</b>	<b>(2,033,922)</b>
General and Administration Expenses	5	(2,626,460)	(6,100,419)
<b>Operating Profit/(Loss)</b>		<b>(14,447,133)</b>	<b>(8,134,341)</b>
Other Income	4	2,843,338	1,405,593
<b>Net Loss Before Tax</b>		<b>(11,603,795)</b>	<b>(6,728,748)</b>
Tax Expenses		-	-
<b>Other comprehensive income:</b>		-	-
<b>Total Comprehensive Income</b>		<b>(11,603,795)</b>	<b>(6,728,748)</b>



**STATEMENT OF FINANCIAL POSITION**

	Notes	2017 GH¢	2016 GH¢
<b>Non -current assets</b>			
Property, Plants & Equipment	6	194,686,726	204,925,330
Access Control System	7	107,366	107,366
		<b>194,794,092</b>	<b>205,032,696</b>
<b>Current assets</b>			
Inventory	8	279,914	464,766
Account Receivables	9	1,761,829	1,808,428
Taxation	10	862,122	862,122
Cash and Cash equivalents	11	281,905	147,160
		<b>3,185,770</b>	<b>3,282,476</b>
<b>Total assets</b>		<b>197,979,862</b>	<b>208,315,172</b>
<b>Equity &amp; Liabilities</b>			
<b>Equity</b>			
Stated Capital	17	1,123,250	1,123,250
Government Grant	18	1,231,594	1,231,594
Capital Surplus	16	149,932,117	168,201,686
Retained Earning		(23,087,059)	(14,339,068)
		<b>129,199,902</b>	<b>156,217,462</b>
<b>Non - Current liabilities</b>			
Deferred Income: Long term portion of the Capital Grant	13	46,464,965	32,213,479
		<b>46,464,965</b>	<b>32,213,479</b>
<b>Current liabilities</b>			
Overdraft	12	446,722	36,534
Current term portion of capital Grant	13	3,788,514	2,615,914
Accounts Payable	14	8,525,006	8,613,239
Intercompany payable	15	9,554,753	8,618,544
		<b>22,314,995</b>	<b>19,884,231</b>
<b>Total equity and Liabilities</b>		<b>197,979,862</b>	<b>208,315,172</b>

The Board of Directors approved these financial statements on .....

..... DIRECTOR

..... DIRECTOR

**STATEMENT OF CASH FLOWS AS AT 31 DECEMBER 2017**

	Notes	2017 GH¢	2016 GH¢
<b>Operating Activities</b>			
<b>Profit Before Interest and Tax</b>		(11,603,795)	(6,728,748)
Depreciation		15,236,015	6,748,274
Correction of Errors(Adjustment)		(2,343,881)	-
Adjustment on the Capital Grant			-
Grant release to Income	4	(2,615,914)	(1,372,582)
<b>Operating cash flow before working capital changes</b>		<b>(1,327,575)</b>	<b>(1,353,056)</b>
(Increase)/Decrease in Receivables	9	46,599	(316,555)
(Increase)/Decrease in Amount Due from related Party	10		2,794
(Increase )/Decrease in Inventories	8	184,852	(222,322)
Increase in Other Receivables	11		-
Increase/(Decrease) in Payable	15	(88,233)	1,562,895
Increase/(Decrease) in Intercompany Payable	16	936,209	990,465
<b>Cash generated from operation</b>		<b>(248,148)</b>	<b>664,221</b>
<b>Net Cashflow from Operating Activities</b>			<b>664,221</b>
<b>Investing Activities</b>			
Purchase of Fixed Assets	6	(27,295)	(347,439)
Adjustment on Fixed assets			-
<b>Net Cash Outflow From Investing Activities</b>		<b>(27,295)</b>	<b>(347,439)</b>
<b>Financing Activities</b>			
Overdraft		410,188	(406,084)
Cash from Government		-	139,082
<b>Net Cash Outflow From Financing Activities</b>		<b>410,188</b>	<b>(267,002)</b>
<b>Net Increase in Cash &amp; Cash Equivalent at year end</b>		<b>134,745</b>	<b>49,781</b>
Net Cash at Cash & Cash Equivalent at 1 <sup>st</sup> January		147,160	97,379
<b>Cash &amp; Cash Equivalent</b>		<b>281,905</b>	<b>147,160</b>
<b>Analysis of Cash &amp; Cash Equivalent</b>			
Cash and Bank Balances	12	281,905	147,160
		<b>281,905</b>	<b>147,160</b>

**STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2017**

	Stated Capital GH¢	Government Grant GH¢	Capital Surplus GH¢	Retained Earning GH¢	Total Equity GH¢
Balance at January 2017	1,123,250	1,231,594	168,201,686	(14,339,068)	156,217,462
Total Comprehensive loss for the year 2017				(11,603,795)	(13,947,676)
Prior Year Adjustment				(2,343,881)	
Correction of Errors: Marine Assets			(19,020,000)	752,129	(18,267,871)
Land & Buildings			5,197,987		5,197,987
Release from capital surplus			(4,447,556)	4,447,556	-
<b>Balance December 2016</b>	<b>1,123,250</b>	<b>1,231,594</b>	<b>149,932,117</b>	<b>(23,087,059)</b>	<b>129,199,902</b>

**STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2016**

	Stated Capital GH¢	Government Grant GH¢	Capital Surplus GH¢	Retained Earning GH¢	Total Equity GH¢
Balance at January 2016	1,123,250	1,231,594	60,975,016	(10,370,186)	52,959,674
Total Comprehensive loss for the year 2016				(6,728,748)	(6,728,748)
Revaluation Gain			111,674,226		111,674,226
Retirement Benefits Reinstated				(1,687,690)	(1,687,690)
Release from capital surplus			(4,447,556)	4,447,556	-
<b>Balance December 2016</b>	<b>1,123,250</b>	<b>1,231,594</b>	<b>168,201,686</b>	<b>(14,339,068)</b>	<b>156,217,462</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2017****1. ACCOUNTING POLICIES**

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the Company's financial statements.

**a) Basis of Accounting**

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) for small and medium scale entities and are under historical cost convention as modified by revaluation of certain fixed assets.

**b) Changes in accounting policy and disclosures**

*New and amended standards adopted.*

The amendments to existing standards below are relevant to the company's operation:

Standard	Title
IAS 1	Presentation of financial statements
IAS 24	Related party disclosures

- The amendment to IAS 1, 'Presentation of the financial statements' is part of the 2010 Annual Improvement and clarifies that an entity shall present an analysis of other comprehensive income for each component of equity, either in the statement of changes in equity or in the notes to the financial statements. The application of this amendment has no significant impact as the company was already disclosing the analysis of other comprehensive income on its statement of changes in equity.
- The amendment to IAS 24, 'Related party disclosures' clarifies and simplifies the definition of a related party and removes the requirement for the for government -related entities to disclose details of all transactions with the government and other government -related entities. The amendment definition means that some entities will be required to make additional disclosures, e.g. ..., an entity that is controlled by individual that is part of the key management personnel of the other entity is now required to disclose transaction with that second entity.

**c) Property, plant and equipment**

Property, plant and equipment are stated at cost, less depreciation and accumulated impairment in value if applicable. Depreciation is calculated so as to write off the tangible fixed assets, less their estimated residual values, on a straight-line basis over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are:

Land and Buildings	0%- 3%
Plant & Machinery	20%
Craft	6.5%
Furniture, Fittings and Equipment.	20%
Motor Vehicles	33% (none provided on additions in first year)

Work in progress consists of the cost of assets, labour and other direct cost associated with property, plant and equipment being constructed by the company. Once the assets become

operational, the related cost are transferred from work in progress to the appropriate asset category for depreciation. A liability for the present value of the cost to remove an asset on both owned and lease is recognized when a present obligation for the removal is established. The corresponding cost of the obligation is included in the cost of the asset and depreciated over the useful life of the asset.

c) **Inventory**

Inventories are valued at the lower of cost and net realizable value. Cost includes all direct expenditure incurred in bringing the goods to their present location and condition. A provision for obsolete and slow moving inventory is made on the basis of the length of time inventory has not moved and its condition.

d) **Trade receivables**

Trade receivables are initially recognized at fair value less provision for impairment. Receivable are stated after providing for specific debts considered to be doubtful.

Bad debt written off relates to those debtors that have been individually reviewed and specifically identified as bad or doubtful.

e) **Cash and cash equivalent**

Cash and cash equivalents include cash in -hand, deposits held at call with banks and other short -term highly liquid investments with original maturities of twelve months or less.

f) **Foreign Currency**

Assets and liabilities denominated in foreign currencies are translated into cedis at the rates of exchange ruling at the balance sheet date. Other transactions denominated in foreign currencies are recorded in cedis at the rate of exchange ruling at the date of the transaction. Profits or losses on translation are dealt with in arriving at the operating profit.

Exchange difference arising from translating long-term loans in foreign currencies into cedis are deferred and amortized over the repayment period of the respective loans.

g) **Revenue recognition**

Income represents the value of services rendered to customers and invoiced .

h) **Grants**

i. Grants received for financing fixed assets are amortized over the expected useful lives of the assets on a basis consistent with the depreciation policy. Revenue based grants are fully recognized as income in the financial statements of the year in which they are received.

ii. Grants other than revenue and fixed assets grants are amortized over a period of three years.

i) **Deferred Taxation**

Provision is made in the profit and loss account for income tax charge relief deferred by reason of timing difference between capital allowances and the corresponding depreciation charges based on the original cost of fixed assets.

j) **Trade payables**

Trade payables are obligation to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are recognised initially at fair value and subsequently measured at mortised cost using the effective interest method where the effect of the passage of time is material.

k) **Defined contribution retirement scheme**

The company has a defined contribution scheme which statutory contributions are made to the social Security and National Insurance Trust and Vanguard Insurance on behalf of employees. The employee and the employer contribute 5.5% and 13% respectively to the Fund. This is a statutory requirement. In addition, the company contributes 7% to a separate fund on the behalf of the employees. The company has no further payment obligation once the contributions have been paid. These contributions continue as long as the employee remains in active employment of the company and are recognized as employee benefit expenses when they are due.

## 2. Revenue

	2017	2016
	GH¢	GH¢
Dry Cargo	981,310	1,583,526
Fuel	4,809,194	1,760,809
Ferry Services-Passengers	7,699,642	5,035,153
Charter Services	91,020	-
	<u>13,581,166</u>	<u>8,379,488</u>

## 3. Cost Of Sales

	2017	2016
	GH¢	GH¢
Staff Cost	4,671,821	693,027
Fuel and Lubricant	3,307,552	1,877,442
Maintenance	229,728	73,880
Insurance	139,434	67,250
Training	3,250	16,092
Transportation	105,893	47,036
Electricity and water	35,772	6,594
Materials Consumed	987,200	545,097
Depreciation	14,719,523	6,625,914
Printing and Stationery	39,396	21,538
Sundries	24,708	22,669
Cargo Handling & Maint.	35,750	17,791
Car hired	-	2,015
Long Service Award	156,921	184,640
End of Service Benefit	944,891	212,425
	<u>25,401,839</u>	<u>10,413,410</u>

## 4. Other Income

	2017	2016
	GH¢	GH¢
Rent Received	46,490	25,876
Grant Release	2,615,914	1,372,582
Miscellaneous Income	180,934	7,135
	<u>2,843,338</u>	<u>1,405,593</u>

	2017		2016			
	GH¢		GH¢			
<b>5. General &amp; Administration Exp.</b>						
Staff Cost	1,381,366		5,469,910			
Directors Remuneration	11,340		35,630			
Directors Expense	-		1,531			
Maintenance	284,600		35,615			
Electricity & Water	545		12,327			
Fuel & Lubricants	116,434		109,752			
Travelling and Transport	-		58,295			
Printing and Stationery	17,849		27,750			
Subscriptions	615		940			
Consultancy	-		4,050			
Sundry Expenses	59,094		30,716			
Depreciation	516,492		122,360			
Finance & Bank Charges	79,005		115,568			
Property Rate	28,273		-			
Auditors Remuneration	24,408		37,600			
Publicity & Adverts	4,896		310			
Medical Expenses	63,107		34,851			
Clearing Charges	37,363		-			
Hotel & Accommodation	1,073		2,514			
Legal Expenses	-		700			
	<u>2,626,460</u>		<u>6,100,419</u>			
<b>6. Property, Plants &amp; Equipment</b>						
<b>Cost</b>	<b>Land &amp; Buildings</b>	<b>Crafts</b>	<b>Furn. &amp; Fit, Equipment</b>	<b>Motor Vehicle</b>	<b>Plant &amp; Machinery</b>	<b>Total</b>
	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>
At 01/01/17	40,168,611	169,314,155	257,794	1,467,619	465,425	211,673,604
Additions	-	18,040,000	7,670	-	19,625	18,067,295
Correction of Error	5,187,987	(19,020,000)	-	-	-	(13,822,013)
At 31/12/17	45,366,598	168,334,155	265,464	1,467,619	485,050	215,918,886
<b>Depreciation</b>						
At 01/01/17	460,227	6,044,158	122,360	-	121,529	6,748,274
Correction of Error	-	(752,129)	-	-	-	(752,129)
Charge for the Year	930,766	13,739,137	26,873	489,619	49,620	15,236,015
At 31/12/17	1,390,993	19,031,166	149,233	489,619	171,149	21,232,160
NBV At 31/12/17	43,975,605	149,302,989	116,231	978,000	313,901	194,686,726
NBV At 31/12/16	39,708,384	163,269,997	135,434	1,467,619	343,896	204,925,330



Volta Lake Transport Company

Financial Statements: 31 December 2017

Cost	Land & Buildings GH¢	Crafts GH¢	Furn. & Fit, Equipment GH¢	Motor Vehicle GH¢	Plant & Machinery GH¢	Total GH¢
Revaluation	40,060,712	150,294,155	254,494	1,467,619	229,185	192,306,165
Additions	107,899	19,020,000	3,300	-	236,240	19,367,439
At 31/12/16	40,168,611	169,314,155	257,794	1,467,619	465,425	211,673,604
Depreciation At 1/01/16	-	-	-	-	-	-
Charge for the Year	460,227	6,044,158	122,360	-	121,529	6,748,274
At 31/12/16	460,227	6,044,158	122,360	-	121,529	6,748,274
NBV At 31/12/16	39,708,384	163,269,997	135,434	1,467,619	343,896	204,925,330
NBV At 31/12/15	18,661,785	61,703,701	141,632	-	124,821	80,631,939

7. Access Control System

	2017 GH¢	2016 GH¢
CCTV Camera	107,366	107,366
	<u>107,366</u>	<u>107,366</u>

8. Inventories

	2017 GH¢	2016 GH¢
Spares and Components	190,375	289,835
Fuel and Lubricants	57,657	161,730
Tickets	19,469	11,928
Stationery	12,413	1,273
	<u>279,914</u>	<u>464,766</u>

9. Accounts Receivables

	2017 GH¢	2016 GH¢
Trade Debtors	1,072,323	954,971
Staff Debtors	88,895	139,104
Other Debtors	600,611	742,415
Provision for Doubtful Debt	-	(28,062)
	<u>1,761,829</u>	<u>1,808,428</u>

## 10. Taxation

	2017	2016
	GH¢	GH¢
Withholdings Tax	783,550	783,550
Deferred Tax	78,572	78,572
	<u>862,122</u>	<u>862,122</u>

## 11. Cash &amp; Bank

	2017	2016
	GH¢	GH¢
Petty Cash	1,483	-
GCB A/C 2	222,061	57,833
GCB Tamale	119	445
Zenith Bank	23,042	64,414
Anum Rural Bank	35,200	24,468
	<u>281,905</u>	<u>147,160</u>

## 12. Overdraft

	2017	2016
	GH¢	GH¢
GCB A/C 1	446,722	36,534
	<u>446,722</u>	<u>36,534</u>

## 13. Deferred Grant Income

This is made up of Crafts and other assets received from the Government of Ghana during the year to support the company's operations. Details are as follows

	Other Assets GH¢	Crafts GH¢	Land & Build GH¢	Total GH¢
Grants as at 1 January, 2017	234,813	40,180,639	139,082	40,554,534
Grants received in the year		18,040,000	-	18,040,000
	<u>234,813</u>	<u>58,220,639</u>	<u>139,082</u>	<u>58,594,534</u>
<b>Released of Fund</b>				
Release to income as of January 1, 2017	234,813	5,490,328	-	5,725,141
Release to income during the year	-	2,611,742	4,172	2,615,914
	<u>234,813</u>	<u>8,102,070</u>	<u>4,172</u>	<u>8,341,055</u>
Net grant received	-	50,118,569	134,910	50,253,479
Current portion of grant: Due within 12 months		3,784,342	4,172	3,788,514
Long term portion of grant: Due After 12 months		46,334,227	130,738	46,464,965
	-	<u>50,118,569</u>	<u>134,910</u>	<u>50,253,479</u>

## 14. Accounts Payable

	2017 GH¢	2016 GH¢
Trade Creditors	1,391,043	977,290
Accruals	124,246	105,499
SIC (Hull, Fire, WC) Insurance	98,592	-
Employees Ret. Benefit outstanding	1,500,000	2,100,000
Provident Fund	1,947,069	1,974,818
Ghana Revenue Authority	2,564,832	2,808,469
Pension Deductions - 2Tier	428,029	198,597
Union Dues	242,428	204,332
VLTC credit Union	28,611	28,611
Welfare - SSA & VLTC	64,396	94,936
Scheme loan- Merchant Bank	-	115,962
Scheme Loan- Stanchart	-	4,725
Staff Utilities/ AMC	135,760	-
	<u>8,525,006</u>	<u>8,613,239</u>

## 15. Amount due to related parties

	2017 GH¢	2016 GH¢
VRA Current & loan account	8,889,931	7,986,348
VRA Hospital Bills	299,337	227,999
Outside Debtors-Akosombo (Vessel Hiring & Workshop-VRA Marine	237,697	237,697
Electricity usage-VRA	-	-
Property Rate -VRA	90,248	75,238
Volta Hotel	37,540	21,338
Business license	-	68,124
	<u>9,554,753</u>	<u>8,618,544</u>

## 16. Capital Surplus

	2017 GH¢	2016 GH¢
Balance at 1 <sup>st</sup> January	168,201,686	60,975,016
Revaluation	-	111,674,226
Adjustment (Marine Assets)	(19,020,000)	-
Land & Buildings	5,197,987	-
Release to Retained Earning	(4,447,556)	(4,447,556)
	<u>149,932,117</u>	<u>168,201,686</u>

17. Stated Capital	No. of Shares	Value	Value
Authorized Ordinary Shares	200		
Issued		2017	2016
		GH¢	GH¢
Ordinary Shares			
Cash	22	123,242	123,242
Consideration other than cash	8	1,000,008	1,000,008
		<u>1,123,250</u>	<u>1,123,250</u>
18. Government Grants		2017	2016
		GH¢	GH¢
Ghana Government Loan		92,431	92,431
Ghana Government Loan(A)		154,006	154,006
Danida Loan		276,207	276,207
Accrued Interest On Term Loan		708,950	708,950
		<u>1,231,594</u>	<u>1,231,594</u>

This represents Government of Ghana Grant

#### 19. Contingent Recoveries (Asset)

There is a contingent Recovery at the balance sheet date (2013) pending the outcome of a court case. The Company (VLTC) is in court to recover an amount of GH¢166,752 from Mr. J. B Ampah a former employee of the Company for defalcation which occurred in 2006.

This amount which was shown in the Balance Sheet as part of debtors in previous Financial Statements has been taken off from the face of the Balance Sheet (2012) and disclosed as a note.

#### 20. Contingent Liabilities

There was a contingent liability at the balance sheet date.

VLTC has been sued jointly by Tetteh Sebbie who is seeking for GH51,00 compensation for an accident that was purported to have been caused by one of VLTC vessels to the son of Mr. Tetteh Sebbie. The court initially ruled in favour of Tetteh Sebbie and VLTC was made to pay an amount of GH25,000, but this case has been appealed by VLTC. The outcome of this appeal is yet to be determine by the court.

#### 21. Related Party Disclosures

Volta Lake Transportation Company limited Related Parties are Volta Hotel and Volta River Authority within the Volta River Authority group.

Inter-company payables which was classified as associates company balances, are in respect of purchases made by VRA for fixed assets, amounts owed to Volta Hotel for provision of accommodation and meals, as well as, other miscellaneous expenses paid by VRA on behalf of VLTC.

22. Events after the End of the Reporting Period (2017)

On 17<sup>th</sup> February, 2016, Nana Besemuna, a ferry belonging to the company was involved in a near sinking accident whilst conveying passengers, trucks, cars and goods from Makango to Yeji. The Company as at the year-end 2017, has not been able to estimate the cost of the accident and its effects on the financial statement cannot be made.

23. Reinstatement of Comparatives

Following a number of meetings between the two companies mediated by VRA Investment department, an agreement was reached to reduce associates receivable by GH¢1,336,004.88

This has been considered in this year's financial statements, by reinstating the 2014 comparatives resulting in reduction of amount due from related party and retained earnings.

24. The End of Service Benefits due to Active Employees of VLTC stood at GH¢5,908,136.00 at the end of December 2017.

25. Prior Year Adjustment

An amount of GH¢ 2,821,221 which was credited to other income and an amount GH¢ 5,528,246 in the material consumed account which could not be supported have been adjusted in the statement of changes in equity.