Guyana Power and Light, Inc.
Statement of Financial Position
As at December 31, 2014
With comparative figures for 2013
(Expressed in Guyana Dollars)

ASSETS	**Notes**	**2014 $'000**	**2013 $'000**
Non-current assets			
Property, plant and equipment	**5**	34,327,514	23,745,490
Intangible fixed assets	**6**	643,291	643,291
Work-in-progress	**7**	2,607,416	11,301,240
		37,578,221	**35,690,021**
Current assets			
Inventories	**9**	4,438,419	5,484,050
Receivables	**10**	5,048,442	4,862,827
Deposit	**11**	135,312	47,131
Related parties	**12 (a)**	4,018,803	3,561,645
Cash resources		3,908,063	2,403,987
		17,549,039	**16,359,640**
Total Assets		**55,127,260**	**52,049,661**
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	**13**	23,118,244	23,118,244
Accumulated deficit		(16,617,779)	(15,600,863)
		6,500,465	**7,517,381**
Non-current liabilities			
Deferred tax	**8**	-	377,078
Related parties	**12 (c)**	30,596,827	29,060,704
Advances customer financed projects	**14**	5,327,084	5,862,408
Provision for decommissioning	**15**	242,900	242,900
Customer deposits	**16**	1,859,102	1,708,341
Defined benefit liability	**17**	1,100,400	940,300
		39,126,313	**38,191,731**
Current liabilities			
Related parties	**12 (b)**	4,199,539	2,334,250
Loan	**18**	-	25,927
Advances customer financed projects	**14**	673,782	691,488
Deferred income	**19**	25,747	15,596
Payables	**20**	4,601,414	3,273,288
		9,500,482	**6,340,549**
Total equity and liabilities		**55,127,260**	**52,049,661**

On behalf of the Board

………………………. **…………………**
CHAIRMAN ***DIRECTOR***

The accompanying notes form an integral part of these financial statements.

Guyana Power and Light, Inc.
Statement of Profit or Loss and Other Comprehensive Income
For the year ended December 31, 2014
With comparative figures for 2013
(Expressed in Guyana Dollars)

	Notes	2014 $'000	2013 $'000
Revenue			
Turnover		31,268,305	30,639,951
Expenditure			
Generation costs	**21**	(24,790,066)	(25,706,704)
		6,478,239	**4,933,247**
Other expenses			
Employment costs	**22**	(3,135,328)	(2,875,578)
Repairs and maintenance - T & D		(211,475)	(207,220)
Depreciation	**23**	(2,446,946)	(2,527,800)
Administrative expenses	**24**	(1,639,243)	(1,218,892)
Rates and taxes		(32,000)	(83,694)
Property tax		(19,752)	(21,927)
Loss on exchange		(33,418)	(406,372)
Bad debts		(434,641)	(428,005)
PUC assessment and license		(50,099)	(50,000)
		(8,002,902)	**(7,819,488)**
Loss from operations		**(1,524,663)**	**(2,886,241)**
Interest expenses		(929,672)	(675,226)
		(2,454,335)	(3,561,467)
Other income		1,105,940	591,989
Loss before taxation		**(1,348,395)**	**(2,969,478)**
Taxation	**25**	363,399	279,895
Loss		**(984,996)**	**(2,689,583)**
Other comprehensive income			
Remeasurement of defined benefit		(45,600)	277,800
Related tax		13,680	(83,340)
Other comprehensive income net of tax		**(31,920)**	**194,460**
Total comprehensive income		**(1,016,916)**	**(2,495,123)**
Loss per share	**26**	(8)	(21)

The accompanying notes form an integral part of these financial statements.

Guyana Power and Light, Inc.
Statement of Changes in Shareholder's Equity
For the year ended December 31, 2014
With comparative figures for 2013
(Expressed in Guyana Dollars)

		Share capital *(Note 13)* **$'000**	**Accumulated Deficit** **$'000**	**Total** **$'000**
At January 1, 2013		21,486,755	(13,105,740)	8,381,015
Total comprehensive income				
Loss	4	-	(2,689,583)	(2,689,583)
Other Comprehensive income			194,460	194,460
Transactions with owners of the company				
Capital contribution during the year		1,631,489	-	1,631,489
At December 31, 2013		**23,118,244**	**(15,600,863)**	**7,517,381**
At January 1, 2014		23,118,244	(15,600,863)	7,517,381
Total comprehensive income				
Loss		-	(984,996)	(984,996)
Other comprehensive income		-	(31,920)	(31,920)
At December 31, 2014		**23,118,244**	**(16,617,779)**	**6,500,465**

The accompanying notes form an integral part of these financial statements.

Guyana Power and Light, Inc.
Statement of Cash Flows
For the year ended December 31, 2014
With comparative figures for 2013
(Expressed in Guyana Dollars)

	2014 $'000	2013 $'000
Cash flows from operating activities		
Net comprehensive loss before taxation	(1,348,395)	(2,969,478)
Adjustments for:		
Depreciation	2,446,946	2,527,800
Deferred Income	10,150	11,849
Defined pension benefit liability	160,100	(161,000)
Interest expense	929,672	675,226
Amortisation of customer finance project	(694,687)	(416,816)
Gain on remeasurment of pension liability	(45,600)	277,800
Operating profit (loss) before working capital changes	**1,458,186**	**(54,619)**
Working capital changes		
Receivables	(185,615)	505,836
Inventories	1,045,631	(360,923)
Payables	401,077	(3,309,085)
Related parties	1,408,130	(280,347)
Net cash inflow (outflow) from operating activities	**4,127,409**	**(3,499,138)**
Cash flow from investing activities		
Purchase of tangible fixed assets	(4,219,140)	(4,172,120)
Interest capitalised	(116,005)	(306,504)
Increase in deposit	(88,181)	(23,959)
Net cash outflow from investing activities	**(4,423,326)**	**(4,502,583)**
Cash flow from financing activities		
Non-current related parties	1,536,126	8,984,827
Net movement in loans	(25,927)	(1,021,725)
Capital contribution during the year	-	1,631,489
Interest paid	(2,623)	(91,818)
Customer deposits	150,760	110,724
Customer financed projects	141,657	98,278
Net cash inflow from financing activities	**1,799,993**	**9,711,775**
Net increase in cash and cash equivalents	**1,504,076**	**1,710,054**
Cash and cash equivalents - January 1	2,403,987	693,933
Cash and cash equivalents - December 31	**3,908,063**	**2,403,987**
Represented By:		
Cash on hand and at bank	3,908,063	2,403,987
	3,908,063	**2,403,987**

The accompanying notes form an integral part of these financial statements.

1. Incorporation and Principal Activity

(i) Incorporation

The company was incorporated in the Cooperative Republic of Guyana on September 29, 1999 under the Companies Act, 1991.

(ii) Principal activity

The principal activity of the company is the generation and distribution of electricity in Guyana.

2. New and amended standards and interpretations

Effective for the current year end	Effective for annual periods beginning on or after
New and Amended Standards	
IFRS 10 Consolidated Financial Statements	1 January 2014
IFRS 12 Disclosure of Interests in Other Entities	1 January 2014
IAS 27 Separate Financial Statements	1 January 2014
IAS 32 Financial Instruments - Offsetting Financial Assets and Financial Liabilities	1 January 2014
IAS 39 Financial Instruments: Recognition and Measurement	1 January 2014
New Interpretation	
IFRIC 21 Levies	1 January 2014

The standards and amendments that are expected to have an impact on the Company's accounting policies are explained below:

Amendments to IAS 32: Offsetting Financial Assets and Financial Liabilities

Amends IAS 32 Financial Instruments: Presentation to clarify certain aspects because of diversity in application of the requirements on offsetting, focus on four main areas.

This amendment did not have a material impact on the entity as the Company does not have any financial assets and financial liabilities that qualify for offset.

Amendments to IAS 36: Recoverable Amount Disclosures for the Non-Financial Assets

Amends IAS 36 impairment of Assets to reduce the circumstances in which the recoverable amount assets or cash-generating units is required to be disclosed, clarify the disclosures required, and to introduce and explicit requirement to disclose the discount rate used in determining impairment.

These amendments did not have a material impact on the disclosures or on amounts recognized in the Company's financial statements.

2. New and amended standards and interpretations , continued

Available for early adoption for the current year end

New amended standards	Effective for annual periods beginning on or after
IAS 19 Employee Benefits	1 July 2014
Annual Improvements 2010-2012 Cycle	1 July 2014
Annual Improvements 2011-2013 Cycle	1 July 2014
IFRS 14 Regulatory Deferral Accounts	1 January 2016
IFRS 11 Joint Arrangements	1 January 2016
IAS 16 & IAS 38 Clarification of Acceptable	
Methods of Depreciation And Amortisation	1 January 2016
IAS 16 & IAS 41 Agriculture : Bearer Plants	1 January 2016
IAS 27 Separate Financial Statements	1 January 2016
IFRS 10 & IAS 28 Sale or Contribution of Assets	1 January 2016
Between Investor and Associate or Joint Venture	1 January 2016
Disclosure Initiative Amendments to IAS 1	1 January 2016
IFRS 10, IFRS 12 & IAS 28 Applying Consolidation Exceptions	1 January 2016
Annual Improvements 2012-2014 Cycle	1 July 2016
IFRS 15 Revenue From Contracts With Customers	1 January 2017
IFRS 7 Financial Instruments: Disclosures	1 January 2017
IFRS 9 Financial Instruments: Classification and Measurement	1 January 2018
IFRS 9 Additions for Financial Liability Accounting	1 January 2018

The Company has not opted for early adoption.

The standards and amendments that are expected to have an impact on the Company's accounting policies when adopted are explained below.

Amendments to IAS 19: Defined Benefit Plans: Employee Contributions

Amends IAS 19 Employee Benefits to clarify the requirements that relate to how contributions from employees or third parties that are linked to service should be attributed to periods of service.

The application of the amendments to IAS 19 may have impact on amounts reported in respect of the Company's defined benefit plans. The management is in discussion with the actuary to determine any possible effect of the amendments.

Annual Improvements

The annual improvements programme of the International Accounting Standards Board Deals with amendments and clarifications to IFRS.

IFRS 1 - First Time Adoption of International Financial Reporting Standards
IFRS 2 - Share-based Payment
IFRS 3 - Business Combinations
IFRS 5 - Non-current Assets Held for sale and Discontinued Operations
IFRS 7 - Financial Instruments Disclosure
IFRS 8 - Operating Segments
IFRS 9 - Financial Instruments
IFRS 13- Fair Value Measurement
IAS 16 - Property, Plant and Equipment

2. New and amended standards and interpretations , continued

Annual Improvements, continued

IAS 24 - Related Party Disclosures
IAS 34 - Interim Financial Reporting
IAS 38 - Intangible Assets
IAS 40 - Investment Property

The directors do not anticipate that the application of the foregoing amendments will have a significant impact on the Company's financial statements.

Amendments to IAS 16 and IAS 38 : Clarification of Acceptable Methods of Depreciation and Amortisation

Amends IAS 16 Property , Plant and Equipment and IAS 38 Intangible Assets to clarify that a depreciation method for the use of an asset that is not appropriate for property, plant and equipment.

The application of the amendments may have impact on amounts reported in respect of depreciation. However, the directors do not anticipate a significant effect.

Disclosure Initiative (Amendments to IAS 1)

Amends IAS 1 Presentation of Financial Statements to address perceived impediments to preparers exercising their judgement in presenting their financial reports.

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to the previous year.

3.1 Basis of preparation

The financial statements are prepared in Guyana dollars in accordance with International Financial Reporting Standards (IFRS). They have been prepared under the historical cost convention method as modified by the valuation of financial assets available for sale and financial assets at fair value through profit or loss and no account has been taken for the effects of inflation.

The preparation of these financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, contingent assets and contingent liabilities at the date of the financial statements and income and expenses during the year. Actual results could differ from these estimates. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

The accounting standards as required by the Electricity Sector Reform Act , 1999 for tariff calculation has been applied as to:

- The terms and conditions of the company's licence
- Generally accepted accounting principles
- International Financial Reporting Standards (Inclusive of International Accounting Standards and Interpretations)

These financial statements were approved for issue by the Board of Directors on April 22, 2015.

3.2 Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation.

3. Summary of significant accounting policies, continued

3.2 Property, Plant and Equipment, continued

Expenditure on assets, which will benefit the company economically for a period greater than the current financial accounting period, is capitalised and written off over the useful life of the assets.

Individual assets or group of items making up a single identifiable asset of value less than $10,000 is not capitalised but is expensed in the accounting period in which the costs are incurred.

The capitalised asset value of purchased assets is measured at the full cost of bringing the assets to working condition for the intended use. Self constructed assets are stated at the accumulated cost of purchased elements together with the element of internal cost incurred in constructing the asset. Borrowing costs that are directly attributable to the constructing of the tangible assets are capitalised as part of the cost of those asset. Capitalisation of borrowing costs ceases when the asset is brought into use.

Subsequent expenditure on existing assets is capitalised where the expenditure provides an enhancement of the economic benefits of the asset in excess of the previously assessed standard of performance.

Any revaluation increase arising on the revaluation of assets is recognised in other comprehensive income, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously expended. A decrease in the carrying amount arising on the revaluation of the land and buildings is recognised in profit or loss to the extent that it exceeds the balance, if any, held in the properties revaluation reserve relating to a previous revaluation of that asset.

Depreciation on revalued building and machinery is recognised in the statement of profit or loss and other

Properties in the course of construction for production, supply or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the company's accounting policy. Depreciation of these assets on the same basis as other property assets commences when the assets are ready for their intended use.

Fixtures and equipment are stated at cost less accumulated impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of the financial year and any changes in estimate is accounted for immediately.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or where shorter the term of the relevant lease.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceed and the carrying amount of the asset and is recognised in the statement of profit or loss and other comprehensive income.

3. Summary of significant accounting policies, continued

3.2 Property, plant and equipment, continued

Depreciation on all property, plant & equipment is charged on a straight-line basis. The following rates used are expected to write off the value of the assets over their useful economic lives:

	Vested Assets	New Assets
Land	Unlimited	Unlimited
Buildings	33 years	33 years
Generation Plant – New	20 years	20 years
Generation Plant – Mobile	N/A	10 years
Generation Plant – Other	10 years	10 years
Transmission & Distribution Networks	13 years	13 years
Motor Vehicles	2 years	5 years
Office and Computer Equipment	3 years	3 years

3.3 Impairment of long-lived assets

At the end of each reporting period, the company reviews the carrying amounts of its long-lived assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of the future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit or loss and other comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that has been determined had no impairment loss been recognised for the asset (or cash-generating unit) in the prior years. Reversal of an impairment loss is recognised immediately in the statement of profit or loss and other comprehensive income, unless the relevant asset is carried at the revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3.4 Work-in-progress

Depreciation is not charged on work- in- progress. The useful life of assets capitalised from work in progress commences when the assets have been put into use.

3. Summary of significant accounting policies, continued

3.5 Leased assets

Plant and equipment acquired under finance leases are included in the statement of financial position at their equivalent capital value and are depreciated over their expected useful lives. The interest element of the finance lease payments is charged to the statement of profit or loss and other comprehensive income. Operating lease rentals are charged to the statement of profit or loss and other comprehensive income on a straight line basis over the lease term.

3.6 Inventories - maintenance spares

These are valued at the lower of cost and net realisable value. The weighted average cost method is primarily used to determine cost.

3.7 Provision for bad and doubtful debts

Provision is made in these financial statements for amounts included in receivables of which the eventual cash realisation is considered remote. The provision has been estimated at 1.5% of turnover (excluding revenue from prepaid sales) based on previous experience and is provided for in the statement of profit or loss and other comprehensive income as at December 31, 2014.

3.8 Foreign currency

Functional and Presentation Currency

The company's financial statements are presented in Guyana Dollars. This is the currency of the primary economic environment in which the entity operates (its functional currency).

Transactions and Balances

In preparing the financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At each statement of financial position date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the statement of financial position date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at 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 are recognised in the statement of profit or loss and other comprehensive income in the period in which they arise.

3. Summary of significant accounting policies, continued

3.9 Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past transaction and it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable can be recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.10 Turnover

Turnover comprises billed sales of electricity and services to customers. Rates payable by customers are determined by reference to the company’s license.

3.11 Taxation

Taxation expense represents the sum of the statutory tax charge and deferred tax.

Statutory tax
The tax payable is based on the taxable profit for the year. Taxable profit differs from the net profit as reported in the statement of profit or loss and other comprehensive income because it includes items of income and expenses that are taxable or deductible in other years and it further excludes items that are not taxable or deductible. The current tax charge is calculated using tax rate that have been enacted at the date of the statement of financial position.

Deferred Tax
Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of the taxable profit. Deferred tax liabilities are generally recognised for all temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on the tax rates (and the tax laws) that have been enacted at the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequence that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current assets against current tax liability.

3. Summary of significant accounting policies, continued

3.11 Taxation, continued

Statutory and deferred tax for the period

Current and deferred taxes are recognised as an expense or income in the statement of profit or loss and other comprehensive income, except when they relate to items that are recognised outside the statement of profit or loss and other comprehensive income (whether in other comprehensive income or directly in equity), in which case the tax is also recognised outside the statement of profit or loss and other comprehensive income, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is included in the accounting for business combination.

3.12 Employee benefits

The company's pension scheme is managed independently by the Hand in Hand Trust Corporation Inc. Pension costs are assessed in accordance with the advice of independent actuaries. The Trust Deed requires an actuarial valuation at least every three years. The latest actuarial valuation for the scheme was as at December 31, 2014 which revealed a past deficit (refer to note 17).

The provisions in respect of the guaranteed post-employment benefits and the termination gratuities represent the present value of the obligations at the statement of financial position's date minus the fair value of any assets held to cover the obligations, together with adjustment for actuarial gains/losses. The obligations have been calculated by an independent actuary using hybrid method as charged or credited to income over the average remaining lives of the related employees.

3.13 Advances customer financed projects

The non-refundable amounts contributed by the Inter American Development Bank through the Government of Guyana, Guyana Power and Light Inc., the Government of Guyana and private customers in respect of capital works carried out under the Unserved Areas Electrification Programme (U.A.E.P.), are accounted for as deferred income which is amortised over the same period that the related asset is depreciated.

3.14 Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand and short term highly liquid investments that are both readily convertible into known amounts of cash and so near to maturity that they present insignificant risk of changes in value due to changing interest rates.

3.15 Comparatives

Certain comparatives were also reclassified to conform with current year presentation.

4. Critical accounting estimates and judgment in applying accounting policies

The preparation of financial statements in conformity with International Financial Reporting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgments in the process of applying the company's accounting policies. Management evaluates estimates and judgment incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

4. Critical accounting estimates and judgment in applying accounting policies, continued

(i) *Statutory taxes*

Provision is made for taxes at the tax rate effective at the date of the statement of financial position. Any additional tax due is provided for as a current tax expense.

(ii) *Provisions*

Provisions are made for expenses relating to the current year for which there is no set amount to be incurred. These amounts are best estimates based on the closest comparable amount.

Judgment in applying the company's policies

The company exercises judgment in the following areas:

- Provisions for bad debts
- Depreciation
- Pension obligation
- Intangible fixed asset
- Deferred income

5. Property, plant and equipment

2014

	Land and Buildings $'000	Generation Facilities $'000	Transmission & Distribution Facilities $'000	Motor Vehicles $'000	Furniture & Equipment $'000	Total $'000
Cost/Valuation						
January 1,	1,081,019	20,521,583	19,563,863	207,724	801,890	42,176,079
Additions	52,430	7,333,746	5,418,505	152,987	71,302	13,028,970
December 31,	**1,133,449**	**27,855,329**	**24,982,368**	**360,711**	**873,192**	**55,205,049**
Depreciation						
As at January 1,	293,039	9,878,213	7,331,577	165,651	762,109	18,430,589
Charged for the year	25,476	1,195,762	1,165,274	28,876	31,558	2,446,946
December 31,	**318,515**	**11,073,975**	**8,496,851**	**194,527**	**793,667**	**20,877,535**
Net Book Values:						
As at December 31, 2014	814,934	16,781,354	16,485,517	166,184	79,525	34,327,514

5. Property, plant and equipment, continued

2013

	Land and Buildings $'000	Generation Facilities $'000	Transmission & Distribution Facilities $'000	Motor Vehicles $'000	Furniture & Equipment $'000	Total $'000
Cost/Valuation						
January 1,	1,067,007	20,513,948	15,869,880	193,614	772,538	38,416,987
Additions	14,012	7,635	3,693,983	14,110	29,352	3,759,092
December 31,	**1,081,019**	**20,521,583**	**19,563,863**	**207,724**	**801,890**	**42,176,079**
Depreciation						
As at January 1,	267,800	8,650,489	6,129,872	147,734	706,894	15,902,789
Charged for the year	25,239	1,227,724	1,201,705	17,917	55,215	2,527,800
December 31,	**293,039**	**9,878,213**	**7,331,577**	**165,651**	**762,109**	**18,430,589**
Net Book Values:						
As at December 31, 2013	787,980	10,643,370	12,232,286	42,073	39,781	23,745,490

6. Intangible Asset

	2014 $ '000	2013 $ '000
Balance at beginning and end of year	643,291	643,291

This represents the cost of the Customer Information System (CIS) and Pre-Paid software that were capitalised based on the recognition criteria's set out under the International Accounting Standard (IAS) 38. This standard prescribes an assessment for impairment at the end of each reporting year in accordance with IAS 36.

7. Work-in-progress	**2014 $'000**	**2013 $'000**
Balance - January 1	11,301,240	10,581,708
Additions	3,148,048	3,347,437
Interest Capitalised	116,005	306,504
Transfers to Tangible Fixed Assets	(11,957,877)	(2,934,409)
Balance - December 31	**2,607,416**	**11,301,240**

Work - in - progress represents amount spent on tangible fixed assets which have not been completed at the end of the financial year.

8. Deferred tax assets and liabilities are attributable to the following	**2014 $'000**	**2013 $'000**
Deferred Tax		
Balance at beginning of year	(377,078)	(573,633)
Movement	377,078	196,555
Balance at end of year	**-**	**(377,078)**
Components of deferred tax		
Unused tax losses (see note)	816,102	**-**
Pension liability	330,120	282,090
Timing difference	(1,146,222)	(659,168)
	-	**(377,078)**

Note

Management has taken a decision to recognise deferred tax asset on unused tax loss to the extent that deferred tax liability arises on taxable temporary differences. Crystalisation of deferred tax liability would result where the company has taxable profit. Should the company have taxable profit in the future, tax losses will offset the effect of tax arising on such profit.

The total tax loss at the end of 2014 is $19,062,398. The unused tax loss at December 31, 2014 on which no deferred tax asset is recognised amounts to $16,342,058 (2013- $16,227,601).

9. Inventories

	2014 $'000	**2013 $'000**
Fuel	556,942	1,064,286
Spares	3,504,248	3,431,204
Goods in Transit	377,229	988,560
	4,438,419	**5,484,050**

The recoverable amount for the inventory on hand at the end of the year approximates the current market prices. Majority of these items are expected to be utilised within twelve (12) months.

10. Receivables	**2014 $'000**	**2013 $'000**
Customer accounts	11,529,383	11,286,876
Others	1,025,999	831,888
	12,555,382	**12,118,764**
Less		
(i) Provision for bad debts (i)	(7,506,940)	(7,255,937)
	5,048,442	**4,862,827**

(i) The company makes an annual provision of 1.5% of turnover net of prepaid sales.

11. Deposit accounts

		2014 $'000	2013 $'000
(i)	Letters of Credit	12	12
(ii)	Republic Bank (Guyana) Ltd. - Cash Collateral A/cs	1,514	1,518
(iii)	Unserved Areas Electrification Programme Counterpart A/c	2,502	3,774
(iv)	Unserved Areas Electrification Programme IDB A/c	8,748	41,827
(v)	Bank of Guyana IDB Project (Power Utility Upgrade Progr	122,536	-
Total		**135,312**	**47,131**

(ii) Represents amounts held against letters of credit for the purchase of supplies from Hexing Electrical Company Limited for the use in the Unserved Areas Electrification Programme.

(iii) & (iv) These represent funds received from the Government of Guyana in respect of the Unserved Areas Electrification Programme and the Additional Unserved Areas Electrification Programme. The use of these funds is restricted to these programmes.

(v) The Government of the Co-operative Republic of Guyana (GOG) and the Inter-American Development Bank signed a financing agreement on the October 10, 2014 for the execution of the Power Utility Upgrade Program for the enhancement of operational efficiency and corporate performance. The Program is also co-financed by the European Union's Caribbean Investment Facility (CIF) through a Project Specific Grant (PSG).

12. Related parties

		2014 $'000	2013 $'000
(a)	**Current assets**		
(i)	Agent - Bill Direct	-	184,264
(ii)	Receivable- Guyana Sugar Corporation	4,018,803	3,377,381
		4,018,803	**3,561,645**
(b)	**Current liabilities**		
(i)	Guyana Electricity Corporation - Customer Deposits	12	12
(ii)	Government of Guyana - Petro Caribbean Loan	3,491,540	2,334,238
(iii)	Government of Guyana - Infrastructural development	707,987	-
		4,199,539	**2,334,250**
(c)	**Non-current liabilities**		
(i)	Government of Guyana - Infrastructural development	7,787,859	7,320,257
(ii)	Government of Guyana - Petro Caribbean Loan	13,770,038	14,790,579
(iii)	Related Party Payable-Guysuco	1,872,179	1,578,983
(iv)	Government of Guyana - IDB Loan	724,785	600,885
(v)	Government of Guyana - Capital expenditure	6,441,966	4,770,000
		30,596,827	**29,060,704**

12. Related parties, continued

(a) (i) This represents amount owed by collection agent - Bill Direct, for remittances received from GPL's customers which were not remitted to GPL. Despite receiving judgment from the High Court in its favour, management has assessed the recoverability of this amount as remote and has accordingly recognised an impairment provision.

(ii) This represents amount owing by Guyana Sugar Corporation for Heavy Fuel Oil loaned and/or utilised from GPL's inventory.

(b) (i) This represents the amount remaining due to the Guyana Electricity Corporation for amounts collected on its behalf in respect of electricity sold prior to the incorporation of Guyana Power & Light, Inc. in accordance with the Operation and Agency Agreement. These were written off in 2009 and the balance represents the amount that is still owing as a result of a stale dated cheque.

(ii) This represents financing under the Petrocaribe Loan Agreement between the Government of Guyana and the Guyana Power & Light Inc. for the procurement of 20.7MW and 15.6MW Kingston Wartsila Power Plants, 26MW Vreed-en-Hoop Wartsila Power Plant, 69KV Transmission Lines and five (5) Caterpillar sets. Interest is charged at 3% per annum and repayment is over a fifteen (15) year period.

(iii) This represents financing under the GPL Infrastructure Development Project -Government Concessional Loan Agreement between the Government of Guyana and the Export-Import Bank of China. Interest is charged at 4% per annum and repayment is over a twelve (12) year period, with a five (5) years moratorium.

(c) (i) See b(iii) above.

(ii) See b(ii) above.

(iii) This represents amount owing to the Guyana Sugar Corporation for electricity purchased under the Power Purchase Agreement. However no interest is being charged on this amount.

(iv) This represents an agreement with the Government of Guyana through the International Development Bank (IDB) to finance the extension of the distribution system for Unserved Areas, the setup of a Loss Reduction Programme and to support the negotiation of Power Purchase Agreements.However no interest is being charged on this amount.

(v) This represents financing from the Government of Guyana for Capital Expenditure during 2014. However no interest is being charged on this amount.

13. Stated / issued capital

		Number	Minimum Issue Price $	2014 Value $'000	2013 Value $'000
Authorised:					
(i)	Common shares	Unlimited	100	-	-
(ii)	Class A Preference Shares	12,000,000	100	-	-
(iii)	Class B Preference Shares	12,000,000	100	-	-
	Special Share	1	100	-	-
Issued:					
(iv)	Common shares	55,074,228	182	9,999,361	9,999,361
(v)	Net liabilities to common shares	18,496,667	182	3,366,394	3,366,394
(vi)	Promissory note to common shares	3,450,000	180	621,000	621,000
(vii)	Conversion of subsidy	8,241,758	182	1,500,000	1,500,000
(viii)	Conversion of subsidy	32,967,033	182	6,000,000	6,000,000
New issues:					
(ix)	Conversion of subsidy	5,494,505	182	1,000,000	1,000,000
(x)	Conversion of grant	3,469,720	182	631,489	631,489
		127,193,911		**23,118,244**	**23,118,244**

All shares are owned by the Co-operative Republic of Guyana.

(i) The company is authorised to issue an unlimited amount of common shares at a minimum price of G$100.

(ii) In 2004, all Class A preference shares were automatically and permanently converted to 12,000,000 common shares of G$180 each.

(iii) In 2005, all class B preference shares were converted to common shares retroactively to October 1, 2004.

(v)& (vi) In 2010 the Government of Guyana approved the retroactive conversion of G$3.336B in net liabilities and a G$621M promissory note to common shares.

(vii) During 2011 the company converted G$1.5B of fuel subsidy granted by the Government of Guyana (GOG) to share capital.

(viii) During 2012 the company converted G$6B of fuel subsidy granted by the Government of Guyana (GOG) to share capital.

(ix) During 2013 the company converted G$1B of subsidy granted by the Government of Guyana (GOG) to share capital.

(x) During the year the company converted proceeds from IDB grant drawn to date to share capital.

14. Advances customer financed projects

In accordance with the accounting policy described in note 3.13, the following capital contributions received from the Inter American Development Bank, the Government of Guyana and private customers are amortised over the period that the related asset (transmission and distribution network) is depreciated.

	2014 $'000	2013 $'000
Contributions:		
At January 1	9,215,544	9,117,266
Contributions during the year	141,653	98,278
At December 31	9,357,197	9,215,544
Amortisation:		
At January 1	(2,661,648)	(2,244,832)
Amortisation during the year	(694,687)	(416,816)
At December 31	(3,356,335)	(2,661,648)
Net deferred income at December 31	**6,000,862**	**6,553,896**

	2014 $'000	2013 $'000
Current liabilities		
Capital Contributions (CFP)	218,075	208,718
Capital Contribution Rural Electrification	6,920	15,000
Capital Contributions (UAEP) Government	199,266	198,788
Capital Contributions (GOG)	249,521	268,982
	673,782	**691,488**
Non-Current liabilities		
Capital Contributions (CFP)	1,196,438	1,291,782
Capital Contribution Rural Electrification	-	6,920
Capital Contributions (UAEP) Government	1,053,245	1,246,267
Capital Contributions (GOG)	3,077,401	3,317,439
	5,327,084	**5,862,408**

15. Provision for decommissioning

This provision was made at incorporation to be utilised for the future cost of decommissioning certain generation facilities as and when they arise. Management has on an ongoing basis reviews this amount and its adequacy. As at December 31, 2014 management considered this amount to be adequate.

16. Customer deposits

This represents monies for security deposits collected from customers prior to the provision of service. Up to October 31, 2011 interest was accrued at the rate of 7% per annum. Pursuant to a request made by GPL to the Public Utilities Commission the rate of interest has been reduced to 2.4% per annum.

Amounts initially paid by customers along with accumulated interest are refunded when customers cease to utilise the service.

17. Defined benefit pension scheme

(a) Description of scheme

The Guyana Power and Light Inc. Pension Plan is managed independently by the Hand in Hand Trust Corporation Inc. and continues to operate under the original name Guyana Electricity Corporation Superannuation Scheme as a hybrid between a defined contributions scheme and a final pension scheme in that the benefit paid on retirement is either:

(i) A pension payable for life based on completed service and final average salary at retirement, or

(ii) The benefit otherwise payable on termination of service, which is a refund of the members' own contributions with interest and if the member has more than 10 years pensionable service, the company's contributions along with the interest.

(b) Funding

Members pay regular contribution of 5% of salaries. The company meets the balance of the cost of funding the defined benefits. Currently it pays a contribution of 7% of salaries. The company expects to pay $86 million to the pension plan for 2014.

(c) Items for inclusion in the statement of financial position.

	2014 $'000	2013 $'000
Present value of defined benefit obligation	3,766,900	3,587,300
Fair value of assets as per actuarial valuation	(2,666,500)	(2,647,000)
Net IAS 19 defined benefit liability	1,100,400	940,300

(d) Reconciliation of opening and closing statement of financial position entries

	2014 $'000	2013 $'000
Opening defined benefit liability	3,587,300	3,369,500
Current service cost	160,400	150,300
Interest cost	176,200	166,200
Members; contribution	64,000	63,800
Re- measurements	(93,600)	(70,500)
Benefits paid	(127,400)	(92,000)
	3,766,900	**3,587,300**

(e) Liability profile

The defined benefit obligation was allocated between the scheme's members as follows:
- Active members 86%
- Pensioners 14%

The weighted average duration of the defined benefit obligation at the year-end was 20 years.
59% of the benefits for active members were vested.
41% of the defined benefit obligation for active members were conditional on future salary increases.

17. Defined benefit pension scheme, continued

(f) Movement in fair value of plan assets

	$'000	$'000
Fair value of plan assets at start of year	2,647,000	2,268,200
Interest income	133,000	114,700
Return on plan assets, excluding interest income	(139,200)	207,300
Company's contribution	89,100	85,000
Member's contribution	64,000	63,800
Benefits paid	(127,400)	(92,000)
	2,666,500	2,647,000
Asset allocation		
Local equities	695,200	782,400
Local bonds	404,400	313,900
Overseas equities and bonds	132,700	153,100
Money market instruments	1,287,500	1,260,000
Cash and net current assets	146,700	137,600
	2,666,500	2,647,000

(g) Items for inclusion in the statement of profit and loss and other comprehensive income

	2014 $'000	2013 $'000
Current service cost	160,400	150,300
Net interest on net defined benefit obligation	43,200	51,500
	203,600	**201,800**

(h) Re-measurement recognised in other comprehensive income

	2014 $'000	2013 $'000
Experience gains	(45,600)	(277,800)
	(45,600)	**(277,800)**

(i) Summary of main assumptions

	2014 % pa	2013 % pa
Discount rate	5	5
Salary increases	8	8
Proportion of retirees opting for pension rather than joint ba	90	90

Assumptions regarding future mortality are based on published mortality tables. The life expectancies underlying the value of the defined benefit obligation as at December 31, 2014 are as follows:

Life expectancy at age 60 for current pensioner in years		
- Male	18.0	18.0
- Female	22.5	22.5
Life expectancy at age 60 for current members age 40 in years		
- Male	18.7	18.7
- Female	23.4	23.4

17. Defined benefit pension scheme, continued

(j) Sensitivity analysis

The calculation of defined benefit obligation is sensitive to the assumptions used. The following table summaries how the defined benefit obligations as at December 31, 2014 would have changed as a result of a change in the assumptions used.

	1% pa higher **$'000**	1% pa lower **$'000**
Discount rate	814,800	(589,900)
Future salary increases	(283,500)	329,400
Future pension increases	n/a	309,800

	10% higher **$'000**	10% lower **$'000**
Proportion of retirees opting for pension rather than joint ba	(167,800)	155,500

An increase on one year in the assumed life expectancy shown above would increase the defined benefit obligation at December 31, 2014 by 96.1 million dollars.

18. Loan

		2014 $'000	2013 $'000
(i)	Republic Bank (Guyana) Limited - US$	-	7,317
(ii)	Republic Bank (Guyana) Limited	-	18,610
		-	**25,927**
	Repayable within one year	**-**	**25,927**
		-	**25,927**

(i) (Guyana) Limited in 2010. It is repayable over a 10 year period. The principal sum was US$ 3.1 M and repayment commenced in 2004 with interest charged at 10% per annum over the USD prime rate. This loan has been fully repaid as at year end.

(ii) This loan is repayable over a 10 year period. The principal sum was G$ 1,117 M and repayment commenced in 2004. Interest is charged at 3% per annum below Republic Bank (Guyana) Limited prime rate. This loan has been fully repaid as at year end.

19. Deferred income

	2014 $'000	2013 $'000
	25,747	15,596

This represents prepaid services sold at the end of the year but not consumed. The company's policy is to account for 10% of prepaid sales in any given month as deferred income. Additionally the company has deferred income of advance customer deposits See note (14).

20. Payables

	2014 $'000	2013 $'000
Trade creditors	2,675,901	2,035,018
Employment costs	67,386	78,148
Property tax	8,661	21,590
Other accruals	1,849,466	1,138,532
	4,601,414	**3,273,288**

21. Generation costs

	2014 $'000	2013 $'000
Fuel	21,666,923	22,942,096
Fuel agency fee	74,836	67,092
Operations and maintenance contract	1,966,526	1,664,920
Purchased power	266,952	278,162
Repairs and maintenance - generation facilities	501,244	471,856
Rental of equipment - generation	313,585	282,578
	24,790,066	**25,706,704**

22. Employment costs

	2014 $'000	2013 $'000
Gross salaries	2,766,771	2,576,690
Social security costs	123,225	97,088
Pension costs	160,100	201,800
Superannuation	85,232	-
	3,135,328	**2,875,578**

The number of permanent employees at the end of the period was 799 (2013 - 819).

23. Depreciation

	2014 $'000	2013 $'000
Buildings	25,476	25,240
Plant and machinery	1,195,762	1,227,723
Transmission and distribution networks	1,165,273	1,201,705
Motor vehicles	28,875	17,917
Equipment	17,826	21,017
Computer equipment	13,734	34,198
	2,446,946	**2,527,800**

24. Administrative expenses

		2014 $'000	2013 $'000
Administrative Expenses		1,639,243	1,218,892
The following expenses were charged in the above amounts:			
Repairs and maintenance	- Motor vehicles & tools	56,557	45,314
	- Buildings	83,624	42,730
	- Equipment	33,941	86,161
Audit Fees and audit expenses		8,352	8,056

25. Taxation

	2014 $'000	2013 $'000
Deferred tax asset -Tax losses	(816,102)	-
Deferred tax Liability- Timing differences	452,703	(279,895)
Total Deferred Taxes	**(363,399)**	**(279,895)**

Reconciliation of effective tax rate	**2014 $'000**	**2012 $'000**
Loss before taxation	(1,348,395)	(2,969,478)
Corporation tax calculated at the enacted rate	(404,519)	(890,842)
Valuation allowance	510,659	890,842
Accounting depreciation	734,084	758,340
Tax depreciation	(1,221,138)	(758,886)
Deferred Tax -Pension Liability	(34,350)	(279,895)
Expenses not deductible for tax purposes	51,865	546
Total tax included in statement of comprehensive income	**(363,399)**	**(279,895)**

26. Loss per share in dollars

Earnings per share is calculated by dividing the net loss by weighted average number of common shares outstanding during the year.

	2014 $'000	2013 $'000
Net loss after taxation	(984,996)	(2,689,583)
Divided by:		
Weighted average number of ordinary shares	127,193,911	127,193,911
Loss per share in dollars	(8)	(21)

27. Foregone revenue

During the period, the Company maintained its policy of foregoing revenues where actual rates charged to customers were lower than that determined by the licence. Under its licence, the company has the option of including foregone revenues as a notional expense in determining future rates of electricity payable by customers.

Total foregone revenues for the years 2003 to 2014 amounted to G$38.047bn of which G$6.398bn was utilized as notional expenses for prior periods Final Return Certificate.

28. Compensation to key management personnel

The remuneration paid to 28 (2013- 30) key management personnel during the year was as follows:

	2014 $'000	2013 $'000
(a) Short-term employee benefits	349,415	352,382
(b) Post-employment benefits	6,969	6,812
	356,384	**359,194**

29. Contingencies

(a) The company is a defendant or plaintiff in several matters for which the ultimate liability or asset of the company, if any, has not been determined. Management does not believe that the outcome of these proceedings will have material adverse effect on the company's result of operations and accordingly no provision is necessary.

	2014 $'000	2013 $'000
(c) **Operating lease commitments**		
Operating lease commitments are as follows:		
Less than one year	32,811	24,437
2 to 5 years	7,645	25,307
	40,456	**49,744**

30. Financial instruments and financial risk management

Categories of financial instruments

Financial instruments as at the date of the statement of financial position include loans, receivables, borrowings, related party balances and payables.

The company classifies financial instruments as follows:

(i) Held to maturity assets

These comprise primarily of non- derivative instruments with fixed or determinable payments and fixed maturities that management intends to hold to maturity.

(ii) Loans and receivables

These comprise of non- derivative instruments with fixed or determinable payments that are not quoted in an active market.

(iii) Financial liabilities at amortised cost

Financial liabilities which are not classified as fair value through profit and loss are classified as financial liabilities measured at amortised cost.

	Loans and receivables $'000	Financial liabilities $'000	Total $'000
December 31, 2014			
Financial assets			
Receivables	5,048,442	-	5,048,442
Deposits	135,312	-	135,312
Related parties	4,018,803	-	4,018,803
Cash resources	3,908,063	-	3,908,063
	13,110,620	-	13,110,620
Financial liabilities			
Customers deposits	-	1,859,102	1,859,102
Related parties	-	34,796,366	34,796,366
Loans	-	-	-
Payables	-	4,601,414	4,601,414
	-	41,256,883	41,256,883

30. Financial instruments and financial risk management, continued

	Loans and receivables $'000	Financial liabilities $'000	Total $'000
December 31, 2013			
Financial assets			
Receivables	4,862,827	-	4,862,827
Deposits	47,131	-	47,131
Related parties	3,561,645	-	3,561,645
Cash resources	2,403,987	-	2,403,987
	10,875,590	-	10,875,590
Financial liabilities			
Customers deposits	-	1,708,341	1,708,341
Related parties	-	31,394,954	31,394,954
Loans	-	25,927	25,927
Payables	-	3,273,288	3,273,288
	-	36,402,509	36,402,509

Risks arising from financial instruments

The company's activities expose it to a variety of financial risks: market risk, credit risk, liquidity risk, and foreign exchange risk. These risks are inherent to the company's operation and management of these risks lies with the Board of Directors whose objective is to identify, assess, monitor and control in an effort to minimise these risks in order to increase profitability.

The main financial risks affecting the company are as follows:

(i) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company.

The company’s exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

30. Financial instruments and financial risk management, continued

(i) Credit risk, continued

Except as detailed in the following table, the carrying amount of financial assets recognised in the financial statements which is net of impairment loss, represents the company's maximum exposure to credit risk. The company does not require collateral.

The following tables shows the company's maximum exposure. It does not include those assets that are not deemed to give rise to credit risks.

On statement of financial position

	2014 $'000	2013 $'000
Receivables	5,048,442	4,862,827
Deposits	135,312	47,131
Related parties	4,018,803	3,561,645
Cash resources	3,908,063	2,403,987
	13,110,620	10,875,590

Cash resources and deposits are held with reputable financial institutions. Related parties balances are owed by Government agencies and receivables stated net of provisions represents customer balances and other receivables See note (10).

Management of investment and cash resources

Table showing exposure by location

	Guyana $'000	North America $'000	Others $'000	Total $'000
December 31, 2014				
Financial assets				
Receivables	5,048,442	-	-	5,048,442
Deposits	133,797	1,515	-	135,312
Related parties	4,018,803	-	-	4,018,803
Cash resources	3,902,429	5,634	-	3,908,063
	13,103,471	7,149	-	13,110,620
Financial Liabilities				
Customer Deposits	1,859,102	-	-	1,859,102
Related-Party Payable	8,680,484	17,620,036	8,495,846	34,796,366
Payables	4,386,773	62,083	152,558	4,601,414
	14,926,359	17,682,119	8,648,404	41,256,882
Net liability gap	(1,822,887)	(17,674,970)	(8,648,404)	(28,146,260)

30. Financial instruments and financial risk management, continued

(i) Credit risk, continued

Management of investment and cash resources, continued

	Guyana	North America	Others	Total
December 31, 2013				
Financial assets				
Receivables	4,862,827	-	-	4,862,827
Deposits	45,613	1,518	-	47,131
Related parties	3,561,645	-	-	3,561,645
Cash resources	2,398,642	5,345	-	2,403,987
	10,868,727	6,863	-	10,875,590
Financial Liabilities				
Customer deposits	1,708,341	-	-	1,708,341
Related parties	7,682,536	16,392,162	7,320,256	31,394,954
Loans	25,927	-	-	25,927
Payables	2,491,918	464,595	316,775	3,273,288
	11,908,722	16,856,757	7,637,031	36,402,510
Net liability gap	(1,039,995)	(16,849,894)	(7,637,031)	(25,526,921)

30. Financial instruments and financial risk management, continued

(ii) Liquidity risk

Management of the company's liquidity lies with the Board of Directors. This is managed using forecasted cash flows and negotiated credit from financial institutions.

	Up to one year $'000	Two to five years $'000	Over five years $'000	Total $'000
December 31, 2014				
Assets				
Receivables	5,048,442	-	-	5,048,442
Deposits	135,312	-	-	135,312
Related parties	4,018,803	-	-	4,018,803
Cash and bank	3,908,063	-	-	3,908,063
Total assets	13,110,620	-	-	13,110,620
Liabilities				
Customer Deposits	-	-	1,859,102	1,859,102
Related-Party Payable	6,071,706	7,449,842	21,274,818	34,796,366
Payables	4,601,414			4,601,414
Total liabilities	10,673,120	7,449,842	23,133,920	41,256,882
Net assets/ liabilities	2,437,500	(7,449,842)	(23,133,920)	(28,146,262)

30. Financial instruments and financial risk management, continued

(ii) Liquidity risk, continued

	Up to one year $'000	Two to five years $'000	Over five years $'000	Total $'000
December 31, 2013				
Assets				
Receivables	4,862,827	-	-	4,862,827
Deposits	47,131	-	-	47,131
Related parties	3,561,645	-	-	3,561,645
Cash and bank	2,403,987	-	-	2,403,987
Total assets	10,875,590	-	-	10,875,590
Liabilities				
Customers deposits	-	-	1,708,341	1,708,341
Related parties	3,913,221	7,021,491	20,460,242	31,394,954
Loans	25,927	-	-	25,927
Payables	3,273,288			3,273,288
Total liabilities	7,212,436	7,021,491	22,168,583	36,402,510
Net assets/ liabilities	3,663,153	(7,021,491)	(22,168,583)	(25,526,920)

30. Financial instruments and financial risk management, continued

(iii) Interest rate risk, continued

December 31, 2014	Weighted average effective interest rate %	Up to one year $'000	Two to five years $'000	Over five years $'000	Non interest bearing $'000	Total $'000
Assets						
Receivables		-	-	-	5,048,442	5,048,442
Deposits		135,312	-	-	-	135,312
Related parties		-	-	-	4,018,803	4,018,803
Cash and bank		-	-	-	3,908,063	3,908,063
		135,312	-	-	12,975,308	13,110,620
Liabilities						
Customers deposit	2.4	-	-	1,859,102	-	1,859,102
Related parties	3.25	6,071,706	7,449,842	15,203,112	6,071,706	34,796,366
Payables		-	-	-	4,601,414	4,601,414
		6,071,706	7,449,842	17,062,214	10,673,120	41,256,882
Interest sensitivity gap		(5,936,394)	(7,449,842)	(17,062,214)	2,302,188	(28,146,262)

December 31, 2013

December 31, 2013	Weighted average effective interest rate %	Up to one year $'000	Two to five years $'000	Over five years $'000	Non interest bearing $'000	Total $'000
Assets						
Receivables		-	-	-	4,862,827	4,862,827
Deposits		47,131	-	-	-	47,131
Related parties		-	-	-	3,561,645	3,561,645
Cash and bank		-	-	-	2,403,987	2,403,987
		47,131	-	-	10,828,459	10,875,590
Liabilities						
Customers deposit	6	-	26,040	1,682,301	-	1,708,341
Related parties	3.25	3,913,221	7,021,491	16,547,021	3,913,221	31,394,954
Loans	10	25,927	-	-	-	25,927
Payables		-	-	-	3,273,288	3,273,288
		3,939,148	7,047,531	18,229,322	7,186,509	36,402,510
Interest sensitivity gap		(3,892,017)	(7,047,531)	(18,229,322)	3,641,950	(25,526,920)

30. Financial instruments and financial risk management, continued

(iv) Foreign exchange risk

Foreign currency risk management lies with the Board of Directors. The company is exposed to this risk primarily from trading. They have not entered into any contractual arrangement to mitigate this risk but they maintain an appropriate amount of liquid funds in the respective currencies to settle liabilities as the need arises.

The following table details the sensitivity to an increase or decrease in the Guyana dollars against the United States Dollars. This shows a decrease of profit amounting to G$176,750,000 (2012 G$168,499,000), if the Guyana Dollar weakened against the United States Dollars by 1%.

	Financial Assets $'000	Financial Liabilities $'000	Net Liability $'000	% Change $'000	Impact on profit $'000
December 31, 2014					
G$ equivalent of US Dollars	7,149	17,682,119	(17,674,970)	1	(176,750)
December 31, 2013					
G$ equivalent of US Dollars	6,863	16,856,757	(16,849,895)	1	(168,499)

(v) Capital risk

The company manages its capital, represented by total shareholders equity on its statement of financial position, to ensure that it will be able to continue operating into the foreseeable future while maximising the return to the shareholders.

31. Economic dependence

Guyana Power and Light Inc. is wholly owned by the Government of Guyana. The Company incurred accumulated losses of$16,617,779K since its incorporation. Future operations of the company is dependent on the ongoing financial support of the Government of Guyana and/ or a the company generating profits in the future.

During 2014 the company generated a positive operating cash flow of GYD4.1 Bln and is projected to return to profitability during 2015.

32. Subsequent events

Subsequent to year end the company has entered into an investment arrangement whereby the company has invested sum of fifteen million United States dollars (USD15M):

(i) Equity investment- four million United States Dollars (USD4M)

(ii) Debt instrument- eleven million United States Dollars (USD11M)

The investment is in Skeledon Energy Inc. (SEI), a special purpose state owned company which has purchased the energy assets located at Guysuco Skeldon Estate, effective April 1st 2015 for consideration of US$30 million. These assets consists primarily of three wartsila power plants with and installed capacit of 10MW and a Co-generation Bagasse Plant with an installed capacity of 30MW.