

**GHANA SHIPPERS'  
AUTHORITY**

**FINANCIAL STATEMENT  
DECEMBER 2015**

**GHANA SHIPPERS' AUTHORITY**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2015**

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## GHANA SHIPPERS' AUTHORITY

### GENERAL INFORMATION

#### BOARD MEMBERS:

CMDR P.M.G Griffiths	Board Chairman
Dr. Kofi Mbiah	Chief Executive Officer
Charles Mensah	Association of Ghana Industries
Siisi Esuman Ocran	Ministry of Transport
Dr. G. Dawson Ahmoah	Association of Ghana Industries
Patrick Amos Poku	Ministry of Trade & Industry
Evelyn Addei Sarpong	Chamber of Mines
Prince Asamany	Forestry Commission
Dr. Kwame Asamoah Adam	Ghana Timber Millers Association
Alice Torkornoo	Ghana Ports & Harbours Authority
Dr. Joseph Manboah-Rockson	Ghana Supply Company
Bennette Akantoa	Cocoa Marketing Company
Kuudamnuru John Vianney	GRA – Customs Division
J. S. Awudu	Chamber of Commerce
Solomon K. Baffoe	Board Secretary

#### REGISTERED OFFICE:

Ghana Shippers' House  
7<sup>th</sup> Floor, No. 12 Cruickshank Street  
Ambassadorial Enclave, West Ridge  
P.O. Box GP 1321, Accra

#### BANKERS:

Ecobank Ghana Limited  
Bank of Ghana  
Ghana Commercial Bank  
Ghana International Bank

## REPORT OF THE GOVERNING BOARD

The Governing Board of the Ghana Shippers' Authority have the pleasure in submitting to the Government, the financial statements of the Authority for the year ended 31<sup>ST</sup> December 2015 in accordance with the provisions of NRCD 254.

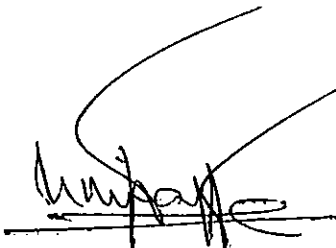
1. Results	GHC	GHC
	2015	2014
Total Revenue	39,085,578.47	26,887,173.81
Operational Surplus	16,177,543.89	3,452,985.16
Which when added to the balance brought forward on the accumulated fund of	36,346,213.62	32,893,228.46
Results in a balance to be carried to be carried forward on the accumulated fund	52,523,757.51	36,346,213.62

### 2. Principal Activities

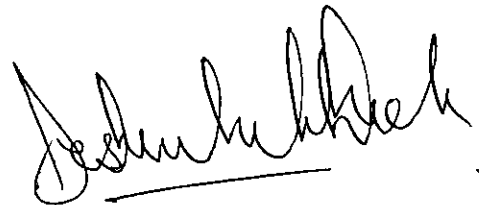
The principal activities of the Authority were in accordance with the provisions of NRCD 254 as amended by L.I 2190. There were no changes in the principal activities of the Authority during the year.

### 3. Events after the reporting period

The Governing Board confirms that no matters have arisen since 31 December 2015, which affect the financial statements of the Authority for the year ended on that date.



**DR. KOFI MBIAH**  
(Chief Executive Officer)



**CMDR. P.M.G GRIFFITHS**  
(Board Chairman)

# AUDIT SERVICE

In case of reply the  
number and date of the  
letter should be quoted



My Ref. No: **CAD/DA/ORG.17/GSA/VOL.10/03**

Your Ref. No: .....

Good Governance  
and Accountability

P. O. Box..... **M.96** .....

**ACCRA**

Tel: 233 (0) 302 664920/28/29

Fax: 233 (0) 302 6751495

Website: [www.ghaudit.org](http://www.ghaudit.org)

**23 FEBRUARY 17**

20: .....

**THE CHIEF EXECUTIVE  
GHANA SHIPPERS AUTHORITY  
ACCRA**

## **AUDITORS' REPORT ON THE ACCOUNT OF GHANA SHIPPERS AUTHORITY FOR THE YEAR ENDED 31 DECEMBER 2015**

We have audited the attached financial statement prepared under the historical cost convention.

### **Respective Responsibility of the Management and Auditors**

2. Management of the Authority is responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on these financial statements and to report our opinion to you.

### **Basis of Opinion**

3. We conducted our audit in accordance with generally accepted auditing standards. An audit includes examination, on a test basis, of evidence relevant to the amount and disclosure in the financial statement. It also includes an assessment of the significant estimates and judgements made by Management in the preparation of the financial statement, and of whether the accounting policies are appropriate to the Authority's circumstances, consistently applied and adequately disclosed.

4. We planned and performed our audit so as to obtain all information and explanation, which we considered necessary in order to provide us with sufficient evidence, to give reasonable assurance that the financial statement are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statement.

### **Opinion**

5. In our opinion, the financial statement give a true and fair view of the state of the Authority's affairs as at 31 December 2015 and the Surplus for the year then ended.

*JKW* wakyewa

**JOYCE KWAKYEWA (MS)**  
**ASST AUDITOR-GENERAL/CAD**  
*for:* **AUDITOR-GENERAL**

February 2017

**GHANA SHIPPERS' AUTHORITY**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31ST DECEMBER 2015**

<b>ASSETS</b>		<b>Dec-15</b>	<b>Dec-14</b>
<b><u>NON CURRENT ASSETS</u></b>		<b>GH¢</b>	<b>GH¢</b>
PROPERTY, PLANT & EQUIPMENTS	2	6,903,896.36	7,056,741.55
PROJECTS (W.I.P)	2	45,816,470.81	37,186,485.11
INVESTMENTS	3	3,684,970.58	3,269,828.50
OTHER LOANS (TLP)	4	6,125,225.61	4,669,463.72
		<b>62,530,563.36</b>	<b>52,182,518.88</b>
<b><u>CURRENT ASSETS</u></b>			
ACCOUNTS RECEIVABLES	5	27,631,898.59	22,125,952.65
INVESTMENTS	6	3,910,619.04	1,330,161.85
CASH & BANK BALANCES	7	5,662,274.98	1,728,769.08
		<b>37,204,792.61</b>	<b>25,184,883.58</b>
<b>LESS CURRENT LIABILITIES</b>			
BANK OVERDRAFT	8	1,762,023.85	6,737,958.59
ACCOUNTS PAYABLES	9	18,470,968.31	18,829,674.06
BANK LOANS	10	8,639,923.43	8,839,670.40
NET CURRENT ASSETS		<b>8,331,877.02</b>	<b>(9,222,419.47)</b>
<b>TOTAL ASSETS</b>		<b>70,862,440.38</b>	<b>42,960,099.41</b>
<b><u>REPRESENTED BY</u></b>			
ACCUMULATED FUND	11	52,523,757.51	36,346,213.62
LONG TERM LOAN	10	18,338,682.87	6,613,885.79
<b>TOTAL ASSETS</b>		<b>70,862,440.38</b>	<b>42,960,099.41</b>

**GHANA SHIPPERS' AUTHORITY**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDING 31ST DECEMBER, 2015**

	NOTES	Dec-15	Dec-14
		GH¢	GH¢
<b>INCOME</b>	<b>12</b>	39,085,578.47	26,887,173.81
<b><u>LESS EXPENDITURE</u></b>			
GENERAL & ADMINISTRATIVE EXP	<b>13</b>	20,324,458.75	19,489,253.01
TOTAL EXPENDITURE		20,324,458.75	19,489,253.01
OPERATIONAL SURPLUS		<b>18,761,119.72</b>	<b>7,397,920.80</b>
<b><u>OTHER COMPREHENSIVE INCOME</u></b>			
EXCHANGE GAIN/(LOSS)		(2,687,231.85)	(3,932,625.18)
GAIN/(LOSS) ON DISPOSAL		103,656.02	(12,310.46)
TOTAL SURPLUS FOR THE PERIOD		<b>16,177,543.89</b>	<b>3,452,985.16</b>



**GHANA SHIPPERS' AUTHORITY**  
**STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 31ST DECEMBER 2015**

		Dec-15 GH¢	Dec-14 GH¢
<b><u>OPERATING ACTIVITIES</u></b>			
NET CASH INFLOW FROM OPERATING ACTIVITIES	14	13,529,195.03	5,788,507.02
<b><u>INVESTING ACTIVITIES</u></b>			
PURCHASE OF FIXED ASSETS		(186,749.40)	(118,077.38)
INVESTMENTS IN PROJECTS		(8,629,985.70)	(4,383,134.01)
LOAN TO TLP		(1,134,370.69)	(864,808.06)
TLP LOAN REPAYMENT		451,988.73	
ADDITIONAL INVESTMENTS IN GIB		(304,000.00)	
PROCEEDS FROM SALE OF ASSETS		-	62,000.00
TOTAL INVESTING ACTIVITIES		(9,803,117.06)	(5,304,019.45)
<b><u>FINANCING ACTIVITIES</u></b>			
DEBENTURE LOAN (ECB)		12,062,548.53	3,387,054.56
LOAN REPAYMENT		(4,298,728.67)	(11,593,570.86)
TOTAL FINANCING ACTIVITIES		7,763,819.86	(8,206,516.30)
<b>NET CASH (OUTFLOW)/INFLOW</b>		<b>11,489,897.83</b>	<b>(7,722,028.73)</b>
<b>ANALYSIS OF CHANGES IN CASH &amp; CASH EQUIVALENT DURING THE YEAR</b>			
BALANCE AS AT 1ST JANUARY		(3,679,027.66)	4,043,001.07
NET CASH (OUTFLOW)/INFLOW DURING THE YEAR		11,489,897.83	(7,722,028.73)
BALANCE AS AT 31ST DECEMBER		<b>7,810,870.17</b>	<b>(3,679,027.66)</b>
<b>ANALYSIS OF BALANCES OF CASH &amp; CASH EQUIVALENT AS SHOWN IN THE STATEMENT OF FINANCIAL POSITION</b>			
CASH & BANK BALANCES	7	5,662,274.98	1,728,769.08
OVERDRAFT	8	(1,762,023.85)	(6,737,958.59)
SHORT TERM INVESTMENTS	6	3,910,619.04	1,330,161.85
		<b>7,810,870.17</b>	<b>(3,679,027.66)</b>

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

### 1. REPORTING ENTITY

The Ghana Shippers' Authority is a Public Institution established by the Ghana Shippers' Authority Act, 1974 (N.R.C.D. 254). It has existed over the years with its core mandate of promoting and protecting the interest of Ghanaian Importers and Exporters. The Authority per its Regulations, 2012 (L.I. 2190) has had its mandates renewed to give it the requisite authority in addressing concerns of Ghanaian Shippers.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES.

The significant accounting policies adopted by the Ghana Shippers' Authority under the Generally Accepted Accounting Principles (GAAP) are set out below

#### *a. Statement of Compliance*

The financial statements of the Authority have been prepared in accordance with Generally Accepted Accounting Principles (GAAP)

#### *b. Basis of Accounting*

The significant accounting policies adopted by Ghana Shippers' Authority have been on a historic cost basis, except for financial instruments designated at fair value through profit or loss which have been measured at fair value.

#### *c. Foreign Currencies*

- Transactions denominated in foreign currencies are translated into Ghana Cedis at the rate of exchange ruling at the time of transaction
- Statement of Financial Position items denominated in foreign currencies are expressed in Ghana Cedis at the rate of exchange of GHC3.73/USD.
- Gains or losses resulting from foreign currency translation or exchange are included in the Income Statement for the year.

#### *d. Non-Current Assets*

Non-Current Assets of the company are shown at cost less accumulated depreciation. Depreciation is computed using the straight line method so as to write off the cost of the assets over its estimated useful life. Depreciation is fully charged for the year irrespective of date of acquisition whiles no depreciation is charged in the year of disposal.

The rates of depreciation in use are as follows:

- Land & Buildings 2%
- Motor Vehicles 25%
- Machines & Equipments 20%
- Furniture, Fixtures & Fittings 20%
- ICT Equipments 33.33%

Below is the detail of the property, plant and equipment as shown in the financial statement as well as details of its Project still in progress.

**PPE SCHEDULE**  
FOR THE YEAR ENDED 31ST DECEMBER 2015

COST	LAND & BUILDING	MOTOR VEHICLE	MACHINE & EQUIP	ICT EQUIP	FIXTURE & FITTINGS	LIBRARY BOOKS	TOTAL
	GHC	GHC	GHC	GHC	GHC	BOOKS	GHC
BAL B/F	8,042,079.08	1,705,147.32	962,700.35	850,177.70	612,361.73	10,485.00	12,182,951.18
ADDITIONS	70,534.00	-	6,200.00	107,667.35	2,348.05	-	186,749.40
DISPOSALS	(868,474.21)	(868,474.21)	(390,852.86)	(138,938.01)	(109,519.57)	-	(1,507,784.65)
BAL C/D	<b>8,112,613.08</b>	<b>836,673.11</b>	<b>578,047.49</b>	<b>818,907.04</b>	<b>505,190.21</b>	<b>10,485.00</b>	<b>10,861,915.93</b>
<b>DEPRECIATION</b>							
BAL B/F	1,192,320.25	1,652,084.65	921,996.67	796,484.46	552,838.60	10,485.00	5,126,209.63
DISPOSALS	(831,687.20)	(831,687.20)	(389,757.09)	(137,915.27)	(105,622.83)	-	(1,464,982.39)
CHARGE FOR THE YEAR	142,624.45	16,275.65	16,652.37	84,400.20	36,839.66	-	296,792.33
BAL C/D	<b>1,334,944.70</b>	<b>836,673.10</b>	<b>548,891.95</b>	<b>742,969.39</b>	<b>484,055.43</b>	<b>10,485.00</b>	<b>3,958,019.57</b>
<b>NET BOOK VALUE</b>							
AS AT 31/12/2015	<b>6,777,668.38</b>	<b>0.01</b>	<b>29,155.54</b>	<b>75,937.65</b>	<b>21,134.78</b>	<b>-</b>	<b>6,903,896.36</b>
AS AT 31/12/2014	<b>6,849,758.83</b>	<b>53,062.67</b>	<b>40,703.68</b>	<b>53,693.24</b>	<b>59,523.13</b>	<b>-</b>	<b>7,056,741.55</b>
<b>PROJECT IN PROGRESS</b>							
BALANCE B/F	2,214,008.34	34,854,706.58	-	117,770.19	37,186,485.11	-	37,186,485.11
ADDITIONS	8,200.00	8,617,235.70	-	4,550.00	8,629,985.70	-	8,629,985.70
AS AT 31/12/2015	<b>2,222,208.34</b>	<b>43,471,942.28</b>	<b>-</b>	<b>122,320.19</b>	<b>45,816,470.81</b>	<b>-</b>	<b>45,816,470.81</b>
AS AT 31/12/2014	<b>2,214,008.34</b>	<b>34,854,706.58</b>	<b>-</b>	<b>117,770.19</b>	<b>37,186,485.11</b>	<b>-</b>	<b>37,186,485.11</b>

## NOTES TO THE FINANCIAL STATEMENTS

The Authority has 10% and 60% shares in GCNet and Takoradi Logistics Platform respectively and has since recognized these investments at cost. The investment with Ghana International Bank and Gold Coast Securities are however measured at fair value through profit or loss.

<b>3. INVESTMENTS</b>	<b>Dec-15</b>	<b>Dec-14</b>
	<b>GHC</b>	<b>GHC</b>
GIB FOREX INVESTMENTS	1,044,400.00	629,257.92
GCNET INVESTMENT	472,495.00	472,495.00
TLP	2,168,075.58	2,168,075.58
	<b>3,684,970.58</b>	<b>3,269,828.50</b>

<b>4. LOAN TO TLP</b>	<b>Dec-15</b>	<b>Dec-14</b>
	<b>GHC</b>	<b>GHC</b>
LOAN TO TLP	6,125,225.61	2,260,313.26
TLP BOARD FEES PAID DURING THE PERIOD	-	128,333.33
CERTIFICATES HONOURED DURING THE YEAR	-	736,474.73
EXCHANGE DIFF ON TRANSLATION OF THE LOAN	-	1,418,244.13
EXCHANGE DIFF ON TRANSLATION OF BORROWING COST	-	126,098.27
	<b>6,125,225.61</b>	<b>4,669,463.72</b>

<b>5. ACCOUNT RECEIVABLES</b>	<b>Dec-15</b>	<b>Dec-14</b>
	<b>GHC</b>	<b>GHC</b>
STAFF DEBTORS	214,662.97	43,672.93
HOUSING LOANS	372,539.15	372,591.19
CAR LOANS	534,546.08	259,156.67
SERVICE CHARGE DEBTORS	24,153,282.53	20,374,021.24
SUNDRY DEBTORS	530,619.31	990,816.17
PREPAYMENT	1,826,248.55	85,694.45
	<b>27,631,898.59</b>	<b>22,125,952.65</b>

<b>6. INVESTMENTS</b>	<b>Dec-15</b>	<b>Dec-14</b>
	<b>GHC</b>	<b>GHC</b>
GOLD COAST SECURITY (FD)	1,096,491.58	813,838.04
ECOBANK GHANA (CALL)	1,600,000.00	-
MC OTTLEY CAPITAL	1,214,127.46	-
STANBIC INVESTMENT	-	516,323.81
	<b>3,910,619.04</b>	<b>1,330,161.85</b>

## NOTES TO THE FINANCIAL STATEMENTS

<b>7. CASH &amp; BANK BALANCE</b>	<b>Dec-15</b>	<b>Dec-14</b>
	<b>GHC</b>	<b>GHC</b>
BANK OF GHANA A/Cs 1 & 2	100,524.02	62,192.90
BANK OF GHANA ( DOLLAR)	52,324.44	74,256.44
BOG KUMASI OPERATIONS	1,944.91	12,812.87
GIB LONDON ( DOLLAR)	1,188,877.14	82,803.20
GCB TEMA OPERATIONS	1,601.10	12,239.64
GCB TEMA GCNET	169,197.88	30,231.28
GCB T'DI GCNET	44,543.11	8,997.11
ECOBANK OPERATIONS	-	394,234.86
ECOBANK TEMA GCNET	143,487.75	44,538.75
ECOBANK ( DOLLAR)	41,470.47	-
ECOBANK (FOREIGN)	39,078.84	176,419.49
CASH ON HAND (CEDI)	860.77	-
PETTY CASH IMPREST	1,500.00	1,499.11
CASH ON HAND ( TAKORADI)	301.98	417.98
JOINT ACCOUNT (GHC)	1,305,007.98	383,970.06
JOINT ACCOUNT (USD)	764,599.87	418,698.43
STAFF HOUSING FUND	26,800.35	25,456.96
DSRA ACCOUNT	1,780,154.37	
	<b>5,662,274.98</b>	<b>1,728,769.08</b>
<b>8. BANK OVERDRAFT</b>	<b>Dec-15</b>	<b>Dec-14</b>
	<b>GHC</b>	<b>GHC</b>
BOG T'DI OPERATIONS	6,211.20	6,355.14
ECOBANK OPERATIONS	1,755,812.65	-
ECOBANK FOREX	-	6,731,603.45
	<b>1,762,023.85</b>	<b>6,737,958.59</b>
<b>9. ACCOUNT PAYABLES</b>	<b>Dec-15</b>	<b>Dec-14</b>
	<b>GHC</b>	<b>GHC</b>
GHANA MARITIME AUTHORITY	18,204,446.79	15,738,577.99
PROVISIONS/ACCRUALS	266,521.52	3,091,096.07
	<b>18,470,968.31</b>	<b>18,829,674.06</b>

The only financial liability of the company is the loan facility from Ecobank Ghana at rate of 7.5% per annum. This has been measured at fair value with details as follows:

<b>10. BANK LOAN</b>	<b>Dec-15</b>	<b>Dec-14</b>
	<b>GHC</b>	<b>GHC</b>
ECOBANK LOAN FALLING DUE NEXT YEAR	8,639,923.43	8,839,670.40
ECOBANK LOAN FALLING DUE AFTER ONE YEAR	18,338,682.87	6,613,885.79
	<b>26,978,606.30</b>	<b>15,453,556.19</b>

**NOTES TO THE FINANCIAL STATEMENTS**

**11. ACCUMULATED FUND**

	<b>Dec-15</b>	<b>Dec-14</b>
	<b>GHC</b>	<b>GHC</b>
ACCUMULATED FUND B/FWD	36,346,213.62	32,893,228.46
TOTAL SURPLUS FOR THE PERIOD	16,177,543.89	3,452,985.16
	<b>52,523,757.51</b>	<b>36,346,213.62</b>

**12. INCOME**

- a. Service Charge is recognized on accrual basis at a point when vessels call on the corridors of the Country and bills are raised to the Shipping Lines upon receipt of manifests. It is shared equally with Ghana Maritime Authority after deducting administrative charge of 1%.
- b. Income from Investments comprises dividend from 10% stake in GCNet and Returns on Fixed Deposits. Dividend income is recognized upon declaration by the Board of GCNet while returns on fixed deposits are recognized when they are duly earned.
- c. SBU represents rent income from the Authority's warehouses and office spaces in Tema and Takoradi respectively. Rent income is recognized on accrual basis when rental space is utilized by tenants. Details of the Income are shown below:

	<b>Dec-15</b>	<b>Dec-14</b>
	<b>GHC</b>	<b>GHC</b>
SERVICE CHARGE	28,790,572.02	22,292,218.23
INVESTMENTS & INTEREST INCOME	7,438,851.08	338,219.14
ELECTRONIC SNF	2,019,187.50	2,125,906.80
SBU/RENT INCOME	806,882.87	2,090,525.21
FEES & OTHER INCOME	30,085.00	40,304.43
	<b>39,085,578.47</b>	<b>26,887,173.81</b>

**NOTES TO THE FINANCIAL STATEMENTS**

<b>13. GENERAL &amp; ADMIN EXP</b>	<b>Dec-15</b>	<b>Dec-14</b>
	<b>GH¢</b>	<b>GH¢</b>
PERSONNEL EMOLUMENTS	8,090,052.30	7,791,994.25
TRAVELLING & TRANSPORT	648,086.00	595,176.55
GENERAL & ADMIN EXP	3,141,270.71	2,664,627.90
REPAIRS & MAINTENANCE	819,615.05	858,184.03
OTHER CURRENT EXPENDITURE	7,625,434.69	7,579,270.28
	<b>20,324,458.75</b>	<b>19,489,253.01</b>

**14. RECONCILIATION OF OPERATING INCOME TO  
NET CASH INFLOW FROM OPERATING ACTIVITIES**

	<b>Dec-15</b>	<b>Dec-14</b>
	<b>GH¢</b>	<b>GH¢</b>
OPERATING INCOME	16,177,543.89	3,452,985.16
DEPRECIATION	296,792.33	444,321.54
LOSS/(GAIN) ON DISPOSAL OF ASSETS	(103,656.02)	12,310.46
RETURNS ON GIB FIXED DEPOSIT	(23,528.56)	(1,578.62)
EXCHANGE GAIN ON TRANSLATION OF TLP BORROWING COST		(126,098.27)
EXCHANGE GAIN ON TRANSLATION OF GIB FD	(87,613.52)	(303,653.80)
EXCHANGE LOSS ON TRANSLATION OF ECB LOAN	3,761,230.25	7,172,318.68
EXCHANGE GAIN ON TRANSLATION OF TLP USD LOA	(773,379.93)	(1,418,244.13)
OPERATING CASH INFLOW BEFORE WORKING CAPITAL CHANGES	<b>19,247,388.44</b>	<b>9,232,361.02</b>
<b>ADD CHANGES IN WORKING CAPITAL</b>		
(INCREASE)/DECREASE IN ACCOUNTS RECEIVABLE	(5,359,487.66)	(13,687,132.50)
INCREASE/(DECREASE) IN ACCOUNTS PAYABLE	(358,705.75)	10,243,278.50
 NET CASH INFLOW FROM OPERATING ACTIVITIES	 <b>13,529,195.03</b>	 <b>5,788,507.02</b>