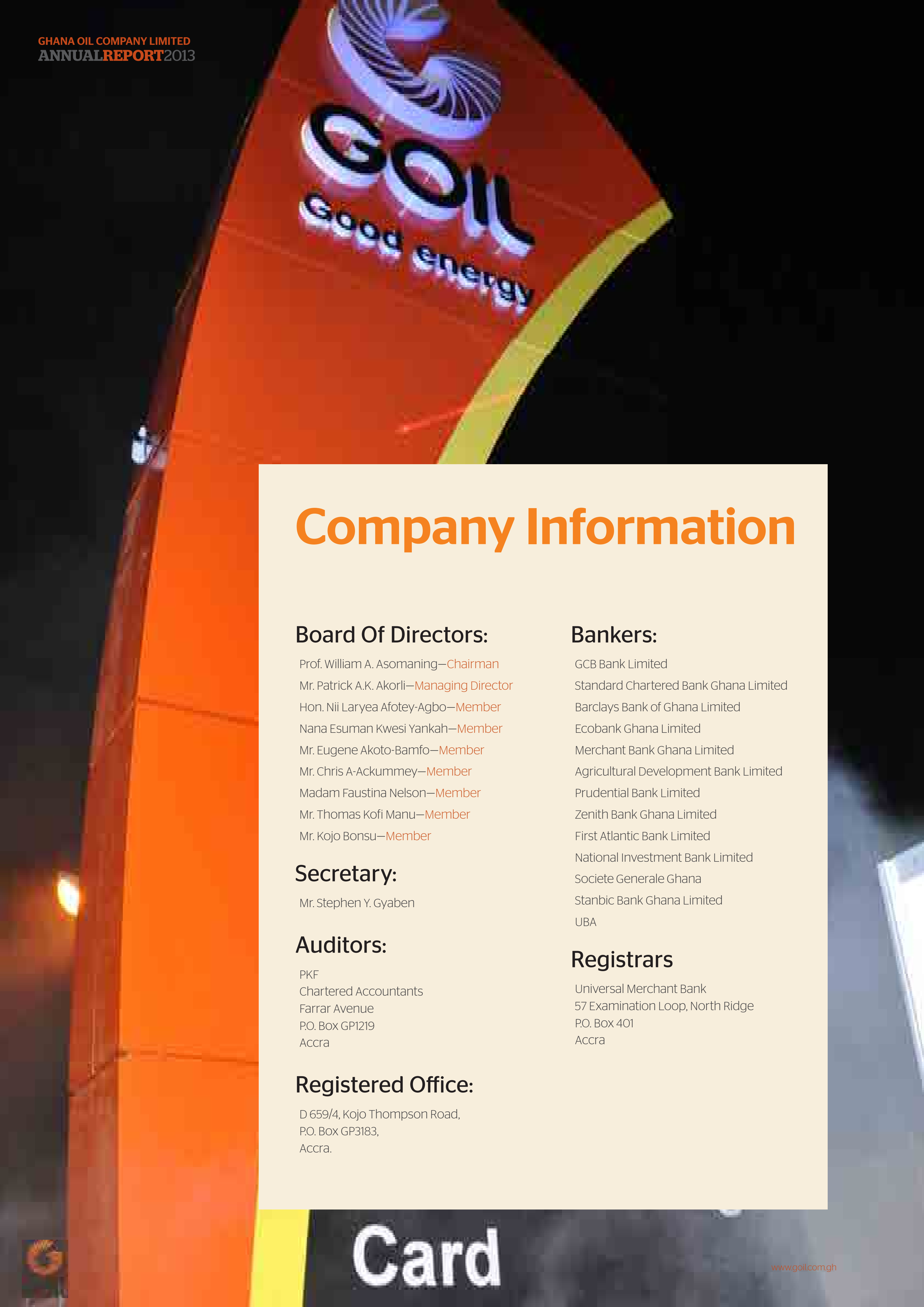
Annual Report & Financial Statements 2013

GOIL
Good energy



Company Information

Board Of Directors:

Prof. William A. Asomaning—Chairman

Mr. Patrick A.K. Akorli—Managing Director

Hon. Nii Laryea Afotey-Agbo—Member

Nana Esuman Kwesi Yankah—Member

Mr. Eugene Akoto-Bamfo—Member

Mr. Chris A-Ackummey—Member

Madam Faustina Nelson—Member

Mr. Thomas Kofi Manu—Member

Mr. Kojo Bonsu—Member

Secretary:

Mr. Stephen Y. Gyaben

Auditors:

PKF
Chartered Accountants
Farrar Avenue
P.O. Box GP1219
Accra

Registered Office:

D 659/4, Kojo Thompson Road,
P.O. Box GP3183,
Accra.

Bankers:

GCB Bank Limited

Standard Chartered Bank Ghana Limited

Barclays Bank of Ghana Limited

Ecobank Ghana Limited

Merchant Bank Ghana Limited

Agricultural Development Bank Limited

Prudential Bank Limited

Zenith Bank Ghana Limited

First Atlantic Bank Limited

National Investment Bank Limited

Societe Generale Ghana

Stanbic Bank Ghana Limited

UBA

Registrars

Universal Merchant Bank
57 Examination Loop, North Ridge
P.O. Box 401
Accra

In This Issue

Notice Of 45th Annual General Meeting

NOTICE IS HEREBY GIVEN that the 45th Annual General Meeting of the Shareholders of Ghana Oil Company Limited will be held at the Auditorium, College of Physicians and Surgeons, Ridge, Accra on Thursday, 29th May 2014 at 11.00 a.m. for the transaction of the following business:

AGENDA

ORDINARY BUSINESS

1. To receive and consider the reports of the Directors and the Auditors and the Financial Statements of the Company for the year ended December 31, 2013.
2. To declare a dividend for the year ended December 31, 2013.
3. To re-elect Directors retiring by rotation.
4. To authorize the Directors to fix the remuneration of the Auditors.
5. To fix the remuneration of the Directors.

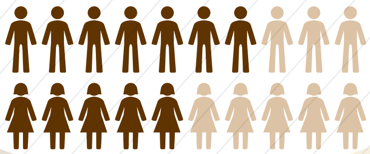
SPECIAL BUSINESS

1. To authorize the Directors as part of the Company's capitalization process to: Exercise all powers of the Company to raise additional capital of not less than fifty million Ghana cedis [GH¢50million] by way of rights issue and/or private placements on such terms and conditions as they may consider appropriate and in the best interest of the Company and its shareholders.

Dated this 8th day of April, 2014

BY ORDER OF THE BOARD

S.Y. GYABEN
Secretary



A member of the Company entitled to attend and vote at the above Meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a member of the Company. Completed proxy forms should be deposited at the Registered Office, D659/4, Kojo Thompson Road, P.O Box GP3183, Accra not less than 48 hours before the appointed time of the meeting. Failure to submit the forms before the 48 hours deadline will result in the Proxy not being admitted to or participating in the meeting
A Form of Proxy to be used is enclosed herewith.

Resolutions To Be Passed At The Annual General Meeting

The Board of Directors will be proposing the following resolutions, which will be put to the Annual General Meeting:

1. To Receive the 2013 Accounts

The Board shall propose the acceptance of the 2013 Accounts as the true and fair view of the state of affairs of the Company for the year ended 31st December 2013 and of its performance for the year then ended.

2. To Declare a Dividend

The Directors recommend the payment of a dividend of GH¢0.016 per share amounting to GH¢4.035 million for the year ended 31st December 2013.

3. To Re-elect Directors Retiring By Rotation

In accordance with Section 298 (a, b & d) of the Companies Code 1963, Act 179 and Regulation 88 of the Company's Regulations the following Directors who are retiring by rotation but are eligible for re-election shall be re-elected as Directors:

- Hon. Nii Laryea Afotey Agbo;
- Nana Esuman Kwasi Yankah;
- Madam Faustina Nelson.

4. To Authorize the Directors to Fix the Remuneration of the Auditors

In accordance with Section 134(6a) and Section 134(11a) of the Companies Code 1963, Act 179, Messrs Pannell Kerr Forster will continue in office as Auditors of the Company. The Board will request from members their approval to fix the remuneration of the Auditors.

5. To Fix the Remuneration of the Directors

The Board will request from members their approval to fix the remuneration of the Directors.

6. Rights Issue

The Board will recommend to members to authorize the Directors to raise additional capital of not less than Fifty Million Ghana Cedis (GH¢50million) by way of rights issue and/or private placement

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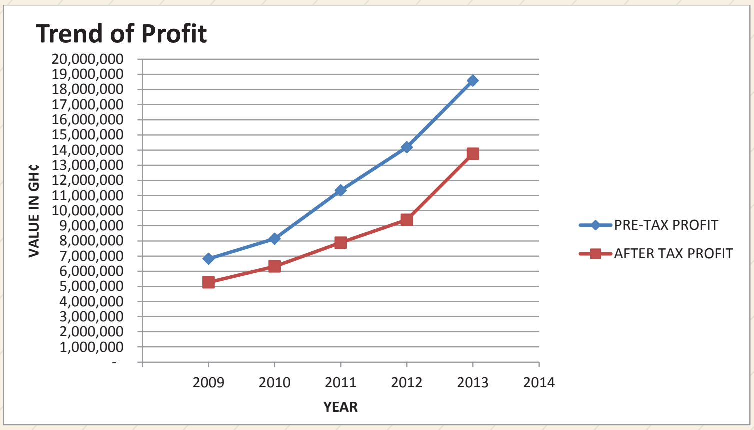
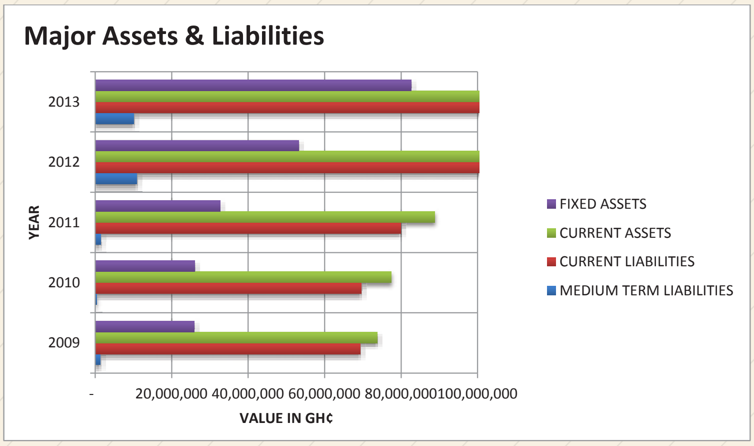
Performance at a Glance

[2009—2013]





Five Year Financial Review | 2009—2013

	2013 [GH¢]	2012 [GH¢]	2011[GH¢]	2010 [GH¢]	2009 [GH¢]
PROFIT AND LOSS ACCOUNT					
Gross Sales	1,082,583,510	859,912,641	671,672,239	514,364,623	421,542,111
Customs Duties and Levies	(76,956,013)	(68,585,163)	(62,352,767)	(42,021,304)	(45,967,900)
Net Sales	1,005,627,497	791,327,478	609,319,472	472,343,319	375,574,211
Sundry Income	3,494,932	2,243,023	3,352,787	2,316,990	2,387,312
Total Income	1,009,122,429	793,570,501	612,672,259	474,660,309	377,961,523
Operating Expense	(990,346,282)	(778,779,719)	(600,045,900)	(464,082,389)	(366,658,474)
Exceptional (Charges) / Credits	(187,890)	(600,704)	(1,285,127)	(2,433,215)	(4,479,276)
Profit before Tax	18,588,257	14,190,078	11,341,232	8,144,705	6,823,773
Taxation	(4,825,426)	(4,788,452)	(3,452,457	(1,825,270)	(1,556,270)
Net Profit After Tax	13,762,831	9,401,626	7,888,775	6,319,435	5,267,503
INCOME SURPLUS ACCOUNT					
Balance at 1 January	27,508,113	21,519,175	16,047,683	12,230,167	8,907,731
Prior year adjustment / Transfers	(22,100,157)	(470,081)	2,685	(315,972)	(158,025)
Net Profit after Tax	13,762,831	9,401,626	7,888,775	6,319,435	5,267,503
Dividend	(3,152,796)	(2,942,607)	(2,419,968)	(2,185,947)	(1,787,042)
Balance at 31 December	16,017,991	27,508,113	21,519,175	16,047,683	12,230,167
BALANCE SHEET					
ASSETS					
Non Current Assets	74,039,298	47,675,509	32,657,734	26,057,249	25,958,656
Available for Sale Financial Instruments / Investments	8,584,883	5,546,089	5,180,089	4,197,089	1,327,234
Stocks	17,085,291	12,375,835	9,926,343	8,851,764	5,911,106
Accounts Receivable	96,527,285	90,297,148	65,302,612	57,673,927	54,313,163
Short Term Investment	4,479,075	3,900,227	2,000,000	–	–
Cash and Bank Balances	21,227,777	3,995,913	6,465,964	6,759,053	12,200,376
Total Assets	221,943,609	163,790,721	121,532,742	103,539,082	99,710,535
LIABILITIES					
Medium Term Loan	6,565,818	8,121,909	1,465,600	461,543	1,354,166
Short Term Loan	3,662,975	3,636,477	2,350,500	4,582,098	5,660,134
Bank Overdrafts	1,114,277	1,316,148	2,009,604	3,982,610	9,613,292
Accounts Payable	145,646,738	99,131,373	72,841,345	60,055,551	53,541,521
Dividends	–	–	–	–	–
Deferred Tax	3,591,598.00	2,822,389	1,415,570.00	301,421	135,864.00
Taxation	2,027,153	1,787,477	1,300,194	707,411	394,599
Total Liabilities	162,608,559	116,815,773	81,382,813	70,090,634	70,699,576
SHAREHOLDERS' FUNDS					
Stated Capital	31,809,263	11,809,263	11,809,263	11,809,263	11,809,263
Income Surplus	16,017,991	27,508,113	21,519,175	16,047,683	12,230,167
Capital Surplus	8,974,427	6,058,355	5,692,355	4,856,805	4,552,805
Building Fund	2,533,369	1,599,217	1,129,136	734,697	418,725
Total	59,335,050	46,974,948	40,149,929	33,448,448	29,010,960
Total Liabilities & Shareholders' funds	221,943,609	163,790,721	121,532,742	103,539,082	99,710,535

Board Members

Prof. William A. Asomaning
[Chairman]

Mr. Patrick A.K. Akorli
[MD]

Mr. Chris A-Ackummey
[Member]

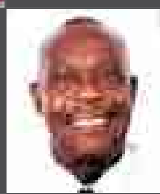
Mr. Kojo Bonsu
[Member]

Mr. Eugene Akoto-Bamfo
[Member]

Mad. Faustina Nelson
[Member]

Hon. Nii Laryea Afotey-Agbo
[Member]

Mr. Thomas Kofi Manu
[Member]



Nana Esuman Kwesi Yankah
[Member]

Management

Sitting (L-R):
Alex Adzew, Patrick A.K. Akorli, Ofori Sarkwah, Ben Torkornoo

Standing (L-R):
J.B.A. Ansah, Gyamfi Amanquah, Stephen Gyaben, Kofi Nyarko, Cyril Opon, Anthony Twumasi, Samuel Korboe

Chairman's Address

It is with great pleasure that I welcome you to the 45th Annual General Meeting and to announce the results of the Company's performance for the year 2013.

Economic And Business Environment

The global financial crisis continued to pose challenges to the economy of Ghana. The prices of the country's main export commodities, gold and cocoa fell, resulting in an increased budget deficit. Ghana for the first time in four years was unable to register a single digit inflationary rate.

During the period under review the downstream oil sector experienced intermittent shortages in supply of petroleum products. Moreover, activity levels in the mining sector diminished because of the falling prices of gold and other minerals. Consequently, national consumption of petroleum did not experience a quantum leap in growth similar to that witnessed during the previous year (14%). Year 2013 experienced only 4.3% growth in fuel consumption above that of year 2012.

YEAR 2013 EXPERIENCED ONLY 4.3% GROWTH IN FUEL CONSUMPTION ABOVE THAT OF YEAR 2012

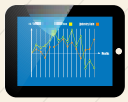
Sales Performance

Despite the challenging economic conditions, the underlying strengths of GOIL's brand and leading market position remained unchanged. The Company managed to increase its volume of sales by 8% compared to the year 2012. This was about 4% above that of the industry. The products that contributed to this achievement were gasoline and diesel. Aviation jet fuel performed extraordinarily well, recording a 61% growth, though national consumption fell by 7%.

Recognizing GOIL's growth prospects as being dependent on the prudent management of the retail fuel sector, the Board and Management implemented a number of changes and initiatives to streamline operations at the forecourts. These changes contributed to the growth in the volume of sales as earlier mentioned.

The rebranding of GOIL's retail outlets proceeded well. The year under review saw the construction and streaming of 17 stations (6 new company-owned and 11 joint venture stations) with the characteristics of the new brand image.

In response to the challenges brought by increased competition, over 80 oil marketing companies operating in the country, a program for pump replacement and rotation was implemented. This resulted in better and more reliable fuel delivery at the Goil stations, boosting customer confidence and loyalty.

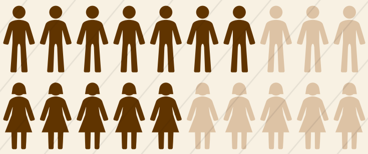


The Company managed to increase its volume of sales by 8% compared to the year 2012. This was about 4% above that of the industry.

Major signages showing the new brand identity were locally produced, resulting in increased employment and significant reduction in cost of procurement. Energy saving canopy light was introduced to the stations to conserve energy and reduce cost of operations.

To achieve our vision to be a world-class energy company, we invested in our employees through various training programmes, both local and foreign. Since our front-line attendants are the face of the Company for most customers, we continued to upgrade their skills to ensure the momentum of the rebranding was not lost.

Health, Safety, Security & Environment



Quality assurance to safeguard the sanctity of products is one of the challenges we face in the industry. To combat this, product testing and marking right from the point of loading has been introduced to alleviate product tampering. Product testing equipment for detecting adulterated products has been given to all retail outlets and the requisite training in their use given to the attendants. Additionally, our compliance teams regularly visited stations to conduct on-site product testing to ensure compliance to acceptable standards. These measures I am pleased to say, have ensured a minimal level of adulteration of products and ensured that GOIL's products are perceived as one of the benchmarks for quality in the industry.

For safety purposes, collaborative efforts with Ghana National Fire Service (GNFS) to conduct safety audits throughout the retail outlets and our depots were put in place. It also included testing of fire fighting equipment, training, provision of personal protective and fire prevention equipment. The updating and implementation of firefighting and emergency response plans were carried out at our stations and major depots.

As a proactive measure, medical examinations were conducted for all staff, whilst health walks and talks on pertinent health issues were introduced to staff.

To safe-guard the environment, the Company sold and continue to sell only environmentally friendly fuels, Super XP and Diesel XP. These fuels guarantee better mileage and reduce emissions. As a reward for our loyal customers these additivated products are sold at the same price as normal super and diesel.

Corporate Social Responsibility (CSR)

During the course of year 2013, the Company deepened its focus on providing potable drinking water to deprived communities by way of mechanized boreholes. Eight (8) such facilities were provided for communities in Eastern Region, Volta Region and rural Greater Accra Region.

Besides our stated objective, which was the provision of potable water, the Company also made several donations to health, educational, cultural and social institutions.

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Chairman's Address

Financial Results And Performance

The Company's turnover appreciated by 27% in 2013 over that of the previous year, rising from GH¢791.327 million in 2012 to the GH¢1,005.627 million recorded in 2013.The rise in revenue was as a result of both pump price and volume increases. Pre-tax profit went up by 31%, moving from GH¢14.190 million (2012) to GH¢18.588 million for 2013. Profit after-tax for the period also grew by 46%, from GH¢9.402 million to GH¢13.763 million (2013). Earning per share went up by 22% to GH¢0.055.

Financial Contributions To The Government

Over the past year, the Company dutifully honoured all its due financial obligations to the Government of Ghana. The Company increased the 2012 payout to Government by 12%, with a contribution of GH¢82.313 million. The breakdown of which is as follows:

	Year 2013	Year 2012
Customs Duties & other levies	GH¢76.956 million	GH¢68.585 million
Income Tax	GH¢3.743 million	GH¢2.894 million
Dividend Payment	GH¢1.608 million	GH¢1.500 million
Total Payment	GH¢82.313 million	GH¢72.979 million

Performance On The Ghana Stock Exchange

Your Company continues to deliver very good performance on the stock exchange. The share price rose 43% from GH¢0.62 at the beginning of the year, closing the year 2013 at GH¢0.89. This of course, is a good reflection of the Company's performance.

Dividend

The continuous improvement of the performance of the Company has resulted in increased profitability in recent times. We are therefore pleased to announce an increase in year 2013 dividend per share to GH¢0.016 (was GH¢0.015 in 2012).

During the year 2013 there was a GH¢20 million bonus issue of shares to shareholders thus increasing the number of outstanding shares from 210,186,240 to 252,223,488. This will result in an increase in dividend payable by 28%. In other words, the total dividend to be paid would move from GH¢ 3,152,796 for 2012 to GH¢ 4,035,576 for 2013.

The Future

Your Company has reviewed its strategic plans though the focus remains the same - to diversify and penetrate higher margin markets.

The Company continues to focus on bunkering with the vision to benefit from the opportunities offered by the players in the offshore oil exploration. To complement this, efforts are also being made to expand the fuel storage facilities available to the Company, particularly in the Western Region.

Expansion of the station network is ongoing and it is expected that the efforts will render more growth in sales for the Company.

A rights issue for your benefit is expected to be rolled out during this year 2014.

In a nutshell, GOIL remains confident in its long term growth prospects.

Acknowledgements

We believe in giving praise where it is due and I would therefore like to thank the various stakeholders who have constantly engaged the Company in discussions and given us vital feedback. To our largest shareholder, represented by the Ministry of Energy & Petroleum and Ministry of Finance & Economic Planning, for the support given in ensuring intended projects are successfully carried out; and to the industry regulator National Petroleum Authority for directions and keeping us on our toes; you all deserve high commendation.

My personal gratitude also goes to the Board, Management and Staff of the Company, for the enterprising spirit, enthusiasm and raw capability with which you operate. Your work ethic spells out a Company that is constantly renewing itself and its approach. That is what would ensure our collective satisfaction as shareholders.

My final but not the least appreciation goes to you shareholders once again, for the generous opportunity to continue serving you in this capacity. Thank you and may God bless us all.

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Report Of The Directors

On The Financial Statements For The Year Ended 31 December 2013

In accordance with the requirements of section 132 of the Companies Act 1963 (Act 179), we the Board of Directors of Ghana Oil Company Limited, present herewith the annual report on the state of affairs of the Company for the year ended December 31, 2013

Results Of Operations

	2013	2012
	GH¢	GH¢
Gross Sales	1,082,583,510	859,912,641
Customs Duties and Levies	(76,956,013)	(68,585,163)
Net Sales	1,005,627,497	791,327,478
Profit for the year	18,588,257	14,190,078
from which is deducted; provision for estimated income tax of	(4,825,426)	(4,788,452)
leaving a net profit after tax of	13,762,831	9,401,626
to which is added the income surplus brought forward from the previous year of	27,508,113	21,519,175
	41,270,944	30,920,801
Less:		
final dividend paid; for 2012 at GH¢0.0150 per share (2011 at GH¢0.0140 per share)	(3,152,796)	(2,942,607)
transfer to building fund,	(688,142)	(470,081)
and gross transfer to stated capital of	(21,412,015)	0
	16,017,991	27,508,113

Nature Of Business

There was no change in the principal activity of the company as detailed in Section 2 of the Company's Regulations during the year.

Ownership

The Company was listed on the Ghana Stock Exchange in the year 2007. The Government of Ghana owns 51% of the shares while the other 49% are owned by individuals and other corporate bodies.

Directors

The Directors of the Company who held office during the year are as follows:

Name		*Date Appointed*
Prof. William A. Asomaning	*Chairman*	16.07.2009
Mr. Chris A-Ackummey	*Member*	25.07.2013
Hon. Nii Laryea Afotey-Agbo	*Member*	25.07.2012
Nana Esuman Kwesi Yankah	*Member*	25.07.2012
Mr. Thomas Kofi Manu	*Member*	25.07.2012
Mr. Eugene Akoto-Bamfo	*Member*	25.07.2013
Mr.Kojo Bonsu	*Member*	25.07.2013
Ms. Faustina Nelson	*Member*	23.06.2011
Mr. Patrick Akpe Kwame Akorli	*Managing*	01.06.2012

Dividend

Final dividend of GH¢0.015 per share amounting to GH¢3,152,796 was paid during the year.

A final dividend of GH¢0.016 per share amounting to GH¢4,035,576 has been proposed for the year ended 31 December 2013. (2012: GH¢0.015 per share, amounting to GH¢3,152,796)

Events After The Reporting Date

The Directors confirm that no matters have arisen since December 31, 2013, which materially affect the financial statements of the company for the year ended on that date.

Director *Director*

ACCRA

3RD APRIL 2014.

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providing potable drinking water to deprived communities

CORPORATE SOCIAL RESPONSIBILITY (CSR) FOR GOIL DURING THE YEAR IN REVIEW

As part of GOIL's corporate social responsibility, the Company found it necessary to provide potable drinking water to deprived communities. For the past years, the company has been engaged in constructing boreholes in some selected communities.

In 2013 we were able to provide 10 communities mainly in the Volta, Eastern and Ga- West in the Greater Accra Regions, making it a total of 11 since the project started. Some of the communities are Apeguso, Amamole, Amanfro and Ajika.

Some of the projects were done in partnership with the Seroptimist Society of Ghana, a non-profit organisation of professional women workers whose aim is to help the Ghanaian woman overcome some of the difficulties they face in executing their domestic chores.

Independent Auditor's Report to the Members of Ghana Oil Company Limited

For The Year Ended 31 December 2013

Report on the Financial Statements

We have audited the accompanying financial statements of Ghana Oil Company Limited which comprise the statement of financial position as of December 31, 2013, and the statement of comprehensive income, statement of changes in equity and statement of 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 International Financial Reporting Standards and in the manner required by the Companies Act, 1963 (Act 179) Securities and Exchange Commission Regulations 2003, LI 1728 and Ghana Stock Exchange Membership Regulations 1991 LI 1510 as amended. 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.

Auditor's 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 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.

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Auditor's Report
FOR THE YEAR ENDED 31 DECEMBER 2013

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Ghana Oil Company Limited as of December 31, 2013 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and the Companies Act, 1963 (Act 179), Securities and Exchange Commission Regulations 2003, LI 1728 and Ghana Stock Exchange Membership Regulations 1991 LI 1510 as amended.

Report on Other Legal and Regulatory Requirements

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

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- In our opinion proper books of accounts have been kept by the Company, so far as appears from our examination of those books, and
- The Company's statement of financial position and statement of comprehensive income are in agreement with the books of accounts.

PKF

Signed by: F. Bruce-Tagoe (ICAG/P/1087)
For and on behalf of
PKF: (ICAG/F/039)
Chartered Accountants
Farrar Avenue
P. O. Box GP 1219,
Accra.

3RD APRIL 2014

PART 2

Statement Of Comprehensive Income

FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	2013 GH¢	2012 GH¢
Gross Revenue		1,082,583,510	859,912,641
Customs Duties and Levies		(76,956,013)	(68,585,163)
Net Revenue		1,005,627,497	791,327,478
Cost of Sales		(949,504,217)	(746,310,078)
Gross Profit		56,123,280	45,017,400
Sundry Income	3	3,494,932	2,243,023
Depot and Station Expenses	2a.	(13,524,864)	(8,980,213)
Selling & Administrative Expenses	2b.	(27,317,201)	(23,489,428)
Operating profit before financing cost		18,776,147	14,790,782
Net Finance Expenses	4	(187,890)	(600,704)
Profit before Taxation		18,588,257	14,190,078
Income Tax Expense	5	(4,825,426)	(4,788,452)
Net profit after tax attributable to equity holders of the company		13,762,831	9,401,626
Other Comprehensive Income			
Available -for-Sale Financial Assets net of tax	20	2,916,072	366,000
Total Other Comprehensive Income		2,916,072	366,000
Total Comprehensive Income for the year		16,678,903	9,767,626
Earning per share (GH¢)	29	0.055	0.045
Dividend per share (GH¢)	29	0.016	0.015

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Statement Of Financial Position

AS AT 31 DECEMBER 2013

	Notes	2013 GH¢	2012 GH¢
NON CURRENT ASSETS			
Property, Plant and Equipment	8a	71,750,042	46,823,684
Intangible Asset	12	2,289,256	851,825
Available for Sale Financial Instruments	9a	8,584,883	5,546,089
Total Non Current Assets		82,624,181	53,221,598
CURRENT ASSETS			
Stocks	10	17,085,291	12,375,835
Accounts Receivable	11	96,527,285	90,297,148
Short Term Investment	9b	4,479,075	3,900,227
Cash and Bank Balances	13	21,227,777	3,995,913
Total Current Assets		139,319,428	110,569,123
TOTAL ASSETS		221,943,609	163,790,721
EQUITY			
Stated Capital	17	31,809,263	11,809,263
Building Fund	18	2,533,369	1,599,217
Income Surplus	19	16,017,991	27,508,113
Capital Surplus	20	8,974,427	6,058,355
Total Equity		59,335,050	46,974,948
NON CURRENT LIABILITIES			
Deferred Tax	7b	3,591,598	2,822,389
Non Current Term Loan	16b	6,565,818	8,121,909
Total Non Current Liabilities		10,157,416	10,944,298
CURRENT LIABILITIES			
Bank Overdraft	14	1,114,277	1,316,148
Accounts Payable	15	145,646,738	99,131,373
Current Portion of Term Loan	16c	3,662,975	3,636,477
Current Tax	7a	2,027,153	1,787,477
Total Current Liabilities		152,451,143	105,871,475
TOTAL LIABILITIES		162,608,559	116,815,773
TOTAL EQUITY AND LIABILITIES		221,943,609	163,790,721

Approved by the Board on.

3RD APRIL 2014

.... Director

.... Director

Statement Of Changes In Equity

FOR THE YEAR ENDED 31 DECEMBER 2013

	Stated Capital	*Building Fund*	*Income Surplus*	*Capital Surplus*	*Totals*
	GH¢	GH¢	GH¢	GH¢	GH¢
2013					
Balance at 1 January	11,809,263	1,599,217	27,508,113	6,058,355	46,974,948
Net profit for the year	0	0	13,762,831	0	13,762,831
Transfer to Stated Capital	20,000,000	0	(20,000,000)	0	0
Tax Effect on Transfer to Stated Capital	0	0	(1,412,015)	0	(1,412,015)
Transfer to Building Fund	0	688,142	(688,142)	0	0
Interest Earned on Amount Invested	0	246,010	0	0	246,010
Revaluation Gain on Available for Sale Investments	0	0	0	2,916,072	2,916,072
Dividend paid	0	0	(3,152,796)	0	(3,152,796)
Balance at 31 December	**31,809,263**	**2,533,369**	**16,017,991**	**8,974,427**	**59,335,050**
2012					
Balance at 1 January	11,809,263	1,129,136	21,519,175	5,692,355	40,149,929
Net profit for the year	0	0	9,401,626	0	9,401,626
Transfer to Building Fund	0	470,081	(470,081)	0	0
Revaluation Gain on Available for Sale Investments	0	0	0	366,000	366,000
Dividend paid	0	0	(2,942,607)	0	(2,942,607)
Balance at 31 December	**11,809,263**	**1,599,217**	**27,508,113**	**6,058,355**	**46,974,948**

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Statement Of Cash Flow

FOR THE YEAR ENDED 31 DECEMBER 2013

	2013	2012
	GH¢	GH¢
Cash flow from operating activities		
Operating Profit	18,588,257	14,190,078
Adjustment for:		
Depreciation and Amortisation charges	7,828,259	4,828,924
Profit on sale of Property, Plant and Equipment	(141,650)	(77,273)
Interest and Dividend Received	(1,174,589)	(666,649)
Interest Paid	1,362,479	1,267,353
Net effect of Assets Reversed	17,948	30,000
Operating Profit Before Working Capital Changes	26,480,704	19,572,433
Increase in Stocks	(4,709,456)	(2,449,492)
Increase in Debtors	(6,230,137)	(24,994,536)
Increase in Creditors	45,226,638	26,290,028
Cash generated from operations	60,767,749	18,418,433
Company Tax Paid	(3,816,541)	(2,894,350)
Net Cash Inflow from Operating activities	56,951,208	15,524,083
Cash flows from Investing activities		
Interest and Dividend Received	1,174,589	666,649
Interest paid	(1,362,479)	(1,267,353)
Acquisition of Property, Plant and Equipment	(34,242,246)	(19,908,819)
Receipt from disposal of Property, Plant and Equipment	173,900	109,393
	(34,256,236)	(20,400,130)
Net Cash Inflows Before Financing	22,694,972	(4,876,047)
Cash flows from Financing Activities		
(Decrease)/Increase in Term Loan	(1,529,593)	7,942,286
Dividend paid	(3,152,796)	(2,942,607)
	(4,682,389)	4,999,679
Net Increase in Cash and Cash Equivalents	18,012,583	123,632
Cash and Cash Equivalents at 1 January	6,579,992	6,456,360
Cash and Cash Equivalents at 31 December	24,592,575	6,579,992
Cash and Cash Equivalents		
Cash at Bank and in Hand	21,227,777	3,995,913
Bank Overdraft	(1,114,277)	(1,316,148)
Short Term Investment	4,479,075	3,900,227
	24,592,575	6,579,992

Notes to the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2013

1. General Information And Summary Of Significant Accounting Policies

a. Corporate Information

Ghana Oil Company Limited, a public company limited by shares, was incorporated and domicile in Ghana under the Companies Code, 1963 (Act 179). The Company is permitted by its regulations to carry on, the business of marketing quality petroleum and other energy products and services in all its branches in a healthy, safe, environmentally friendly and socially responsible manner. The address of the registered office of the Company is 'D 659/4, Kojo Thompson Road, P. O. Box 3183, Accra'.

b. Statement of Compliance

The financial statements have been prepared in accordance with all International Financial Reporting Standards, including International Accounting Standards and interpretations issued by the International Accounting Standards Board and its committees, as required by the Institute of Chartered Accountants (Ghana).

c. Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the following assets and liabilities that are stated at their fair values: financial instruments that are at fair value through profit or loss; financial instruments classified as available-for-sale; and property, plant and equipment.

d. Use of Estimates and Judgement

The preparation of financial statements in conformity with IFRSs requires Management to make judgement, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and the associated assumptions are based on historical experience and other factors that are reasonable under the circumstances, the results of which form the basis of making the judgement about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

e. Summary of Significant Accounting Policies

The significant accounting policies adopted by Ghana Oil Company Limited under the International Financial Reporting Standards (IFRSs) are set out below.

i. Interest Income and Expense

Interest income and expenses are recognised in the statement of income for all instruments measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument

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Notes to the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2013

or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the instrument.

Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

ii. Financial Assets and Financial Liabilities

» **Categorisation of Financial Assets and Financial Liabilities**

The Company classifies its financial assets in the following categories: financial assets at fair value through profit or loss; loans and receivable; and available-for-sale financial assets; and held-to-maturity investments. Financial liabilities are classified as either held at fair value through profit or loss, or amortised cost. Management determines the categorisation of its financial assets and financial liabilities at initial recognition.

» **Financial Assets and Financial Liabilities at Fair Value through Profit or Loss**

Financial asset or liability at fair value through profit or loss is a financial asset or financial liability that meets either of the following conditions:

» *Held for trading*

A financial asset or financial liability is classified as held for trading if it is: acquired or incurred principally for the purpose of selling or repurchasing in the near future; or part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking.

» *Designated at fair value through profit or loss*

Upon initial recognition as financial asset or financial liability, it is designated by the Company as at fair value through profit or loss except for investments that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

» **Loans and Receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

» **Available-for-sale Financial Assets**

Available-for-sale financial assets are non-derivative financial assets that are designated on initial recognition as available for sale and are held for an indefinite period of time and may be sold in response to needs for liquidity or changes in interest rates, exchange rates or equity prices.

» **Held-to-maturity Investments**

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that the Company has the positive intention and ability to hold to maturity.

» **Initial Recognition of Financial Assets and Financial Liabilities**

» The Company shall recognise a financial asset or financial liability on its balance sheet when, and only when, the Company becomes a party to the contractual provisions of the instrument subject to the provisions in respect of regular way purchases or sales of a financial asset which state that, 'a regular way purchase or sale of financial assets is recognised and derecognized using either trade date or settlement date accounting'.

» **Derecognition of Financial Assets and Financial Liabilities**

Financial assets are derecognised when the right to receive cash flows from the financial assets has expired or where the Company has transferred substantially all the risks and rewards of ownership. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset. A financial liability (or part of a financial liability) is removed from the Company's balance sheet when, and only when, it is extinguished – i.e. when the obligation specified in the contract is: discharged; cancelled; or expired.

» **Initial Measurement of Financial Assets and Financial Liabilities**

When a financial asset or financial liability is recognised initially, the Company measures it at its fair value plus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. When the Company uses settlement date accounting for an asset that is subsequently measured at cost or amortised cost, the asset is recognised initially at its fair value on the trade date.

» **Subsequent Measurement of Financial Assets**

After initial recognition, the Company shall measure financial assets, including derivatives that are assets, at their fair value, without any deduction for transaction costs it may incur on sale or other disposal, except for the following financial assets: loans and receivables, which shall be measured at amortised cost using the effective interest method; held-to-maturity investments, which shall be measured at amortised cost using the effective interest method; and investment in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments, which shall be measured at cost.

» **Subsequent Measurement of Financial Liabilities**

After initial recognition, the Company shall measure all financial liabilities at amortised cost using the effective interest method, except for: financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be measured at fair value except for a derivative liability that is linked to and must be settled by delivery of an unquoted equity instrument whose fair value cannot be reliably measured, which shall be measured at cost; and financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or is accounted for using the continuing involvement approach.

» **Gains and Losses**

The Company shall recognise a gain or loss arising from a change in the fair value of a financial asset or financial liability that is not part of a hedging relationship as follows: a gain or loss on a financial asset or financial liability classified as at fair value through profit or loss shall be recognised in profit or loss; a gain or loss on an available for sale financial asset shall be recognised directly in equity, through the statement of changes in equity except for impairment losses and foreign exchange gains and losses until the financial asset is derecognized, at which time the cumulative gain or loss previously recognised in equity shall be recognised in profit or loss. Interest calculated using effective interest method is recognised in profit or loss; dividends on an available-for-sale equity instrument are recognised in profit or loss when the Company's right to receive payment is established; For financial assets and financial liabilities carried at amortised cost, a gain or loss is recognised in profit or loss when the financial asset or financial liability is derecognised or impaired, and through the amortization process.

» **Amortised Cost Measurement**

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition, minus principal repayment, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

» **Fair Value Measurement**

The determination of fair values of quoted financial assets and financial liabilities in active markets are based on quoted market prices or dealer price quotations. If the market for a financial asset or a financial liability is not actively traded or unlisted security, the Company establishes fair value by using valuation techniques. These techniques include the use of arms' length transactions, discounted cash flow analysis, and valuation models and techniques commonly used by market participants. The value produced by a model or other valuation technique may be adjusted to allow for a number of factors as appropriate, because valuation techniques cannot appropriately reflect all factors that market participants take into account when entering into a transaction. Management believe that these valuation adjustments are necessary and appropriate to fairly state financial instruments carried at fair value in the balance sheet.

» **Offsetting**

Financial assets and financial liabilities are set off and the net amount presented in the balance sheet when, and only when, the Company has a legal right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. Income and expense are presented on the net basis only when permitted by the accounting standards or interpretation, or for gains and losses arising from a group of similar transactions such as in the Company's trading activity.

» **Measurement of Impairment and Provision for Credit Losses**

The Company shall assess at each balance sheet date, whether there is any objective evidence that a financial asset or group of financial assets is impaired. A financial asset or group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after initial recognition of the asset (a loss event) and that loss event(s) has an impact on the estimated future cash flows of the financial assets or group of financial assets that can be reliably estimated. It may not be possible to identify a single, discrete event that caused the impairment. Rather, the combined effect of several events may have caused the impairment. Objective evidence that a financial asset or group of financial assets is impaired includes observable data that comes to the attention of the Company about the following loss events:

- significant financial difficulty of the issuer or the obligor;
- a breach of contract, such as a default or delinquency in interest or principal payment;
- the lender (the Company), for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the Company would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganization;
- the disappearance of an active market for that financial asset because of financial difficulties; or observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with individual financial assets in the group, including:

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- adverse changes in the payment status of borrowers in the group (e.g. an increased number of delayed payments); or
- national or local economic conditions that correlate with defaults in the group (e.g. an increase in the unemployment rate in the geographical area of the borrowers, a decrease in property prices for mortgages in the relevant area, a decrease in oil prices for loan assets to oil companies, or adverse changes in the industry conditions that affect the borrowers in the group).

A provision for credit losses is established if there is objective evidence that the Company will be unable to collect all amounts due on a claim according to the original contractual term. A "claim" means a loan, a commitment such as a letter of credit, guarantee or commitment to extend credit or other credit product.

An allowance for credit loss is reported as a reduction in carrying value of a claim on the balance sheet, whereas for an off-balance sheet item such as a commitment, a provision for credit loss is reported in other liabilities. Additions to provisions for credit losses are made through credit loss expense.

Provision for credit losses is based on the following principles:

Counterparty-specific—A claim is considered as a loss when management determines that it is probable that the Company will not be able to collect all amounts due according to the original contractual terms.

Individual credit exposures are evaluated based on the borrower's character, overall financial condition, resources and payment record, prospects of support from financially responsible guarantor and cash collaterals.

An impaired asset refers to an asset where there is no longer reasonable assurance of timely collection of the full amount of principal and interest due to deterioration in the credit quality of the counterparty. An asset is impaired if the estimated recoverable amount of an asset is less than its carrying amount shown in the books of the Company. Impairment is measured and a provision for credit losses is established for the difference between the carrying amount and its estimated recoverable value.

Estimated recoverable amount is measured by discounting the expected future cash flows at the effective interest rate inherent in the asset. When the amount and timing of future cash flows cannot be estimated with reasonable reliability, estimated, recoverable amounts may be measured at either:

- The fair value of any security underlying the assets, net of expected costs of recovery and any amount legally required to be paid to the borrowers; or
- Observable market prices for the assets.

Upon impairment the accrual of interest income based on the original terms of the claim is discontinued until the asset has been written down to its estimated recoverable amount. Interest income thereafter is recognized.

A write-off is made when all or part of a claim is deemed uncollectible or forgiven. Write-offs are charged against previously established allowances for credit losses or directly to credit loss expense and reduce the principal amount of a claim.

iii. Loans and Advances

Loans and advances originated by the Company include loans where money is provided directly to the borrower and are recognized when cash is advanced to the borrower. They are initially recorded at cost, which is fair value of cash originated by the Company, including any transaction costs, and are subsequently measured at amortised cost using the effective interest method.

iv. Investments

Investments are recognized on a trade date basis and are classified as held to maturity or available for sale. Investments with fixed maturity dates, where management has both the intent and ability to hold to maturity are classified as held to maturity. Investments intended to be held for indefinite period of time, which may be sold in response to needs for liquidity or changes in the market, are classified as available for sale.

Investments are initially measured at cost. Available for sale investments are subsequently re-measured at fair value based on quoted prices. Fair values for unlisted securities are estimated using market values of the underlying securities or appropriate valuation methods.

Held to maturity investments are carried at amortised cost less any provision for impairment. Amortised cost is calculated on the effective interest method.

v. Property, Plant and Equipment

Fixed assets are stated at cost less accumulated depreciation and impairment losses. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of assets is the greater of their net selling price and value in use. The impairment losses are recognized in the statement of income.

Depreciation is computed for all items of Property, Plant and Equipment other than Capital Work-in-Progress, using the straight-line method, at the following annual rates:

Freehold Land and Buildings	2%
Leasehold Land and Buildings	2.5%
Plant, Machinery and Equipment	20%
Furniture and Equipment	10%
Motor Vehicles – Tanker and Trucks	20%
Motor Vehicles – Others	25%
Computers	50%

Repairs and maintenance are charged to the income statement when the expenditure is incurred. Improvements to Fixed Assets are capitalized. Gains and losses on disposal of fixed assets are determined by reference to their carrying amount and are taken into account in determining net income.

vi. Translation of Foreign Currencies

The Company's functional currency is the Ghana Cedi. In preparing the balance sheet of the Company, transactions in currencies other than Ghana Cedis are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in the statement of income. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in the statement of income for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in shareholders' equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in the shareholders' equity.

vii. Cash and Cash Equivalents

For the purposes of cash flow statement cash and cash equivalents include cash, non-restricted balances with Bank of Ghana, amounts due from other banks and financial institutions and short term government securities maturing in three months or less from the date of acquisition.

viii. Leases

Leases are tested to determine whether the lease is finance or operating lease and treated accordingly.

Finance leases - leases of property, plant and equipment where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at inception of the lease at the lower of the fair value of the lease property, plant and equipment and the present value of minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. The corresponding rental obligations, net of finance charges, are included on other long term borrowings. The interest element of the finance cost is charged to the income statement over the lease period.

The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset or the lease term.

Operating leases—leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating lease. Rentals payable under operating leases are charged to income statement on a straight- line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into operating lease are also spread on a straight-line basis over the lease term.

ix. Provision

Provisions for restructuring costs, legal claims and similar events are recognised when: the Company has a present legal or constructive obligation as a result of past events; it is more likely that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

x. Deferred Taxation

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

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xi. Current Taxation

The Company provides for income taxes at the current tax rates on the taxable profits of the Company.

Current tax is the expected tax payable on the taxable income for the year, using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date, and any adjustment to tax payable in respect of previous years.

xii. Dividends on Ordinary Shares

Dividends on ordinary shares are recognised on equity in the period in which they are approved by the Company's shareholders.

Dividends for the year that are declared after the reporting date are dealt with in the subsequent events notes.

Interim dividends are recognised when paid.

xiii. Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the amount initially recognised (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest rate method.

Borrowings are classified as non-current liabilities where the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

xiiv Borrowing Cost

Borrowing costs shall be recognised as an expense in the period in which they are incurred, except to the extent that borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset shall be capitalised as part of the cost of that asset.

The capitalisation of borrowing costs as part of the cost of a qualifying asset shall commence when: expenditures for the asset are being incurred; borrowing costs are being incurred; and activities that are necessary to prepare the asset for its intended use or sale are in progress

Capitalisation of borrowing cost shall be suspended during extended periods in which active development is interrupted. Capitalisation of borrowing costs shall cease when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are completed.

xv. Inventories

Inventory is stated at the lower of cost or net realisable value. Costs of inventories includes, the purchase price, and related cost of acquisition. The cost of inventory is determined using weighted average cost formula.

xvi. Impairment of Non-financial Assets

The carrying amount of the Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the assets recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. Impairment losses are recognised in the income statement.

Impairment losses recognised in prior periods are assessed at each reporting date for any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

xvii. Employee Benefits

» **Short-Term Benefits**

Short-term employee benefits are amounts payable to employees that fall due wholly within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term employee benefits are recognised as an expense in the period when the economic benefit is given, as an employment cost. Unpaid short-term employee benefits as at the end of the accounting period are recognised as an accrued expense and any short-term benefit paid in advance are recognised as prepayment to the extent that it will lead to a future cash refund or a reduction in future cash payment.

Wages and salaries payable to employees are recognised as an expense in the income statement at gross amount. The Company's contribution to social security fund is also charged as an expense.

» **Social Security and National Insurance Trust (SSNIT)**

Under a National Deferred Benefit Pension Scheme, the Company contributes 12.5% of employees' basic salary to SSNIT for employee pensions. The Company's obligation is limited to the relevant contributions, which are settled on due dates. The pension liabilities and obligations, however, rest with SSNIT.

» **End of Service Benefit Scheme**

The Company has an End of Service Benefit Scheme for all permanent employees. The Company sets aside 10% Gross Basic Salaries into the fund. The Company's obligation under the plan is limited to the relevant contribution attributable to each individual staff member.

xviii. Events after the Financial Position date

The Company adjusts the amounts recognised in its financial statements to reflect events that provide evidence of conditions that existed at the balance sheet date.

Where there are material events that are indicative of conditions that arose after the balance sheet date, the Company discloses, by way of note, the nature of the event and the estimate of its financial effect, or a statement that such an estimate cannot be made.

xix. Earnings per share

The company presents basic and diluted earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the relevant period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of shares in issue for the effects of all dilutive potential ordinary shares.

xx. The following standards,

amendments and interpretations were also applicable for the year ended 31st December 2013 and were either not relevant to Ghana Oil Company Limited or had no impact on the Company's Financial Statements:

	Amendments/Improvements	Effective date
IFRS 9	IFRS 9. Financial Instruments – Classification and Measurement.	1 January 2013
IAS 19	Employee Benefits - Amended Standard resulting from the Post-Employment Benefits and Termination Benefits projects.	1 January 2013
IFRS 13	Fair Value Measurement	1 January 2013
IFRS 12	Disclosure of Interests in Other Entities.	1 January 2013
IAS 28	Investments in Associates – Reissued as IAS 28, Investments in Associates and Joint Ventures (as amended in 2011)	1 January 2013

xxi New standards and interpretations not yet adopted

	Amendments/Improvements	Effective date
IFRS 9	Financial Instruments IFRS 9 introduces new requirements for classifying and measuring financial assets and financial liabilities..	1 January 2015
IFRS 12	Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27)	1 January 2014
IAS 32	Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32)	1 January 2014

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Notes to the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2013

2.a	DEPOT AND STATION EXPENSES;		
	Includes depreciation; -GH¢5,404,638 (2012 - GH¢3,196,206)		
b.	SELLING AND ADMINISTRATION EXPENSES;	2013	2012
	Include the following:	GH¢	GH¢
	Depreciation	2,423,621	1,630,967
	Directors' Fees & Expenses	610,561	437,654
	Auditors' Remuneration	70,850	65,000
	Donations	445,360	262,553
3.	SUNDRY INCOME		
	Exchange Gain	1,825,073	835,375
	Contractors Registration	13,550	7,720
	Miscellaneous Income	584,166	296,920
	Various Rent	920,169	845,169
	Sale of Materials	10,324	17
	Penalties on Customers Dishonored Cheques	0	180,549
	Profit on Sale of Property, Plant and Equipment	141,650	77,273
		3,494,932	2,243,023
4.	NET FINANCE EXPENSES		
	Interest Income	1,174,589	666,649
	Bank, loan interest and Other Finance Charges	(1,362,479)	(1,267,353)
		(187,890)	(600,704)
5.	TAXATION		
	Current Tax	4,056,217	3,381,633
	Deferred Tax	769,209	1,406,819
		4,825,426	4,788,452
6.	RECONCILIATION OF EFFECTIVE TAX		
	Profit before tax	18,588,257	14,190,078
	Tax at applicable tax rate at 25%(2012 - 25%)	4,647,064	3,547,520
	Tax effect of non-deductible expenses	2,413,679	1,533,528
	Tax effect of non-chargeable income	(635,481)	(301,854)
	Tax effect of capital allowances	(2,369,045)	(1,397,560)
	Origination/(reversal) of temporary differences	769,209	1,406,819
		4,825,426	4,788,452
	Effective tax rate (%)	25.96	33.75

7a. CURRENT TAX

Income Tax	Balance at 1 January GH¢	Tax Paid/ Refund GH¢	Charge/Credit to P&L GH¢	Balance at 31 December GH¢
Up to 2009	(2,525)	0	0	(2,525)
2010	312,812	0	0	312,812
2011	989,907	0	0	989,907
2012	487,283	(621,504)	0	(134,221)
2013	0	(3,195,037)	4,056,217	861,180
Total	1,787,477	(3,816,541)	4,056,217	2,027,153

Tax position up to 2009 year of assessment have been agreed with the tax authorities. The remaining liabilities are however subject to agreement with the tax authorities. The amount provided for Income Tax is calculated at the rate of 25% of the Adjusted Profit and is subject to agreement with Ghana Revenue Authority.

7b. DEFERRED TAXATION

Balance at 1 January	2,822,389	1,415,570
Charge for the year	769,209	1,406,819
Balance at 31 December	**3,591,598**	**2,822,389**

Deferred income taxes are calculated on all temporary differences under the liability method using a principal tax rate of 25% (2012-25%).

READ MORE+
8a. Property, Plant And Equipment>>30
8b. Property, Plant And Equipment>>30

Notes to the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2013

8a PROPERTY, PLANT AND EQUIPMENT

2013

	F'HOLD LAND & BUILDINGS	L'SEHOLD LAND & BUILDINGS	PLANT MACH. & EQUIP.	MOTOR VEHICLES	FURN. & EQUIP.	COMPUTERS & ACCESS.	CAPITAL WORK IN PROGRESS	TOTAL
Cost / Valuation	*GH¢*	*GH¢*	*GH¢*	*GH¢*	*GH¢*	*GH¢*	*GH¢*	*GH¢*
Balance at 01.01.2013	796,285	41,008,592	26,070,584	6,279,082	1,897,165	555,622	12,703	76,620,033
Additions during the year	398,828	973,744	10,091,659	2,040,481	311,015	106,278	18,257,257	32,179,262
Transfers during the year	0	12,070,858	848,997	0	0	0	(12,919,856)	0
Reversal	0	0	(17,948)	0	0	0	0	(17,948)
Disposals during the year	0	0	(59,810)	540,481)	0	0	0	(600,291)
Balance at 31.12.2013	1,195,113	54,053,194	36,933,482	,779,082	2,208,180	661,900	5,350,104	108,181,056
Depreciation								
Balance at 01.01.2013	21,784	4,719,623	20,705,496	2,813,788	1,117,835	417,823	0	29,796,349
Charges during the year	23,302	1,351,330	4,030,006	1,482,758	169,354	145,956	0	7,202,706
Disposal during the year	0	0	(59,810)	(508,231)	0	0	0	(568,041)
Balance at 31.12.2013	45,086	6,070,953	24,675,692	3,788,315	1,287,189	563,779	0	36,431,014
Net Book Value								
31 December 2013	**1,150,027**	**47,982,241**	**2,257,790**	**3,990,767**	**920,991**	**98,121**	**5,350,104**	**71,750,042**
31 December 2012	**774,501**	**36,288,969**	**5,365,088**	**3,465,294**	**779,330**	**137,799**	**12,703**	**46,823,684**

Fixed Assets were valued in 1985 and 1988. Landed properties, Furniture and equipment, Plant, machinery and equipment were again revalued in December 1999 and in December 2000 on Open Market basis by Owusu Adjapong and Company and messrs Propicon.

8b PROPERTY, PLANT AND EQUIPMENT

2012

	F'HOLD LAND & BUILDINGS	L'SEHOLD LAND & BUILDINGS	PLANT MACH. & EQUIP.	MOTOR VEHICLES	FURN. & EQUIP.	COMPUTERS & ACCESS.	CAPITAL WORK IN PROGRESS	TOTAL
Cost / Valuation	*GH¢*	*GH¢*	*GH¢*	*GH¢*	*GH¢*	*GH¢*	*GH¢*	*GH¢*
Balance at 01.01.2012	43,004	29,551,009	22,221,191	2,841,521	1,593,016	369,988	1,638,015	58,257,744
Additions during the year	783,281	2,432,603	3,604,090	3,877,660	315,799	185,634	7,644,971	18,844,038
Transfers during the year	0	9,024,980	245,303	0	0	0	(9,270,283)	0
Disposals during the year	0	0	0	(440,099)	(11,650)	0	0	(451,749)
Reversal	(30,000)	0	(59,810)	(540,481)	0	0	0	(30,000)
Balance at 31.12.2012	796,285	41,008,592	26,070,584	6,279,082	1,897,165	555,622	12,703	76,620,033
Depreciation								
Balance at 01.01.2012	6,458	3,694,408	18,548,080	2,067,740	977,417	305,907	0	25,600,010
Charges during the year	15,326	1,025,215	2,157,416	1,154,027	152,068	111,916	0	4,615,968
Disposal during the year	0	0	0	(407,979)	(11,650)	0	0	(419,629)
Balance at 31.12.2012	21,784	4,719,623	20,705,496	2,813,788	1,117,835	417,823	0	29,796,349
Net Book Value								
31 December 2012	**774,501**	**36,288,969**	**5,365,088**	**3,465,294**	**779,330**	**137,799**	**12,703**	**46,823,684**
31 December 2011	**36,546**	**25,856,601**	**3,673,111**	**773,781**	**615,599**	**64,081**	**1,638,015**	**32,657,734**

Fixed Assets were valued in 1985 and 1988. Landed properties, Furniture and equipment, Plant, machinery and equipment were again revalued in December 1999 and in December 2000 on Open Market basis by Owusu Adjapong and Company and Messrs Propicon.

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9a. Available For Sale Financial Instruments>>32
10. Stocks & Goods In Transit>>32
12. Intangible Assets>>33

Notes to the Financial Statements
FOR THE YEAR ENDED 31 DECEMBER 2013

	2013 GH¢	2012 GH¢
9a AVAILABLE FOR SALE FINANCIAL INSTRUMENTS		
Ghana Bunkering Services Ltd.	222,278	222,278
Ghana Fertilizer Company	2	2
Total (Ghana) Ltd.	5,265,072	2,349,000
Tema Lube Oil Company Ltd.	10,954	10,954
Metro Mass Transit Company Limited	414,000	414,000
JUHI	2,672,577	2,549,855
	8,584,883	5,546,089

Available for sale financial instruments of the above companies are made up of equity shares.

9b SHORT TERM INVESTMENT		
Fixed Deposit	4,479,075	3,900,227

10. STOCKS & GOODS IN TRANSIT		
Trading: Gas Cookers & parts	436	872
Fuel	4,440,058	1,555,941
Lubricants	8,222,802	7,782,898
L.P. Gas	58,092	262,943
Bitumen	0	34,527
	12,721,388	9,637,181
Non Trading: Materials	4,363,903	2,633,283
	17,085,291	12,270,464
Goods in Transit	0	105,371
	17,085,291	12,375,835

11. ACCOUNTS RECEIVABLE		
Trade Receivable	79,756,234	71,107,973
Other Receivable	16,483,101	18,158,953
Staff Receivable	256,403	502,559
Prepayments	982,869	1,189,278
	97,478,607	90,958,763
Less: Provision for Bad & Doubtful Debts	(951,322)	(661,615)
	96,527,285	90,297,148

The maximum amount owed by the staff did not at one particular time exceed: 2013 GH¢256,403 (2012: GH¢502,559.

Prepayments—This represents the unexpired portion of certain expenditure spread on a time basis.

	2013 GH¢	2012 GH¢
12 INTANGIBLE ASSETS		
Balance at 1 January	1,064,781	1,064,781
Additions during the year	2,062,984	0
Balance at 31 December	3,127,765	1,064,781
Amortisation		
Balance at 1 January	212,956	212,956
Amortisation for the year	625,553	0
Balance at 31 December	838,509	212,956
Carrying amount		
At 31 December	2,289,256	851,825

This relate to the cost of rebranding and Computer Software.

13. CASH AND BANK BALANCES

	2013	2012
Current Account	21,036,831	3,893,750
Cash in Hand	190,946	102,163
	21,227,777	3,995,913

14. BANK OVERDRAFT

	2013	2012
Ghana Commercial Bank Limited	546	404
Prudential Bank Ghana Limited	1,109,568	1,313,463
Others	4,163	2,281
	1,114,277	1,316,148

Prudential Bank Limited
The company has an overdraft facility of GH¢3,000,000 with Prudential Bank Limited to supplement the company's resources for its oil marketing operations. Interest rate is at 19.0%. The facility is secured by an existing Negative Pledge over the company's assets. The facility expires on 31 October, 2014.

15. ACCOUNTS PAYABLE

	2013	2012
Trade Payable	120,347,143	86,069,903
Other Payable	20,366,909	10,753,233
Accruals	4,932,686	2,308,237
	145,646,738	99,131,373

READ MORE+
16a. Term Loan>>34
17. Stated Capital>>34
19. Income Surplus>>35

		2013	2012
		GH¢	GH¢
16a	**TERM LOAN**		
	Balance as at I January	11,758,386	3,816,100
	Addition during the year	0	7,978,386
	Exchange Loss	0	575,200
	Loan repayment	(1,529,593)	(611,300)
		10,228,793	11,758,386
16b	**LONG TERM PORTION**		
	Medium Term Loan	6,565,818	8,121,909
		6,565,818	8,121,909
16c	**SHORT TERM PORTION**		
	Government of Ghana	1,890,000	2,040,800
	Medium Term Loan	1,772,975	1,595,677
		3,662,975	3,636,477

a. The Government of Ghana Loan (Goil Subsidiary Loan) was rescheduled in the year 2007 and repayable in seven (7) years with four years grace period commencing 2011. The facility expires on 31 December, 2015.

b. The Company has been granted a Medium Term Loan of USD$5,161,280 by Stanbic Bank Ghana Limited, for general corporate purposes including capital expenditure for new Service Stations and Rebranding exercise. The loan is to be repaid in full over a period of five (5) years with six (6) months moratorium. Interest rate is 6.4% fixed per annum. With respect to security the aggregate of all amounts deemed by the Bank to be outstanding under the facility shall be on an unsecured basis. However, the Bank reserves the right to review the facility from time to time and thereafter call for security should it be considered necessary.

		2013	2012
17.	**STATED CAPITAL**		
	Number of authorised shares	1,000,000,000	1,000,000,000
	Total number of issued shares	252,223,488	210,186,240
		GH¢	GH¢
	Issued for Cash	5,000,200	5,000,200
	issued on consideration other than cash	6,559,263	6,559,263
	Issued on Transfer from Surplus	20,249,800	249,800
		31,809,263	11,809,263

There is no unpaid liability on any share and there are no shares in treasury.

	2013	2012
	GH¢	GH¢

18. BUILDING FUND

This is an amount set aside from profits for the construction of Head Office Building.

	2013	2012
Balance at 1 January	1,599,217	1,129,136
Transfer from Income Surplus	688,142	470,081
Interest earned on amount invested	246,010	0
Balance at 31 December	2,533,369	1,599,217

19. INCOME SURPLUS

This represents the residual of cumulative annual profits that are available for distribution to shareholders.

20. CAPITAL SURPLUS

This is surplus arising from the revaluation of property, plant and equipment in 1985, 1988 and 2000 by Owusu-Adjapong and Company and Messrs Propicon. It also includes movements in the market price of available for sale financial assets of 100,000 shares held in Total Petroleum Ghana Limited as a result of the adoption of International Financial Reporting Standards.

	Available-for-sale Financial Asset	*Revaluation surplus*	2013	2012
	GH¢	GH¢	GH¢	GH¢
Balance at 1 January 2013	2,151,596	3,906,759	6,058,355	5,692,355
Revaluation	2,916,072	0	2,916,072	366,000
Balance at 31 December 2013	5,067,668	3,906,759	8,974,427	6,058,355

21. DIVIDEND

	2013	2012
Final Dividend paid was GH¢0.0150 per Share (2012; GH¢0.0140 per Share) Payments during the year	3,152,796	2,942,607
	(3,152,796)	(2,942,607)
	0	0

A final dividend of GH¢0.016 per share amounting to GH¢4,035,576 has been proposed for the year ended 31 December 2013. (2012: GH¢0.015 per share, amounting to GH¢3,152,796)

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Exposure to credit risks>>36

Notes to the Financial Statements
FOR THE YEAR ENDED 31 DECEMBER 2013

22 FINANCIAL RISK MANAGEMENT

The company has exposure to the following risks from its use of financial instruments;

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the company's exposure to each of the above risks, the company's objectives, policies and processes for measuring and managing risk, and the company's management of capital.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework. The Board has established the Audit and Finance committee, which are responsible for developing and monitoring the company's risk management policies in their specified areas. The team includes selected members of executive management and report regularly to the Board of Directors on their activities.

The company's risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. The company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The company's Audit and Finance Committee is responsible for monitoring compliance with the company's risk management policies and procedures, and for reviewing the adequacy of risk management framework in relation to the risks faced by the company. This committee is assisted in these functions by a risk management structure in all the units of the company which ensures a consistent assessment of risk management control and procedures.

Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customers.

Trade and other receivables

The company's exposure to credit risk is minimised as all sales are made to one individual customer. The company has transacted business with this customer over the years, there has not been much default in payment of outstanding debts.

Allowances for impairment

The company establishes an allowance for impairment losses that represents its estimate of incurred losses in respect of risk and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loan loss allowance established for homogeneous assets in respect of losses that have been incurred but not yet been identified. The collective loss allowance is determined based on historical data of payment for similar financial assets.

Exposure to credit risks

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was;

	2013	2012
	GH¢	GH¢
Available for sale Financial Assets	8,584,883	5,546,089
Loans and Receivables	96,527,285	90,297,148
Cash and Cash Equivalents	21,227,777	3,995,913
	126,339,945	99,839,150

The maximum exposure to credit risk for trade receivables at the reporting date by type of customer was;

Public Institutions	79,756,234	71,107,973

Impairment Losses	2013		2012	
	Gross	*Impairment*	Gross	*Impairment*
	GH¢	*GH¢*	GH¢	*GH¢*
Past due after 0–180 days	79,756,234	0	71,107,973	0

The movement in the allowance in respect of trade receivables during the year was as follows

	2013	2012
	GH¢	GH¢
Balance at 1 January	79,756,234	71,107,973
Impairment loss recognised	(951,322)	(661,615)
Balance at 31 December	78,804,912	70,446,358

Based on historical default rates, the company believes that no impairment is necessary in respect of trade receivables past due up to 180 days.

Liquidity risk

Liquidity risk is the risk that the company either does not have sufficient financial resources available to meet all its obligations and commitments as they fall due, or can access them only at excessive cost. The company's approach to managing liquidity is to ensure that it will maintain adequate liquidity to meet its liabilities when due.

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Market risks>>38
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Notes to the Financial Statements
FOR THE YEAR ENDED 31 DECEMBER 2013

The following are contractual maturities of financial liabilities;

31 December 2013

Non-derivative financial liability	Amount	6 mths or less	6-12 mths	1-3 years
	GH¢	GH¢	GH¢	GH¢
Secured bank loans	10,228,793	1,831,488	1,831,488	6,565,818
Trade and other payables	145,646,738	145,646,738	0	0
Bank overdraft	1,114,277	1,114,277	0	0
Balance at 31 December 2013	156,989,808	148,592,503	1,831,488	6,565,818

31 December 2012

Non-derivative financial liability	Amount	6 mths or less	6-12 mths	1-3 years
	GH¢	GH¢	GH¢	GH¢
Secured bank loans	11,758,386	1,818,239	1,818,239	8,121,909
Trade and other payables	99,131,373	99,131,373	0	0
Bank overdraft	1,316,148	1,316,148	0	0
Balance at 31 December 2012	112,205,907	102,265,760	1,818,239	8,121,909

Market risks

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Foreign currency risk

The company is exposed to currency risk as there are transactions and balances denominated in currencies other than the functional currency.

Interest rate risk

Profile

At the reporting date the interest rate profile of the company's interest-bearing financial instruments was;

	Carrying amount	
	2013	2012
Variable rate instrument	GH¢	GH¢
Financial liabilities	11,343,070	13,074,534

Fair value sensitivity analysis for fixed rate instrument

The company did not have fixed rate instrument at 31 December 2013 and also at 31 December 2012.

23 FAIR VALUES

Fair values versus carrying amounts

The fair values of financial assets and liabilities, together with carrying amounts shown in the balance sheet are as follows;

	31 December 2013		31 December 2012	
	Carrying Amount	*Fair Value*	*Carrying Amount*	*Fair Value*
Loans and Receivables	*GH¢*	*GH¢*	*GH¢*	*GH¢*
Trade and Other Receivables	96,527,285	96,527,285	90,297,148	90,297,148
Cash and Cash Equivalents	21,227,777	21,227,777	3,995,913	3,995,913
Short Term Investment	4,479,075	4,479,075	3,900,227	3,900,227
	122,234,137	122,234,137	98,193,288	98,193,288
Available for Sale Financial Instrument				
Long Term Investment	8,584,883	8,584,883	5,546,089	5,546,089
Other Financial Liabilities				
Secured Bank Loan	10,228,793	10,228,793	11,758,386	11,758,386
Trade and Other Payables	145,646,738	145,646,738	99,131,373	99,131,373
Bank Overdraft	1,114,277	1,114,277	1,316,148	1,316,148
	156,989,808	156,989,808	112,205,907	112,205,907

24 CAPITAL COMMITMENTS

There were no commitments for capital expenditure at the balance sheet date and at 31 December 2012.

25 EMPLOYEE BENEFITS

Deferred Contribution Plans

Social Security

Under a National Deferred Benefit Pension Scheme, the company contributes 13.5% of employee basic salary to the Social Security and National Insurance Trust (SSNIT) for employee pension. The company's obligation is limited to the relevant contribution, which were settled on due dates. The pension liabilities and obligations however, rest with SSNIT.

Provident Fund

The company has a provident fund schemes for the staff under which the company contribute a total of 10% of staff basic salary. The obligation under the plan is limited to the relevant contribution and these are settled on the dates to the fund manager.

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26. TWENTY LARGEST SHAREHOLDERS

	Shareholders	*Number of Shares*	*Percentage Holding (%)*
1	Government Of Ghana	128,889,623	51.10
2	Social Security & National Insurance Trust	46,699,835	18.52
3	The Quantum Group Limited	22,548,383	8.94
4	Hopefield Capital Limited	4,365,420	1.73
5	Scbn/Stanchart Mauritius Re	2,785,016	1.10
6	Mr. Daniel Ofori	1,091,138	0.43
7	Edc Stock Brokers Limited	849,420	0.34
8	Scbn/Elac Policy Holders Fund	845,124	0.34
9	SCGN/RBC Hyposwiss (LUX) Fund-Africa	456,000	0.18
10	Mr Victor Kwadwo Djangmah	412,440	0.16
11	Donewell Life Company Limited	384,187	0.15
12	Zhao Haijun	368,731	0.15
13	Ghana Cocoa Board	300,421	0.12
14	Sic General Business	300,421	0.12
15	Opare-Sem Daniel Kwadwo Mr.	274,980	0.11
16	Glico Gen. Insurance Company Limited	268,674	0.11
17	Hfcn/Edc Ghana Balance Fund Limited	231,960	0.09
18	Ecobank Ghana Staff PF	217,906	0.09
19	SCBN/Databank Balance Fund Ltd.	203,040	0.08
20	SCBN/SAS Fortune Fund	186,000	0.07
	Totals Of Twenty Largest Shareholders	211,678,719	83.93
	Totals Of Others	40,544,769	16.07
	GRAND TOTALS	252,223,488	100.00

Shareholding Distribution

Category	*Numbers of Shareholding*	*Total Holding*	*Percentage Holding (%)*
1–1,000	8,127	3,987,607	1.58
1,001–5,000	5,345	10,339,119	4.10
5,001–10,000	874	5,597,870	2.22
10,001–50,000	691	13,941,697	5.53
50,001–999,999,999	98	218,357,195	86.57
		252,223,488	100.00

Directors Shareholding

Name	Number Of Shares
Prof. William A. Asomaning	11,000
Nana Esuman Kwesi Yankah	5,760
Mr. Eugene Akoto-Bamfo	4,020
Mr. Thomas Kofi Manu	12,432
Mr. Chris A. Ackummey	2,130
Mad. Faustina Nelson	22,800
Mr. Kojo Bonsu	7,080
Mr. Patrick A.K. Akorli	138,810
	204,032

Number Of Shares In Issue

Earning, Dividend per share are based on 252,223,488, (2012; 210,186,240). The increment is as a result of Bonus Issue of Shares to Shareholders by a transfer of GH¢20,000,000 from Income Surplus to Stated Capital during the year.

Proxy Form

I/We..

Of..being a member/members of Ghana Oil

Company Limited hereby appoint..

or failing him/her the Chairman as my/our proxy to vote for me/us on my/our behalf at The Annual General Meeting of the Company to be held at the Accra International Conference Centre, on 29th July, 2014 at 11:00 a.m. and at any adjournment thereof.

This form is to be used:

In favour of / » against	The Resolution to adopt the Reports of the Directors and the Financial Statements of the Company for the year ended December 31, 2013.
In favour of / » against	The Resolution to declare a dividend with respect to the Year ended December 31, 2013 as recommended by the Directors
In favour of / » against	The re-election of Hon. Nii Laryea Afotey Agbo as a Director
In favour of / » against	The re-election of Nana Esuman Kwesi Yankah as a Director
In favour of / » against	The re-election of Madam Faustina Nelson as a Director
In favour of / » against	The Resolution to authorize the Directors to fix the remuneration of the Auditors
In favour of / » against	The Resolution to fix the remunerationof Directors
In favour of / » against	The Resolution to authorize the Directors to raise additional capital not less than GH¢50 million by way of rights issue and private placement.

On any other business transacted at the meeting and unless otherwise instructed in Paragraphs 1 to 8 above, the resolutions to which reference is made in those paragraphs, the proxy will vote as he/she thinks fit.

* Strike out whichever is not desired.

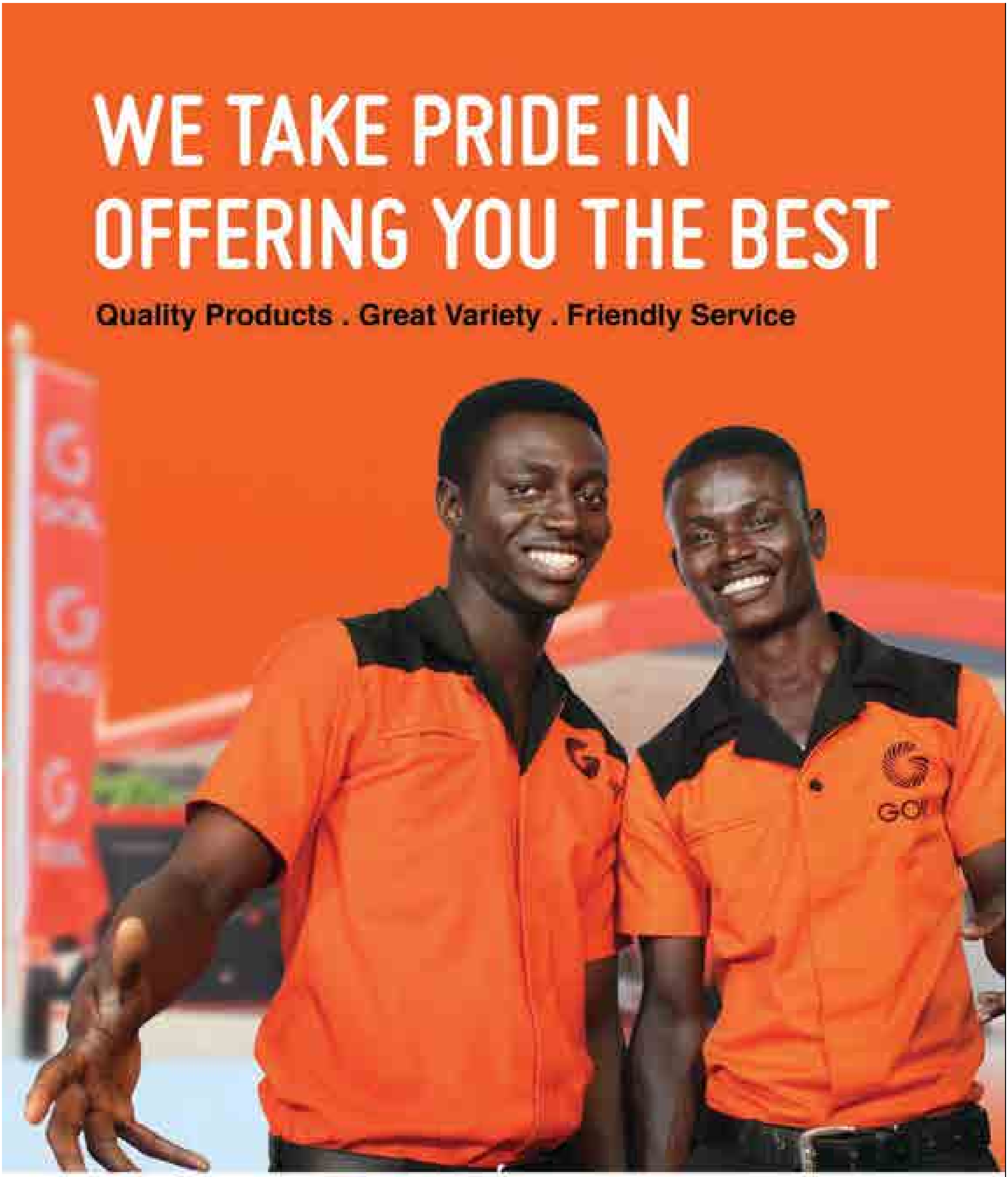
....Signed this day of 2014.
Signature of Shareholder

THIS PROXY FORM SHOULD NOT BE COMPLETED AND SENT TO THE REGISTERED OFFICE IF THE MEMBER WILL BE ATTENDING THE MEETING

1. A member (Shareholder) who is unable to attend an Annual General Meeting is allowed by law to vote by proxy. The Proxy Form has been prepared to enable you exercise your vote if you cannot personally attend.
2. Provision has been made on the Form for PROF. WILLIAM AFIAKWA ASOMANING, the Chairman of the meeting to act as your proxy but if you so wish, you may insert in the blank space the name of any person whether a member of the company or not who will attend the meeting and vote on your behalf instead PROF. WILLIAM AFIAKWA ASOMANING.
3. In case of joint holders, each joint holder must sign.
4. If executed by a Corporation, the Proxy Form must bear its Common Seal or be signed on its behalf by a Director.
5. Please sign the above Proxy Form and post it so as to reach the address shown below not later than 4.00 p.m. on Tuesday, 27th May, 2014.
6. The Proxy must produce the Admission Card with the Notice of the Meeting to obtain entrance to the meeting.

The Solicitor Secretary,
Ghana Oil Company Limited,
P.O. Box GP 3183,
Accra.

Notes



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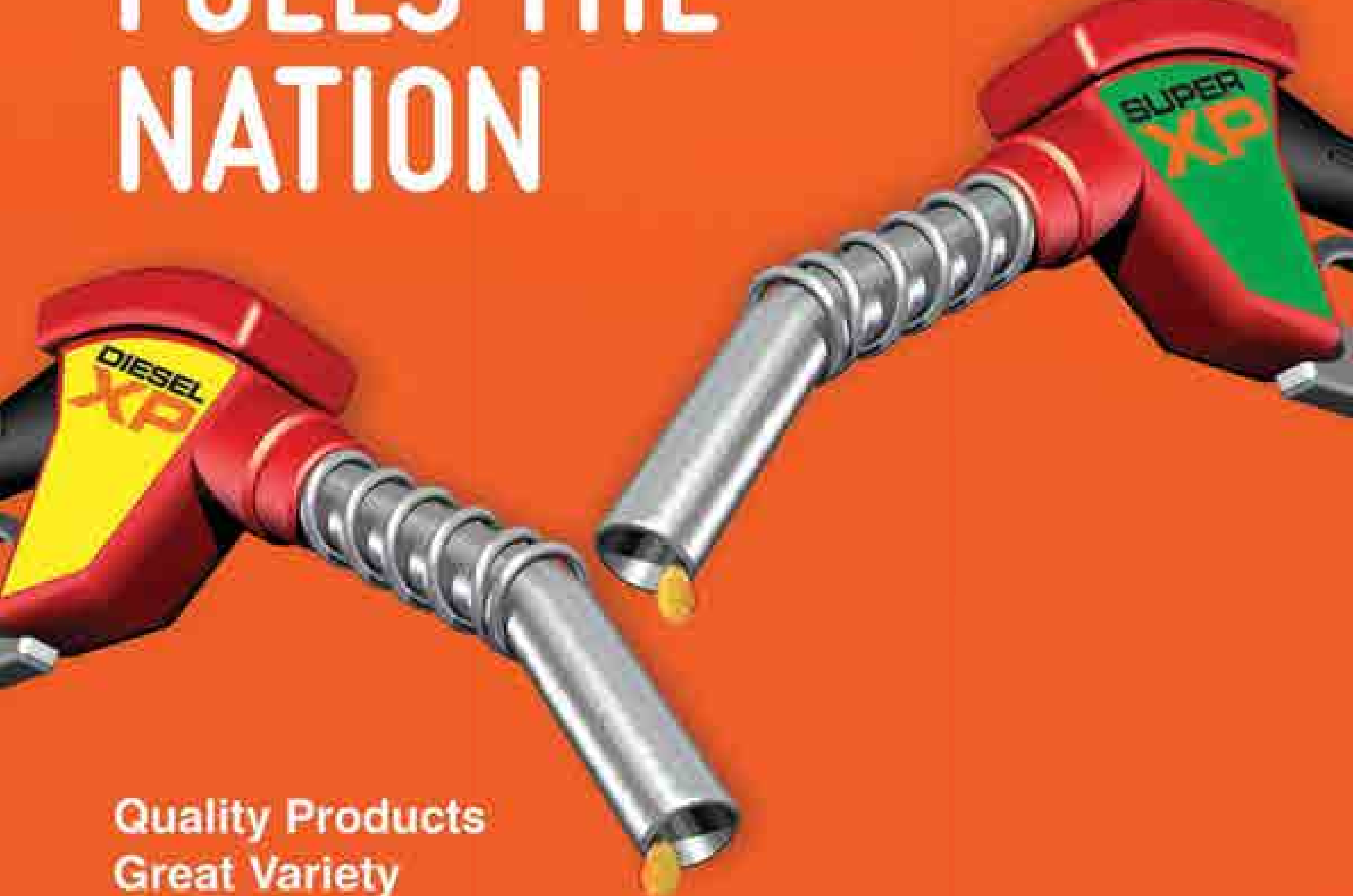

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