

BULK OIL STORAGE AND TRANSPORTATION COMPANY LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2013

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opoku, andoh & co.
CHARTERED ACCOUNTANTS

BULK OIL STORAGE AND
TRANSPORTATION COMPANY LIMITED

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BULK OIL STORAGE AND
TRANSPORTATION COMPANY LIMITED

GENERAL INFORMATION

BOARD OF DIRECTORS :

KAKRA ESSAMUAH	- CHAIRMAN
KINGSLEY KWAME AWUAH - M D	- APPOINTED 21/10/2013
COMFORT AHWOI	- MEMBER
STEVE AHIWORDOR	- MEMBER
DR. ALBERT AKPALU	- MEMBER
KOFI IDDIÉ ADAMS	- MEMBER
DR. ALFRED ATTUQUAYE BOTCHWAY	- MEMBER
KOJO AMISSAH	- MEMBER

CHAIRMAN AND MEMBERS WERE APPOINTED ON 21/10/2013

COMPANY SECRETARY : PLATINUM CORPORATE SOLUTION

BOARD OF DIRECTORS :

ALHAJI HUUDU YAHAYA	- CHAIRMAN
DR. YAW AKOTO – MANAGING DIRECTOR-RETIRED 22/11/2012	
MR. JOHN KOJO ARKORFUL - AG. MANAGING DIRECTOR 22/11/2012	
MR. SYLVANUS TETTEY TAMAKLOE	- MEMBER
REV. DIVINE KUMAH	- MEMBER
MRS. COMFORT AHWOI	- MEMBER
TOGBI KPORKU III	- MEMBER
DR. ALFRED ATTUQUAYE BOTCHWAY	- MEMBER
MR. LIGBI ALHASSAN	- MEMBER
HON. AQUINAS QUANSAH	- MEMBER

CEASED TO BE CHAIRMAN AND MEMBERS ON 21/10/2013

COMPANY SECRETARY : MRS. HARRIET AMOAH

REGISTERED OFFICE :

PLOT No. 11 NORTEI
ABABIO STREET
AIRPORT RESIDENTIAL AREA
ACCRA

AUDITORS :

OPOKU, ANDOH & CO.
ACCOUNTANCY HOUSE
SDA 8, COMMUNITY 5
P. O. BOX CO 1364
TEMA

BANKERS :

STANDARD CHARTERED BANK GHANA LIMITED
ECOBANK GHANA LIMITED
BARCLAYS BANK OF GHANA LIMITED
PRUDENTIAL BANK LIMITED
FIRST ATLANTIC MERCHANT BANK LIMITED
GHANA COMMERCIAL BANK LIMITED
STANBIC BANK GHANA LIMITED
SG-SSB BANK LIMITED
HFC BANK LIMITED

BULK OIL STORAGE AND
TRANSPORTATION COMPANY LIMITED

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST DECEMBER 2013

The Directors have the pleasure in presenting their report together with the audited financial statements of Bulk Oil Storage and Transportation Company Limited for the year ended 31st December 2013.

PRINCIPAL ACTIVITIES

The company in addition to the management of strategic oil reserves was engaged in the leasing of petroleum tankage space to Bulk Distribution Companies (BDCs) including Chase Petroleum, Oil Channel, Fuel Trade, Vihama Energy, First Deepwater, Spring Field Energy, Cirus Energy, Ebony and Eco/Sage during the year.

RESULTS OF OPERATIONS

	2013	2012
	GH¢	GH¢
Net (Loss)/Profit for the year	(30,910,708)	11,351,048

DIVIDENDS

The Directors do not recommend the payment of dividends

AUDITORS

The Auditors, Opoku, Andoh & Co. were appointed by the Auditor General in pursuance of Article 187 (2) of the 1992 constitution on 11th August 2013.

STATE OF AFFAIRS

The Directors consider the state of affairs of the company to be satisfactory


.....
DIRECTOR


.....
DIRECTOR

BULK OIL STORAGE AND
TRANSPORTATION COMPANY LIMITED

STATEMENT OF DIRECTORS RESPONSIBILITIES

The Companies Codes, 1963 (Act 179) requires the Directors to prepare 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 or loss and cash flows for the year then ended.

They consider that in preparing the Financial Statements they have used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all International Accounting Standards which they consider to be appropriate have been followed.

The Directors are responsible for ensuring that proper accounting records are kept which disclose with reasonable accuracy the financial position of the Company. They are also responsible for safeguarding the assets of the company and to prevent and detect fraud and other irregularities.

The above statement which should be read in conjunction with the Statement of the Auditors' responsibilities set out on page 4 is made with a view to distinguishing for the Minister of Energy the respective responsibilities of the Directors and the Auditors in relation to the Financial Statements.

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opoku, andoh & co.
c h a r t e r e d a c c o u n t a n t s

**REPORT OF THE AUDITORS ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2013**

We have audited the accompanying financial statements of Bulk Oil Storage and Transportation Company Limited, which comprise the balance sheet as of 31st December 2013, the statement of income and the cash flow for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with Ghana Accounting Standards and the Companies Code, 1963 (Act 179). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITORS' RESPONSIBILITY

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

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

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

OPINION

In our opinion, the financial statements present fairly, in all material respects, the financial position of Bulk Oil Storage and Transportation Company Limited as of 31st December 2013 and of its financial performance and its cash flows for the year then ended in accordance with Ghana Accounting Standards and the Companies Code, 1963 (Act 179).

.....
OPOKU, ANDOH & CO. (ICAG/F/2015/053)
PETER OPOKU (ICAG/P/1009)
CHARTERED ACCOUNTANTS
SDA 8, COMMUNITY 5
TEMA

DATED: 14 - 05 - 2015

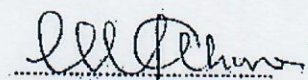
MANAGING PARTNER: PETER OPOKU FCCA, CA (GH)

BULK OIL STORAGE AND TRANSPORTATION COMPANY LIMITED

BALANCE SHEET AS AT 31ST DECEMBER 2013

	NOTE	2013 GH¢	2012 GH¢
<u>ASSETS EMPLOYED</u>			
<u>NON CURRENT ASSETS</u>			
PROPERTY, PLANT AND EQUIPMENT	3	<u>1,023,122,966</u>	<u>325,669,973</u>
<u>CURRENT ASSETS</u>			
INVENTORIES	4	23,120,527	23,120,527
ACCOUNTS RECEIVABLE AND PREPAYMENTS	5	160,142,445	146,710,439
MARKETABLE SECURITIES	6	17,494,799	6,065,127
BANK BALANCE AND CASH	7	<u>16,175,706</u>	<u>15,344,572</u>
		<u>216,933,477</u>	<u>191,240,665</u>
<u>CURRENT LIABILITIES</u>			
ACCOUNTS PAYABLE AND ACCRUALS	8	97,800,758	59,416,846
CURRENT PORTION OF CAPITAL GRANT	9	4,153,689	4,153,689
BANK OVER DRAFT	10	<u>109,019,353</u>	<u>113,318,329</u>
		<u>210,973,800</u>	<u>176,888,864</u>
NET (CURRENT LIABILITIES)/CURRENT ASSETS		<u>5,959,677</u>	<u>14,351,801</u>
NET ASSETS		<u>1,029,082,643</u>	<u>340,021,774</u>
FUNDS EMPLOYED			
EQUITY			
STATED CAPITAL	11	500,000	500,000
INCOME SURPLUS		(63,049,940)	(32,139,232)
CAPITAL SURPLUS		<u>704,197,555</u>	<u>-</u>
		<u>641,647,615</u>	<u>(31,639,232)</u>
LONG TERM LOAN	12	377,188,390	357,260,679
<u>DEFERRED INCOME</u>			
LONG TERM PORTION OF CAPITAL GRANT	9	<u>10,246,638</u>	<u>14,400,327</u>
		<u>1,029,082,643</u>	<u>340,021,774</u>


DIRECTOR


DIRECTOR

THE ATTACHED NOTES 1 TO 20 FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

BULK OIL STORAGE AND TRANSPORTATION COMPANY LIMITED

STATEMENT OF INCOME FOR THE YEAR ENDED 31ST DECEMBER 2013

	NOTE	2013 GH¢	2012 GH¢
TURNOVER	13	-	3,331,508
COST OF SALES		-	<u>(3,331,508)</u>
GROSS PROFIT		-	-
OTHER INCOME	14	142,001,111	187,614,996
FINANCE CHARGES	15	(42,972,761)	(38,871,851)
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	20	(129,939,058)	(137,392,097)
NET LOSS/PROFIT	16	<u>(30,910,708)</u>	<u>11,351,048</u>

INCOME SURPLUS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 2013

	2013 GH¢	2012 GH¢
BALANCE AS OF 1ST JANUARY	(32,139,232)	(43,490,280)
PRIOR YEAR ADJUSTMENT	-	-
NET LOSS/PROFIT	(30,910,708)	11,351,048
BALANCE AS OF 31ST DECEMBER	<u>(63,049,940)</u>	<u>(32,139,232)</u>

BULK OIL STORAGE AND TRANSPORTATION COMPANY LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2013

	NOTE	2013 GH¢	2012 GH¢
<u>OPERATING EXPENSES</u>			
NET (LOSS)/PROFIT BEFORE TAXATION		(30,910,708)	11,351,048
ADJUSTMENTS FOR:			
DEPRECIATION CHARGE		16,948,595	17,012,942
RELEASE OF FUNDS INTO INCOME		(4,153,689)	(4,153,689)
(GAIN)/LOSS ON ASSETS DISPOSED		-	(41,800)
ASSETS WRITTEN OFF		280	117
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		(18,115,522)	24,168,618
(INCREASE)/DECREASE IN INVENTORIES		-	3,331,512
INCREASE/(DECREASE) IN ACCOUNTS RECEIVABLE		(13,432,006)	(29,421,950)
INCREASE/(DECREASE) IN ACCOUNTS PAYABLE		38,383,912	(1,811,752)
NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES		6,836,384	(3,733,572)
INVESTING ACTIVITIES			
PURCHASE OF PROPPRTY, PLANT AND EQUIPMENT	3	(10,204,313)	(22,109,886)
PROCEEDS FROM SALE OF ASSETS		-	41,822
INVESTMENT IN BT WORCON		-	70,000
NET CASH OUTFLOW FROM INVESTING ACTIVITIES		(10,204,313)	(21,998,064)
FINANCING ACTIVITIES			
LONG TERM LOAN		19,927,711	174,947,173
SHORT TERM LOAN		-	(154,719,426)
NET CASH INFLOW FROM FINANCING ACTIVITIES		19,927,711	20,227,747
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		16,559,782	(5,503,889)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		(91,908,630)	(86,404,741)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	17	(75,348,848)	(91,908,630)

BULK OIL STORAGE AND TRANSPORTATION COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2013

1. ACTIVITIES

The Bulk Oil Storage and Transportation Company Limited (BOST) is a private limited liability company registered and incorporated in Ghana and wholly owned by Government of Ghana. The company was incorporated to engage in strategic storage, management and distribution of bulk petroleum stocks and other business incidental thereto, through depots sited at strategic locations across Ghana.

2. SIGNIFICANT ACCOUNTING POLICIES

a. BASIS OF PREPARATION

The financial statements have been prepared in accordance with Ghana Accounting Standards issued by the Ghana National Accounting Standards Board (GNASB), the Companies Code, 1963 (Act 179) and other applicable requirements of Ghanaian law.

The significant accounting policies adopted by the company are as follows:

b. ACCOUNTING CONVENTION

The financial statements are prepared under the historical cost convention, except Property, Plant and Equipment which have been revalued as at 31st December 2013.

c. REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must be met.

d. SALES FROM GOODS AND SERVICES

Sales represent the invoiced value of goods and services provided by the company during the year.

e. INTEREST

Interest is earned when interest is accrued (taking into account the effective yield on the asset) unless collectability is in doubt.

f. INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Costs are those expenses incurred in bringing each product to its present location and condition.

BULK OIL STORAGE AND TRANSPORTATION COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2013

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

g. PROPERTY, PLANT AND EQUIPMENT

Property, Plant and Equipment are stated at revalued amount less accumulated depreciation.

h. DEPRECIATION

Depreciation is provided on a straight-line basis on all property, plant and equipment at fixed annual rates over the estimated useful lives of assets.

The rates of depreciation are as follows:

Asset Category	Rate (%)
Land and Buildings	4
Motor Vehicles	25
Furniture and Fittings	25
Office Equipment	20
Operational Equipment	10
Household Equipment	33%
Computer and IT Equipment	33%

i. GOVERNMENT GRANTS

Government grants in the form of or for the acquisition of fixed assets are accounted for as deferred income under the heading "Capital Expenditure Grant" which are recognized in the Statement of Income on a systematic basis over the useful lives of the related assets.

j. ACCOUNTS RECEIVABLE

Accounts receivable are stated at book values less estimates for doubtful debts. An estimate for doubtful debt is made when collection of the full amount is no longer probable. Bad debts are written off as incurred.

k. FOREIGN CURRENCY TRANSLATIONS

Transactions in foreign currencies are translated at the rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Ghana cedis at exchange rates ruling at the date of the balance sheet. All exchange differences are taken to the Statement of Income.

l. BORROWING COSTS

Borrowing costs are recognised as expense in the period in which they are incurred.

BULK OIL STORAGE AND TRANSPORTATION COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2013

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

m. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are defined as cash on hand and bank balances, bank overdraft and marketable securities that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

n. ACCOUNTS PAYABLE AND ACCRUALS

Liabilities are recognised for amounts to be paid in the future for goods or services received.

o. PROVISIONS

Provisions are made when the company has an obligation arising from a past event and the costs to settle the obligation are both probable and able to be reliably measured.

p. TAXATION

Bulk Oil Storage and Transportation Company Limited is a government establishment and therefore it is not liable to corporate tax payments.

BULK OIL STORAGE AND TRANSPORTATION COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2013**

3. PROPERTY, PLANT AND EQUIPMENT

<u>COST</u>	<u>LAND & BUILDING</u>	<u>MOTOR VEHICLES</u>	<u>OPERATIONAL EQUIPMENT</u>	<u>OFFICE EQUIPMENT</u>	<u>FURNITURE & FITTINGS</u>	<u>COMPUTERS & IT EQUIPMENT</u>	<u>HOUSEHOLD EQUIPMENT</u>	<u>WORK IN PROGRESS</u>	<u>TOTAL</u>
	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
BAL - 01/01/13	14,259,349	1,196,670	168,322,363	264,683	470,516	476,405	80,490	222,720,140	407,790,616
ADDITIONS	48,557	221,929	1,679,376	56,760	13,450	12,523	-	8,171,718	10,204,313
REVALUATION	113,258,889	854,431	589,572,113	254,993	137,653	118,408	1,068	-	704,197,555
BAL - 31/12/13	<u>127,566,795</u>	<u>2,273,030</u>	<u>759,573,852</u>	<u>576,436</u>	<u>621,619</u>	<u>607,336</u>	<u>81,558</u>	<u>230,891,858</u>	<u>1,122,192,484</u>
<u>ACCUMULATED DEPRECIATION</u>									
BAL - 01/01/13	2,314,646	890,935	77,856,110	187,100	400,162	393,923	78,047	-	82,120,923
CHARGE FOR THE YEAR	214,429	165,866	16,479,980	24,019	24,244	38,076	1,981	-	16,948,595
BAL - 31/12/13	<u>2,529,075</u>	<u>1,056,801</u>	<u>94,336,090</u>	<u>211,119</u>	<u>424,406</u>	<u>431,999</u>	<u>80,028</u>	<u>-</u>	<u>99,069,518</u>
<u>NET BOOK VALUE</u>									
AS AT 31/12/2013	<u>125,037,720</u>	<u>1,216,229</u>	<u>665,237,762</u>	<u>365,317</u>	<u>197,213</u>	<u>175,337</u>	<u>1,530</u>	<u>230,891,858</u>	<u>1,023,122,966</u>
AS AT 31/12/2012	<u>11,944,703</u>	<u>305,735</u>	<u>90,466,253</u>	<u>77,583</u>	<u>70,354</u>	<u>82,482</u>	<u>2,443</u>	<u>222,720,140</u>	<u>325,669,693</u>

The Property, Plant and Equipment of Bulk Oil Storage and Transportation Company Limited were revalued as at 31st December 2013 by Independent Valuers, Assenta Properties Consulting, who place a value of GH¢1,023,117,567 on the Property, Plant and Equipment. This resulted in a Capital Surplus of GH¢704,197,555.

BULK OIL STORAGE AND TRANSPORTATION COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2013

4. INVENTORIES

	2013	2012
	GH¢	GH¢
DIESEL	21,172,571	24,504,079
KEROSINE	1,947,956	1,947,956
SHORT DELIVERIES	-	(3,331,508)
	23,120,527	23,120,527

5. ACCOUNTS RECEIVABLE AND PREPAYMENTS

	2013	2012
	GH¢	GH¢
TRADE ACCOUNTS RECEIVABLE	110,339,896	102,435,612
OTHER RECEIVABLES	60,026,965	43,423,251
STAFF RECEIVABLE	129,044	42,026
PREPAYMENTS	805,382	809,550
PROVISION FOR BAD DEBT	(11,158,842)	-
	160,142,445	146,710,439

6. MARKETABLE SECURITIES

These represent amounts invested on behalf of the company by its bankers in fixed and call deposits.

	2013	2012
	GH¢	GH¢
PRUDENTIAL BANK	-	39,687
BARCLAYS BANK OF GHANA LIMITED	3,387	3,389
MERBAN INVESTMENT	2,148,757	1,727,731
STANDARD CHARTERED BANK	4,598,901	2,704,169
HFC BANK	18,863	18,863
FIRST NATIONAL SAVINGS AND LOANS	924,978	875,000
STANDARD CHARTERED BANK (OLD)	6,438	6,438
BARCLAYS TREASURY BILL	689,848	689,850
FIRST ATLANTIC MERCHANT BANK	9,087,273	-
ECOBANK TREASURY BILLS	16,354	-
	17,494,799	6,065,127

BULK OIL STORAGE AND TRANSPORTATION COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2013

7. BANK BALANCES AND CASH

	2013	2012
	GH¢	GH¢
CASH ON HAND	28,784	29,907
CASH AT BANK	16,146,922	15,314,665
	16,175,706	15,344,572

8. ACCOUNTS PAYABLE AND ACCRUALS

	2013	2012
	GH¢	GH¢
TRADE ACCOUNTS PAYABLE	11,343,919	26,345,640
OTHER ACCOUNTS PAYABLE	83,857,631	5,436,967
ACCRUED EXPENSES	2,599,208	27,634,239
	97,800,758	59,416,846

9. CAPITAL EXPENDITURE GRANT

This is made up of property, plant and equipment received from the Government of Ghana to support the company's operations. Details are as follows:

	LAND & BUILDINGS	OPERATIONAL EQUIPMENT	WORK IN PROGRESS	TOTAL
	GH¢	GH¢	GH¢	GH¢
Grants as of 1st Jan. 2013	1,552,425	15,848,575	1,153,016	18,554,016
Grant released into Income during the year	(141,409)	(4,012,280)	-	(4,153,689)
Net Capital Grant	1,411,016	11,836,295	1,153,016	14,400,327
Current portion of grant due within 12 months	141,409	4,012,280	-	4,153,689
Long term portion due after 12 months	1,269,607	7,824,015	1,153,016	10,246,638

Total grants received since 1991 include; 1991 (GH¢3,534,056), 2001 (GH¢1,174) and 2007 (GH¢39,820,985)

BULK OIL STORAGE AND TRANSPORTATION COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2013

10. BANK OVERDRAFT

	2013	2012
	GH¢	GH¢
GHANA COMMERCIAL BANK LIMITED	109,019,353	113,290,752
FIRST ATLANTIC MERCHANT BANK LIMITED	-	27,577
	109,019,353	113,318,329

11. STATED CAPITAL

(i) **Authorised Shares:**

The company is registered with 1,000,000 ordinary shares of no par value.

(ii) **Issued Shares:**

	2013		2012	
	NUMBER	AMOUNT GH¢	NUMBER	AMOUNT GH¢
Issued for Cash	1,000,000	500,000	1,000,000	500,000

There is no unpaid liability on any share and there are no calls or instalments unpaid. There are no treasury shares.

12. LONG TERM LOAN

	2013	2012
	GH¢	GH¢
STANDARD CHARTERED BANK LIMITED	182,893,686	183,711,202
FIRST ATLANTIC MERCHANT BANK LIMITED	-	4,148,908
EX-IM BANK - US	194,294,704	169,400,569
	377,188,390	357,260,679

12a. Standard Chartered Bank Limited and First Atlantic Merchant Bank Limited loans are Short Term facilities that have been restructured into five (5) year term loan.

12b. In 2007, BOST entered into a credit agreement with Citibank N. A. and Export-Import Bank of the United States of America with Government of Ghana as guarantor for an amount of US\$123.44 million for the purchase and construction of oil storage tanks and pipelines.

The details of the loan facility are as follows:

Export-Import Bank	US\$109.54million
Citibank N. A.	US\$13.9million

As at the end of the year 2011, BOST has drawn down US\$89.89m of the loan from Export-Import Bank.

The Citibank facility represents 11% of the total contract value of US\$123.44m BOST as at the end of 2012 has repaid US\$11.9million of the facility. Equipment for this project will be purchased by American Tank and Vessel. The loan facility is for a period of five (5) years with a 24 month moratorium and an interest rate of 2.25% per annum. The Ministry of Finance of the Republic of Ghana unconditionally guaranteed BOST's obligations under the loan facility.

As at 31st December 2013 BOSTS has fully paid the Citibank Bahavian loan. The Export-Import bank loan is due for repayment.

BULK OIL STORAGE AND TRANSPORTATION COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2013

13. TURNOVER - SHORT DELIVERIES

	2013	2012
	GH¢	GH¢
PETROL & DIESEL	-	<u>3,331,508</u>

14. OTHER INCOME

	2013	2012
	GH¢	GH¢
BOST MARGIN	103,107,376	97,759,470
RENT INCOME	214,900	24,000
EXPENDITURE RECOVERY	-	655
INVESTMENT INCOME	726,763	346,784
UNREALISED EXCHANGE GAIN	12,115,799	15,991,105
REALISED EXCHANGE GAIN	3,897,221	1,985,875
INTEREST ON CURRENT ACCOUNT	261	7,993
HAULAGE EXPENDITURE REFUND	-	33,383,802
CAPITAL GRANT RELEASED INTO INCOME	4,153,688	4,153,688
PIPE LINE AND LOADING RACK FEE	14,832,132	30,357,634
GAIN ON ASSET DISPOSED	-	41,822
MARINE INCOME	2,684,046	3,519,574
MISCELLANEOUS/OTHER INCOME	252,567	42,594
INTEREST ON TREASURY BILLS	16,358	-
	<u>142,001,111</u>	<u>187,614,996</u>

15. FINANCE CHARGES

	2013	2012
	GH¢	GH¢
INTEREST ON BANK OVERDRAFT	22,829,619	31,468,428
INTEREST ON LOANS	16,297,766	3,144,674
INTEREST ON FINANCE LEASE	-	-
TRADE FINANCE COSTS	3,845,376	4,258,749
	<u>42,972,761</u>	<u>38,871,851</u>

16. NET PROFIT/(LOSS) FOR THE YEAR

THIS IS STATED AFTER CHARGING:

	2013	2012
	GH¢	GH¢
AUDITORS REMUNERATION AND EXPENSE	116,319	111,889
DEPRECIATION	16,948,595	17,012,942
DONATION	24,136	117,838
DIRECTORS' EMOLUMENTS	115,514	151,657

BULK OIL STORAGE AND TRANSPORTATION COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2013

17. ANALYSIS OF CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR

Cash and cash equivalents shown in the Statement of Cash Flows include the following balance sheet amounts:

	2013 GH¢	2012 GH¢	CHANGE GH¢
Bank Balances and Cash	16,175,706	15,344,572	831,134
Bank Overdraft	(109,019,353)	(113,318,329)	4,298,976
Marketable Securities	17,494,799	6,065,127	11,429,672
	(75,348,848)	(91,908,630)	16,559,782

18. CONTINGENCIES

a. **Contingent Liabilities**

Contingent liabilities as of 31st December 2013 GH¢594,032, \$17,250,985 (2012: GH¢465,000)

b. **Contingent Assets**

There were no contingent assets as of 31st December 2013 (2012: Nil)

19. COMMITMENTS

There were no commitments as at 31st December 2013 (2012: Nil).

BULK OIL STORAGE AND TRANSPORTATION COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2013

20. SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

	2013	2012
	GH¢	GH¢
HAULAGE EXPENSES		
VOYAGE INSURANCE	-	33,383,802
OPERATIONAL EXPENSES	15,230	35,510
END OF SERVICE BENEFIT	281,196	1,329,247
SALARIES & WAGES	933,275	153,755
SSF - EMPLOYER'S CONTRIBUTION	3,380,576	3,153,920
PAYROLL ALLOWANCES (TRANSPORT, PHONE, ETC.)	438,908	409,755
TRANSFER GRANT	3,017,595	2,723,027
OVERTIME	1,643	11,634
CASUAL LABOUR	5,806	8,454
PROVIDENT FUND	381,191	298,294
EDUCATION & TRAINING	253,457	237,090
MEDICAL EXPENSES	167,815	302,532
PROTECTIVE CLOTHING	267,138	142,474
CANTEEN EXPENSES	4,268	55,549
FOOD & BEVERAGES	468,523	252,669
UNION EXPENSES	245,379	98,348
REDUNDANCY/SEVERANCE	4,200	7,260
STAFF GROUP INSURANCE	958,754	75,126
GENERAL EXPENSES	83,898	81,705
VEHICLE INSURANCE & LICENSE	21,640	51,029
REFRESHMENTS	63,304	52,029
INSURANCE - TANKS, DEPOT EQUIP., PUBLIC LIABILITY	32,356	59,506
MARINE INSURANCE	291,237	282,769
TELEPHONE	74,866	127,837
ELECTRICITY	103,477	72,256
WATER	765,659	730,233
REPAIRS & MAINT. - PLANT & MACHINERY	72,509	42,846
REPAIRS & MAINT. - SAFETY EQUIPMENT	255,857	191,604
REPAIRS & MAINT. - BUILDING	12,823	105,042
REPAIRS & MAINT. - OFFICE EQUIPMENT	11,784	40,234
REPAIRS & MAINT. - BUNGALOWS	69,289	17,123
REPAIRS & MAINT. - VEHICLES	8	-
REPAIRS & MAINT. - FURNITURE/FITTINGS	170,138	178,819
REPAIRS & MAINT. - TANKS & PIPELINES	35,027	14,482
REPAIRS & MAINT. - MARINE EQUIPMENT	1,104,393	358,856
OFFICE EXPENSES	26,616	18,264
VEHICLE RUNNING COSTS	1,750	1,447
EMAIL & INTERNET EXPENSES	540,101	474,705
BALANCE CARRIED DOWN	257,699	17,847
	<u>14,819,385</u>	<u>45,597,079</u>

BULK OIL STORAGE AND TRANSPORTATION COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2013

	2013 GH¢	2012 GH¢
BALANCE BROUGHT FORWARD		
COMPUTER PROVISION NETWORK SERVICES	14,819,385	45,597,079
RENT & RATES	52,655	172,299
ENTERTAINMENT	458,918	907,780
HOTEL & ACCOMMODATION - FOREIGN	2,167	70
HOTEL & ACCOMMODATION - LOCAL	20,715	43,397
CLEANING & SANITATION	81,940	97,195
DONATIONS	610,323	434,050
PUSHING CHARGES	24,136	117,838
HANDLING CHARGES	1,184,507	1,879,649
STAFF SUBSCRIPTIONS	82,644	80,793
POSTAGES/COURIER	3,550	20,782
SEMINARS & CONFERENCES	17,769	18,674
PRINTING & STATIONERY	8,239	44,101
NEWSPAPERS & PERIODICALS	89,550	181,089
INTERVIEW EXPENSES	41,991	24,039
HONORARIUM	2,685	23,737
DIRECTORS EMOLUMENTS	167,121	97,478
LOCAL TRAVELLING & TRANSPORT	115,514	151,657
FOREIGN TRAVELLING & TRANSPORT	174,429	189,659
AUDIT REMUNERATION & EXPENSES	172,635	248,821
LEGAL EXPENSES	116,319	111,889
CONSULTANCY FEES	112,150	68,276
SECURITY SERVICES	222,419	582,966
ADVERTISEMENTS & PROMOTIONS	1,313,214	1,026,743
PRODUCT LOSS - GASOLINE	700	25,313
PRODUCT LOSS - AGO	20,031,770	6,550,921
NEW HEAD OFFICE EXPENSES	9,478,595	4,302,603
BANK CHARGES	31,737	101,414
REALIZED EXCHANGE LOSS	68,161	362,523
UNREALISED EXCHANGE LOSS	15,265,003	23,939,094
PROVISION FOR BAD DEBT	36,401,406	32,266,404
OPERATING PERMIT	11,158,842	-
DEPRECIATION	107,809	42,325
STORAGE LICENSE	16,948,595	17,012,942
PROPERTY RATES	367,776	413,301
VARIOUS TAXES & TOLL BRIDGE	128,191	242,359
	55,498	12,837
	<u>129,939,058</u>	<u>137,392,097</u>