



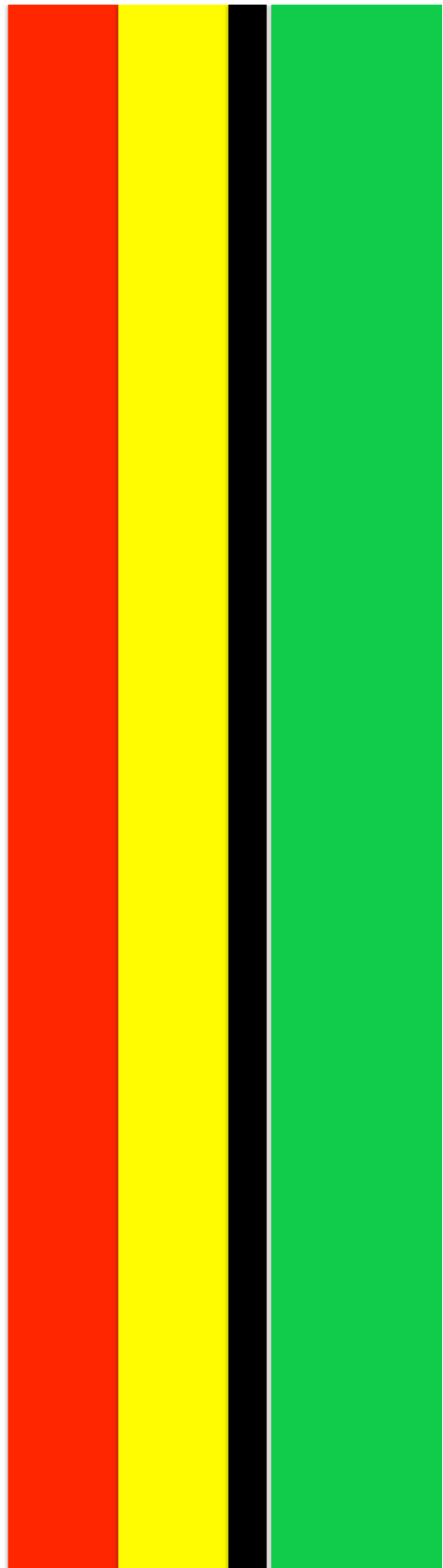
GHANA FREE ZONES BOARD

ANNUAL REPORT

&

AUDITED ACCOUNTS

2014



VISION STATEMENT

To facilitate a vibrant economy in Ghana, driven by a well-integrated business environment with world class capacity for competition, technological innovations, business growth, economic diversity and development.

MISSION STATEMENT

To help transform Ghana into the Gateway to West Africa by creating an attractive and conducive business environment through the provision of competitive Free Zone incentives and operation of an efficient “one-stop-shop” for the promotion and enhancement of domestic and foreign investment.

CONTENTS

	Pages
1.0 OVERVIEW OF GHANA FREE ZONES BOARD	
1.1 Introduction	5
1.2 Functions of the Board	5
1.3 Concept	5
1.4 Purpose	5
1.5 Strategy	6
1.6 Achievements	6
1.7 Members of the Board	10
2.0 EXECUTIVE SUMMARY	11
3.0 REVIEW OF OPERATIONS	13
3.1 Human Resource Department	13
3.2 Marketing, Promotion & Pr Department	17
3.3 Project Evaluation & Licensing Division	23
3.4 Estate & Enclave Development Department	24
3.5 Monitoring Department	26
3.6 Information Technology Department	27
3.7 Legal Department	29
4.0 DATA ANALYSIS	31
4.1 Investment Capital Schedule	31
4.2 Production Schedule Of Manufacturing And Service Enterprises	31
4.3 Import Schedule Of Commercial Enterprises	31
4.4 Export Schedule Of All Enterprises	32
4.5 Employment Schedule Of All Enterprises	32
4.6 Salary/Wage Schedule Of All Enterprises	32
4.7 Vat/Duties Paid On Sales Into The Domestic/Local Market	33
4.8 Training Schedule Of All Enterprises (Ghanaian Nationals)	33
4.9 Social Security Schedule Of Free Zone Employees	33
4.10 Income Tax Schedule Of Free Zone Employees	33
5.0 FINANCIAL REVIEW	33
5.1 Revenue	33
5.2 Expenditure	34

6.0 CONSTRAINTS

7.0 CONCLUDING REMARKS

APPENDICES

		Page
Appendix 1	Free Zone Enterprises Licensed In 2014	35
Appendix II	Capital Invested By Free Zone Enterprises 2014	37
Appendix III	Production Schedule Of Manufacturing And Services Enterprises 2014	37
Appendix IV	Import Schedule Of Free Zone Enterprises 2014	38
Appendix V	Export Schedule Of All Free Zone Enterprises 2014	38
Appendix VI	Employment Schedule Of Free Zone Enterprises 2014	39
Appendix VII	Salary/Wage Schedule Of Free Zone Enterprises 2014	39
Appendix VIII	Vat/Duties Paid On Local Sales By Free Zone Enterprises 2014	40
Appendix IX	Training Schedule Of Free Zone Employees (Ghanaian Nationals) 2014	40
Appendix X	Social Security Schedule Of Employees Of Free Zone Enterprise 2014	41
Appendix XI	Income Tax Schedule Of Free Zone Employees 2014	41
Appendix XII	Audited Accounts	42

TABLES**Page**

Table I	Registration of Companies	6
Table II	Employment	7
Table III	Production	7
Table IV	Export	8
Table V	Capital Invested	9
Table VI	Employment Distribution by Sector	32

1.0 OVERVIEW OF GHANA FREE ZONES BOARD

1.1 INTRODUCTION

The *Free Zone Act (1995), Act 504*, was passed on 31st August, 1995 for the promotion of economic development, to provide for the regulation of activities in free zones and for related purposes. There is established by this Act a Board which is the Ghana Free Zones Board.

1.2 FUNCTIONS OF THE BOARD

The functions of the Board are stipulated as follows:

- ❑ Grant licenses to applicants;
- ❑ Assist applicants for licenses under Act 504 by providing services for obtaining other relevant licenses, permits and facilities;
- ❑ Examine and recommend for approval, proposals relating to the development and activities of the free zones;
- ❑ Monitor the activities, performance and development of Free Zone Developers and Enterprises to ensure compliance to the Free Zone Act and any other laws relevant to free zone activities;
- ❑ Register and keep records and data on the programmes of developers, operators and enterprises in free zones;
- ❑ Perform such other functions as are incidental to the foregoing.

1.3 CONCEPT

The Ghana Free Zones Programme is private sector driven. Government's role is limited to facilitating, regulating and monitoring activities of Free Zone Enterprises and Developers.

The Programme is designed primarily to promote processing and manufacturing of goods and services through the establishment of Export Processing Zones (EPZs), structured either as enclaves or single-factory enterprise schemes. The Programme also encourages the development of commercial and service activities in and around seaports and airports.

Under the Ghana Free Zones Programme, the whole of Ghana is accessible to potential investors to locate in and produce goods and services primarily for export.

1.4 PURPOSE

The main objective of the Free Zones Programme is the promotion of economic development through the following means:

- ❑ Attraction of foreign direct investment;
- ❑ Creation of employment opportunities;
- ❑ Increase in foreign exchange earnings;
- ❑ Provision of business opportunities for foreign and local investors to undertake joint-ventures;
- ❑ Enhancement of technical and managerial skills/expertise of Ghanaians;
- ❑ Transfer of technology and diversification of exports.

1.5 STRATEGY

The main strategy of the Board is to market Ghana as a destination of choice for investments that have potential to generate exports. Other strategies include:

- ❑ Provision of attractive incentives to facilitate the setting up of factories and businesses in Ghana
- ❑ Elimination of all bureaucratic and procedural obstacles in the establishment and/or operational phase of free zones projects.
- ❑ Encouraging and supporting the linkage of local and foreign free zone investments through joint venture arrangements.
- ❑ Facilitation of transactions between free zone investors and local industries to maximize the value addition of exportable commodities in the national economy.
- ❑ Promotion of skills development and improved expertise of Ghanaian employees in free zone enterprises.
- ❑ Encouraging the development and growth of the export sector, through emphasis on value addition to local resources.

1.6 ACHIEVEMENTS

1.6.1 Registration of Companies

Since the inception of the free zones programme, a number of companies have been licensed under the scheme in order to benefit from the incentives that render them competitive and also give them the opportunity to reach a large international market. The Ghana Free Zones Board has progressively registered new companies each year. Total number of registered free zone companies as at 2014 was 352; the yearly distribution from 1996/97 to 2014 is as follows:

YEAR	NO. OF COMPANIES
1996/97	8
1998	11
1999	6
2000	11
2001	14
2002	25
2003	37
2004	23
2005	21
2006	29
2007	28
2008	26
2009	7
2010	20
2011	25
2012	17
2013	30
2014	14
Total	352

1.6.2 Employment Generation

Total employment generated under the Free Zone Programme as at the end of 2014 was 30,271 the yearly distribution of which is as follows:

YEAR	EMPLOYMENT
1996/97	3,483
1998	3,968
1999	5,523
2000	6,895
2001	7,445
2002	9,459
2003	14,071
2004	23,928
2005	28,334
2006	25,773
2007	28,880
2008	28,595
2009	28,936
2010	29,798
2011	30,080
2012	30,383

2013	31,005
2014	30,271

1.6.3 Production Value

Annual production value of Free Zones Companies in 2014 was **US\$2,200.18M**. The yearly figures from 1996/97 to 2014 are as follow:

YEAR	PRODUCTION (US\$M)
1996/97	1.40
1998	158.50
1999	162.20
2000	134.40
2001	103.60
2002	222.50
2003	286.50
2004	348.70
2005	602.90
2006	506.60
2007	478.60
2008	1,116.00
2009	821.00
2010	1,329.00
2011	1,195.67
2012	1,069.11
2013	1,126.31
2014	2,200.18
Total	11,913.17

1.6.4. Total Export

Annual total export value of licensed Free Zone Enterprises from 1998 to 2014 amounted to **US\$26,563.33**. The breakdown is given below:

YEAR	VALUE (US\$M)
1998	145.40
1999	184.08
2000	165.07
2001	291.03
2002	174.30
2003	414.01
2004	627.40
2005	509.99
2006	522.81
2007	779.90
2008	1,286.91
2009	1,667.57
2010	1,690.70
2011	1,966.72
2012	1,830.30
2013	12,268.18
2014	2,360.22
Total	26,563.33

1.6.5 Capital Invested

During the year under review US\$167.47M was invested in various sectors of the free zone programme. The cumulative amount of capital invested in free zones since the inception of the programme in 1996/97 to the end of 2014 stands at **US\$2,684.90M**. The breakdown of investments over the years is as follows:

Table V

YEAR	VALUE (US\$M)
1998	117.18
1999	80.63
2000	43.82
2001	163.52
2002	41.51
2003	160.54
2004	131.32
2005	185.90
2006	151.83
2007	114.03
2008	315.84
2009	214.83
2010	212.33
2011	224.64
2012	247.51
2013	279.45
2014	167.47
Total	2,852.37

1.7 MEMBERS OF THE BOARD



Hon. Haruna Iddrisu
(Minister of Trade & Industry)
Chairman



Mr. Kwadwo Twum Boafo
Executive Secretary



Mrs Florence Hutchful
Member



Mrs. Gifty Anku
Member



Alhaji Adams Mahama
Member



Ms. Anita De Sosoo
Member



Mr. Kwabena Yeboah
Member



Ms. Eugenia Jackson-Cofie
Member



Mr. William Adotei Ado
Member



Ms. Katherine Oduro
Member

2.0 EXECUTIVE SUMMARY

The Ghana Free Zones Board over the years has consistently followed policies directed towards the promotion of the Free Zones scheme and enhancing the economy by the encouragement of local and foreign investors. To this end it has created a liberal but soundly based regulatory regime to monitor activities of free zone enterprises to ensure compliance.

The year under review saw the Ghana Free Zone Board (GFZB,) with the collaboration of the regulatory agencies, successfully organising two (2) stakeholder fora for Free Zone Enterprises operating in the Southern and Northern zones of the country and to discuss pertinent operational issues.

GFZB recruitment strategy is to attract individuals who share its values, and believes in its course. Our selection process ensures that we carefully identify behavioural competencies in addition to mandatory technical skills. There were twelve (12) new recruitments in the year 2014. Nine (9) Assistant Officers, one (1) driver, one (1) Janitor and one (1) Gardener to augment the existing staff, more especially because some staff moved from the Secretariat to the Tema Enclave office which was opened in July this year.

In a bid to create a niche as a one stop shop investment centre for investors, the Board has agreed to build a five (5) storey ultra-modern complex at the present location of the office, which is expected to house all of its ancillary offices, as well as provide office accommodation for all future agencies. Operations at the Head office were therefore relocated to a temporary rented premise to allow for commencement of the construction of the modern head office. The Board also commenced operations at its multipurpose and relationship office block within the Tema Enclave upon completion of renovation works. The Board received proposals from Vanguard Properties Ltd to develop the Proposed Community 21 Land into a world class residential estate. A combined team of National Security, Police and the Board successfully undertook the ejection of all illegal tenants at the community 21 Land.

In year under review, the Investor Support Services Department saw an improvement of the marketing activities and commitment of the department to be proactive in the discharge of its duties. The focus was on investment promotion activities including participation in trade fairs and exhibitions, local promotion, advertising, targeted investment promotion missions, and investor aftercare.

The Board received Twenty Six (26) new applications from prospective investors. Out of this number, the Board approved Fourteen (14), deferred Six (6), Two (2) were declined and Four (4) were pending. This translated in to a capital investment amount of **One Hundred and Three Million, Thirty Eight Thousand Ghana Cedis, (GHS 103,038,000.00)** and a total of **Seven Thousand and Ninety, (7,090)** employment generated in Ghana.

The Legal department with assistance from the Attorney General's Department ably represented GFZB in all civil suits in which it was a party. The Department drafted contracts and agreements involving GFZB. All land related transactions were handled by the department.

Total capital invested in 2014 alone by Free Zone Enterprises amounted to US\$167.47 Million while the cumulative capital invested since the inception of the Programme i.e. 1996/7 to 2014 stood at US\$2,852.37 Million

The value of production by Free Zone Enterprises for the year under review amounted to US\$2,200.18 Million while the value of export for the same year amounted to US\$2,360.22 Million.

Total employment figures as at the end of the year 2014 was 30,271 comprising 28,908 nationals and 1,363 expatriates. Total value of salary/wages for the year under review was US\$115,250,306.93 with Ghanaian employees earning US\$75,173,166.58 and expatriates earning US\$40,077,140.35

Total duties/levies paid on sales into the local market as at the end of 2014 amounted to US\$10,619,615.56 whilst a total of US\$4,854,888.14 was spent on training Ghanaian employees.

Also, Free Zone Enterprises paid a total amount of US\$10,564,752.04 in Social Security contributions whilst US\$19,313,254.97 was paid as income tax in respect of their employees during the year under review.

Total income generated in 2014 was Thirty-One Million, Eight Hundred and Eighty-Nine Thousand, Four Hundred and Thirty-Seven Ghana Cedis, (GHC31,889,437) as against 2013 amount of Fifteen Million, Six Hundred and Forty-Three Thousand Ghana Cedis, (GHC15,643,000). This represents a 103.9% increase in revenue generated over 2013. The increase was mainly due to levies and penalties on companies who do not comply with the board operational regulations, increased sales of Forms, License Fees and renewals.

Excess income over expenditure was Eighteen million and Seventy-Four thousand, Five Hundred and Two Ghana Cedis (GH¢18,074,502) in 2014 as against Six million, Five Hundred and Sixty-Nine thousand, Seven Hundred and Sixty-Nine Ghana Cedis (GH¢6,569,769) in 2013.

3.0 REVIEW OF OPERATION

3.1 ADMINISTRATION DEPARTMENT

This report seeks to capture the major activities of the Administration department of the Ghana Free Zones Board (GFZB) in 2016. The Administration department among other things has the mandate to advise management on general administrative policies including staff recruitment, transport, welfare, medical, pension, security policies, collation and production of the annual budget to the board, facilitate staff appropriate training, staff performance appraisal mechanism to enhance and determine the potential of individual staff for promotional and target setting purposes. It directly supervises the operations of the Human Resources, Transport and Stores Units.

3.1.1 Human Resource Unit

The Human Resource team as part of building on its gains over the years decided to focus on strategic employees management tailored at supporting the unique goals, corporate culture, and objectives of the organization. GFZB believes that its success as an organization does not only depend on hiring qualified candidates, but also effective human resource planning and management is required at all stages to ensure employee growth and satisfaction. Employee satisfaction is vital to the success of any organization because of its direct impact on productivity and creativity. This combination of high satisfaction and maximum productivity amounts to employee engagement, for which reason, the HR team decided on the following as objectives for the year 2014 which was worked on quarterly throughout the year.

- Training and Development needs assessment
- Recruitment
- Employee Orientation
- Employee Motivation
- Health and Safety
- HR system implementations
- Upholding Confidentiality, Accountability, and Trust.

3.1.2 Recruitment

GFZB recruitment strategy is to attract individuals who share its values, and believes in its course. Our selection process ensures that we carefully identify behavioural competencies in addition to mandatory technical skills. There were twelve (12) new recruitments in the year 2014. Nine (9) Assistant Officers, one (1) driver, one (1) Janitor and one (1) Gardener to augment the existing staff, more especially because some staff moved from the Secretariat to the Tema Enclave office which was opened in July this year. As stated in Article 5 (i) of the Condition of Service, all new staff members who were employed during year, signed a declaration pledging to observe a strict code of secrecy in respect of the affairs of the GFZB.

3.1.3 Training and Development

There is an imperative need to develop human resource in every organization to enhance the capacity of the personnel to deliver their assigned roles. Ghana Free Zones Board is a company that prides itself with attracting and retaining passionate and highly skilled employees. In support of these values, GFZB has fostered a culture of learning and on-going professional development through the implementation of several unique training programmes and opportunities for its employees both in country and out of the country. In the year 2014, the secretariat continued to provide training and development opportunities for its staff members to enhance their level of productivity and support staff's personal development. Twenty Six (26) staff attended training in their various fields. Below is a table of training and developmental courses attended 2014.

COURSE / PROGRAMME	BENEFICIARIES	DATE ATTENDED	NUMBER OF STAFF
Public Financial Management for Non-financial Managers.	Assistant Officer	27/01/14 to 07/02/14	1
Dynamic Office Management and Administration	Secretary and Registrar	24/02/14 to 28/02/14	2
Computerized Auditing & Accounting Systems	Compliance Officers	03/03/14 to 14/03/14	3
Dynamic Office Management and Administration	Secretaries	07/04/14 to 11/04/14	3
Strategic Records & Information Management	Assistant Officers	19/05/14 to 23/05/14	2
IT Audit, Information Security & Risk Insights Africa	Senior Officer	19/05/14 to 21/05/14	1
Project and Environmental Management	Assistant Officer	19/05/14 to 23/05/14	1
Advance Project Management	Assistant Officer	06/05/14 to 13/05/14	1
Environmental Management and Development	Assistant Officer	05/05/14 to 09/05/14	1
Effective Human Resource	Manager	06/05/14	1

Management		to 08/05/14	
Taxation Policy and Management	Assistant Manager	16/06/14	1
	Assistant Officers	to 20/06/14	2
Protocol, Etiquette and Events Management	Assistant Officer	02/06/14 to 06/06/14	1
Advance Treasury Management	Head of finance	07/07/14 to 18/07/14	1
Financial Analysis, Budgeting and Reporting	Assistant Officer	30/07/14 to 05/08/14	1
Supervisory Skills	Assistant Officer	04/08/14 to 08/08/14	1
Payroll and Pension Management	Officer	03/09/14 to 10/9/14	1
Construction Project Management	Head Of Estate And Enclave	23/10/14 to 05/11/14	1
Construction Project Management	Head Of Procurement	23/10/14 to 05/11/14	1

3.1.4 Promotion

Promotion means growth and rise up the professional ladder. Promotions assign workers to jobs better suiting their abilities and quickly move up talented workers. Promotion is used to reward past employee's efforts, promote investments in specific human capital and lower job turnover. Good performance leads to promotion. Incentives, rise in salary, employee benefits etc. given to employees give them a tremendous sense of satisfaction, but the most important motivating factor, which rejuvenates an employee with more enthusiasm and responsibility, is "Promotion". It is said that only a growing person is seen as a successful person. It is in support of the above-mentioned values that GFZB encourages promotion of its deserving staff. Promotion in GFZB is based on qualification, efficiency, on the-job experience, sense of responsibility, initiative, general behaviour, cooperation, interest in the GFZB's affairs, leadership qualities, special aptitude, punctuality and such other factors as the GFZB may determine from time to time. There was no promotion during the year in review.

3.1.5 Staff Strength

GFZB ended the year with Sixty five (65) highly qualified and engaged staff that drives its objectives and activities at the secretariat. The number is made up of Twenty Five (25) female and Forty (40) male staff members.

3.1.6 Employee Orientation

Ghana Free Zones Board continues to give orientation to new staff as they come in since it appreciates the impact that a well-structured orientation process can have on new employees, and their ability to successfully integrate into the workplace and help them start off on the right foot. The HR unit has created a detailed Employee Orientation Programme that helps new employees learn about basic workplace operations, what is expected of them and what they should in return expect from the organisation with the assistance of receiving departments.

3.1.7 Motivation

The goal is to motivate employees with the right environment and management practices that bring out the best in them so they can give their best to the organization and customers. The board will continue to find ways of motivating staff as it believes that when an employee is motivated he/she will be committed, excited, energized and passionate about the work he/she is doing and the organization he/she is working for.

3.1.8 Health and Safety

Employees are the most valuable assets that an organization possesses. In the same way that machinery must be maintained, staff has to be looked after in such a way that they can produce their best effort. This involves but not limited to their welfare and their health and safety. It is said that a healthy workforce is likely to be an efficient workforce. There is also the strong belief that health status, as measured by modifiable health risks (e.g., obesity, tobacco use)

and/or health conditions (e.g., diabetes and high blood pressure), can impair day-to-day work performance. Considering the impact that health status has on organizational performance, employee wellness is a critical factor to an organization's short- and long-term success. It is for this reason that GFZB continues to reimburse part of employee's medical bill and pays for employees National Health Insurance to ease some of the burden on medical bills from its employees. In addition GFZB organized a health screening for its staff, where a State of the Art and a well-known medical company was contracted to come on site to have medical screening done on the staff followed by a one-on-one medical consultation with the company's medical director. This gave the staff the opportunity to know what is wrong with them medically and then do the necessary follow ups.

3.1.9 Conclusion

The HR unit under the Administration department and the secretariat at large are committed to promoting conducive working environment that promotes productivity, creativity and an engaged workforce. The HR unit will continue to work on achieving its objectives for the year.

3.2 Investor Support Services

The Department is mandated to undertake the following activities:

- Identify and Implement time-framed strategies for the promotion of the Ghana Free Zones Programme.
- Organize the preparation and selective dissemination of promotional literature and materials on the Ghana Free Zones Programme to potential local and foreign zone investors
- Prepare and organize in-and out-bound free zone investment promotion missions/conferences as well as participate in international and local trade fairs/shows/exhibitions with the aim to attract investors into the zone
- Develop and maintain good relations with licensed enterprises to ensure smooth operations.
- Provide aftercare services for licensed free zone enterprises.
- Design for the provision and dissemination of credible information on the free Zones programme to the local and international media
- Develop and maintain close relationship with foreign and local media houses and journalists with the object of sponsoring articles, advertisements and other publications for the promotion of the free zone programme.
- Organize discussions and educational campaigns in the media on the opportunities and incentives under the free zone scheme.
- Establish close relations with and organize lectures on the essence/prospects of the free zones programme for officials of both public and private sector organizations whose activities bear on the development of the programme.

- Provide necessary information for general enquiries and interested individuals/groups visiting the secretariat.
- Undertake any other such activities which are likely to contribute to the promotion of the programme and the image of the organization as a whole.

In year under review, the Investor Support Services Department saw an improvement of the marketing activities and commitment of the department to be proactive in the discharge of its duties. The focus was investment promotion activities including participation in trade fairs and exhibitions, local promotion, advertising, targeted investment promotion missions, and investor aftercare.

3.2.1 Local Fairs / Outreach Programme

The Ministry of Foreign Affairs has instituted an inter-institutional planning committee to coordinate all international and local participation at trade fairs and exhibition. The Ghana Free Zones Board has nominated a representative to serve on the committee. Some agencies with representatives on the board are, FAGE, GEPA, Ghana Chamber of Commerce, Ministry of Trade, EDAIF, GIPC etc.

For the most part the year 2014, all activities were coordinated with the above mentioned agencies to ensure that there was collaboration between agencies to maximize efforts to increase investment into the country and most importantly promote export oriented activities.

3.2.2 International Fairs/ Investment promotion Missions

The under listed fairs and missions were embarked on during the year under review:

- **4th Round of Ghana-Turkey Joint Trade and Economic Committee Cooperation Negotiations at Accra International Conference Centre on 14th April, 2014.**

The Negotiation was signed by the Minister of Trade and industry, Honourable Haruna Iddrissu and his Turkish counterpart.

- **Meet the Press at the Ministry of Information- April 15th 2014**

The Ghana Free Zones Board (GFZB) was invited by the Ministry of Trade and Industry to attend the Meet-the-Press series organized by the Ministry of Information and Media Relations on April 15th 2014. As part of the programme, the GFZB together with other agencies under the Ministry of Trade and Industry mounted a mini exhibition for the Minister's inspection and acquaintance with the board's current achievements as well as to disseminate information on the programmes and activities of the board to invited guests and the media.

- **Pan-African Conference on Inequalities in the Context of Structural Transformation- 28th to 30th April 2014**

The Ministry of Trade and Industry organized a three-day high level, multi-Stakeholder African Conference on Inequalities from 28th -30th April 2014 at the AICC. The Ghana Free Zones Board mounted a mini exhibition to showcase the Ministry's policies, programmes, activities and achievements over the years.

- **9th International Turkish-African Congress**

The 9th International Turkish-African Congress with its main theme "**Sectoral and Financial Transformation in Africa: Opportunities & Risks**" was organized by TASAM African Institute in Istanbul from **24th -25th April 2014**.

The congress was attended by various ministries and undersecretaries from Turkey, African Union, Expert Institutions, Africa's prominent regional economic organizations, financial institutions, African Chamber of Commerce and Industry, Investment Incentive Centers, Free Economic Zones (**including the Ghana Free Zones Board**), Business World Umbrella Organizations, Consulting Corporations, Investment Companies and Mission Representatives of African Countries in Ankara. Representatives from various international organizations also attended.

In 2000 Africa was called as "Hopeless Continent", in 2011 it was re-called as "Rising Continent" which was regarded as a result of change and transformation. The importance Direct Foreign Investment and Remittances by African Diaspora to the continent were reported. It was mentioned that the amount of Direct Foreign Investment was 9.6 billion dollars in 2000 which has risen to 50 billion dollars in 2012. It was pointed that this growth rate was as a result of Chinese, Indian and Brazilian investments in Africa.

- **Working visit to the Embassy of Ghana in Brussels, Belgium, the African Caribbean and Pacific Group of States' office in Brussels and the Embassy of Ghana in Den Haag, the Netherlands.**

At the Embassy of Ghana in Brussels, the ISS Manager, met and held discussions with Mr. Patrick Amos Poku and Abdul Rahman Adam Minister Counsellor, Commercial and Head of Chancery respectively. This meeting was to create and foster business relationships between Belgian entrepreneurs and businessmen as well as Ghanaians residing in Belgium through the Embassy and the GFZB. The ISS Manager also explained the Free Zones programme and the imminent incentives that potential investors would benefit from if they located their businesses to Ghana to operate as licensed Free Zones Companies.

- **Meeting With the Blacklvy Group LLC-4th April 2014**

The GFZB was invited by the Minister of Trade and Industry, Honourable Haruna Iddrissu for a briefing on a meeting with Blacklvy Group LLC. Blacklvy is an investment company based in Maryland the United States of America, which is interested in the development of the GFZB's designated land bank in Shama into a multi-purpose industrial park.

- **World Trade Centre Accra Promotional Seminar- Trade and Investment Mission to the U.S.A-13th May 2014**

The GFZB participated in a promotional seminar on the, 13TH May 2014, on the upcoming trade and investment mission to the United States of America. This trade and mission was organized under the auspices of WTC Accra with support from the U.S Embassy in Ghana, the American Chamber of Commerce, Ghana.

The purpose of the mission was to introduce both Ghanaian and American firms to their respective markets and prospective partners in the areas of education, agriculture, health, transportation, mining, electricity, textiles, footwear, Information technology, oil and gas, energy, real estate, construction and infrastructure, telecommunication, auto parts, among others.

- **W.T.O. Trade Review Committee Meetings at the Ministry of Trade and Industry**

The Ghana Free Zones Board, (GFZB) together with other representatives from various Ministries, Departments and Agencies (MDAs) was part of the Trade Policy Review Committee that held series of meetings at the Ministry of Trade and Industry. **Gambia Investment and Export Promotion Agency Delegation- 15th May 2014**

The Ghana Investment Promotion Centre hosted a two member delegation from the Gambia Investment and Export Promotion Agency from 12TH to 16TH May 2014. The duo had come to understudy the centre's operations to learn best practices and apply same to their programmes, activities and policies in the Gambia. The delegation held discussions with relevant Ministries, Departments and Agencies including the Ghana Free Zones Board on 15th May, 2014.

- **Invitation to 75th National Exporters Forum-28th May, 2014**

The Ghana Free Zones Board attended the 75TH National Exporters' Forum on 28TH May, 2014 at the Main Auditorium of the Ghana Trade Fair Company, La, Accra. Originally known as the Exporters' Forum, the National Exporters' Forum, instituted in 1987, is a platform for finding 'on-the-spot' solutions to challenge exporters face in their business and also to inform and educate exporters on new programmes and policies related to export. Issues were raised about the non-issuance of licences to Ghanaian investors who wanted to operate within the free zones. This statement was regarded as erroneous and the necessary correction was made to clear the misconception among some Ghanaians.

- **Time with Industry Players organized by Ghana Trade Fair Company Ltd. (GTFC)**

The Ghana Free Zones Board attended the **TIME WITH INDUSTRY PLAYERS** programme which was organized by the Board and Management of the Ghana Trade Fair Co. Ltd. The programme was launched at the Ghana Trade Fair Centre, Main Auditorium on the 3rd July 2014.

The programme was aimed at interacting on the prospects of the rebranding of the activities of Ghana Trade Fair to benefit of our corporate entities.

- **Roundtable Discussion with the Head of UNIDO ITPO Italy- 4th June, 2014**

Ghana Free zones board was invited to attend roundtable discussion with the head of Unido ITPO Italy on 4th June, 2014 at 10:00 at the World Trade Centre. The Purpose of the meeting was to deliberate on a possible country presentation to the Italian business community in Rome on 31st October 2014. The Objective of the country presentation is to showcase the investment opportunities in Ghana to Italian investors.

- **Workshop on Harmonization of Investment and Investment Related Procedures and Policies**

The GIPC invited the Ghana Free Zones Board to be part of a workshop to harmonize some sections of the GIPC Act on investment and investment related procedures and policies.

- **4th National Health, Environment & Safety Conference & Exhibition 2014**

The Ghana Free Zones Board was invited by the Ministry of Trade and Industry to participate in the 4th National Health Environment and Safety Conference and Exhibition. As part of the programme, the board together with other agencies mounted a stand to engage with the general public while educating them on the Free Zones programmes and activities.

- **International Star for Leadership in Quality Award By Bid Group One- June 20th And 21st, 2014**

Ghana Free Zones Board, chosen by Selection Committee of BID quality and Innovation Award, received the International Star for Leadership in Quality in Platinum category in the year 2014 for commitment to Quality and Excellence.

The 2014 International Quality Awards were presented by Business Initiatives Directions and BID Group One in the Hyatt Paris Etoile, Palais des Congress Convention Hall in Paris, France. The Event was presided by Jose E. Prieto, President and CEO, along with outstanding personalities from the business world and diplomatic corps.

The Award was presented during the International ISLQ Convention held by BID Group in Paris on June 20th and 21st, 2014. The Ghana Free Zones Board was presented by the Investor Support Services Manager (Hajia Hanatu Abubakar) and Madam Katherine Oduro, a board member of the GFZB.

- **Press Briefing -26th June 2014**

The Ghana Free Zones Board organized a press briefing on 26th June 2014 to inform the general public about the International Star for Leadership in Quality award which was in the recognition of the Board's hard work and sterling performance. Subsequently, there was a stream of publications from both the print and electronic media. The media houses present at the press briefing included

3.2.3 Promotional Materials

The department printed new brochures to meet the increasing demand of information on the free zones as well as the department's regular participation in fairs and exhibitions. The new brochures were updated with information on the economy of Ghana and the cost of doing business.

The department supplied its diaries and calendars to the information service department for onward transmission to Ghana missions abroad and some were directly given to selected mission that hosted investment programmes.

3.2.4 End of Year Dinner Dance

The Ghana Free Zones Board organised an end of year dinner dance to bring all stakeholders together for a fruitful interaction as well as inform them and the general public about the achievements of the Board over the years. The Executive Secretary of the GFZB also outlined some prospects for the year 2014 which had resulted from investment promotion missions the Board has embarked on within the year. Notable among the projects mentioned were:

- Black Ivy's West Park project in Shama,
- Adenya poultry project,
- BPM Packaging Company
- 1st African Conference of the World Federation of Free Zones (FEMOZA)

3.2.5 Enquiries

The department in the year 2014 received over 1,150 enquiries. This includes telephone calls, emails and walk -ins.

The department contacted persons who had made enquires to check if there was any assistance the department could give and if they were facing any challenges with regards to their intention to acquire a license.

Lastly the department also provided information on request to institutions and individuals in Ghana and abroad for research and academic purposes.

3.2.6 Investor Aftercare

The department during the period visited a few of the newly licensed GFZB enterprises to verify if they were facing any challenges and also if there were obstacles hindering them from starting operations. They were encouraged to comply with the Free Zones Act and any other statutory requirements.

3.2.7 Way forward

FDI programs must be organised in Ghana for students in Tertiary Institutions studying marketing, International Relations and International trade courses to benefit from existing practicalities.

GFZB must discuss the possibility of setting up a branch of Business Location International office in Ghana to enable the two institutions collaborate to organise a yearly Conference /Seminar for Licensed Free Zones Companies in Ghana . This collaboration could generate some funds for the secretariat.

3.3 PROJECT EVALUATION AND LICENSING DIVISION

The Application Processing Department is in charge of collating and evaluating all applications received at the Secretariat from prospective investors by ensuring compliance with the requirements specified in the Free Zone Regulations (1618).

The Ghana Free Zones Board received Twenty Six (26) new applications from prospective investors. Out of this number, the Board approved Fourteen (14), deferred Six (6), Two (2) were declined and Four (4) were pending.

3.3.1 Approved Applications

The licensed companies were made up of Nine (9) from the manufacturing sector, Two (2) from the service sector and Three (3) from the commercial sector. Details of the approved companies and their respective sectors /subsectors are attached as Appendix I.

3.3.2 Revocation of License

The Board did not revoke any license in 2014. As at the end of 2014, the number of active approved companies stood at **Two hundred and Sixty Two (262)**.

3.3.3 Pending Applications

There are four (4) applications pending for consideration. The companies and their nature of business are as follows:

NAME OF COMPANY	NATURE OF BUSINESS
Belmet Ghana Limited	Steel Manufacturing for The Oil, Gas and Marine Industry
Enclave Clinic Limited	Provision of Health Services
West Africa Cocoa Processing Limited	Manufacturing of Cocoa Butter and Liquor
Amorisa Manufacturing Limited	Processing and Packaging of Cashew Nuts and Kernels

3.4 ESTATE & ENCLAVE DEVELOPMENT DEPARTMENT

3.4.1 Introduction

The Estate and Enclave Development Department is mandated to spearhead the Board's leading strategy of developing declared sites for free zone operations into enclaves and industrial parks.

This Department has its key functions as the following:

1. Planning and monitoring of infrastructure development projects to upgrade the Board's enclaves to world class industrial estates for investment growth.
2. Coordination of utility supplies and services to ensure maximum productivity by operators.
3. Enforcement of estate development and production standards to ensure good industrial harmony and environmental safety.
4. Promotion of enclave sites and industrial parks as choice locations/destinations for foreign direct investments and industrial business growth hubs/poles.
5. Management of Board's property- Secretariat building, equipment servicing (air conditioners, fire extinguishers etc).

3.4.2 Operational Activities

Tema Export Processing Zone

❖ Water / Electricity Connections

During the period of reporting, the underlisted companies within the Multipurpose Industrial Park (MPIP) applied for water and electricity connections to their premises.

The Department duly coordinated with the Ghana Water Company Ltd (Tema) and GRIDCo/AV Hermon Ltd to connect them to the utilities. The companies are;

- Century Industries Ltd
- Melcom Ltd
- Ritika Ltd

Currently the occupancy rate at the Export Processing Zone is Fifty-nine (59);

Multipurpose Industrial Park (MPIP)	-	Twenty Five (31) Companies
GFZB Buffer Zone	-	Six (6) Companies
International Land Development Company (ILDC)	-	Fifteen (15) Companies
Octoglow Ltd	-	Six (7) Companies

Outstanding Payment of Premium/Ground Rent for Land

The Department in consultation with the Accounts and Legal Department compiled the list of all debtors in relation to land allocation at the Tema Enclave. Defaulters were written to settle their indebtedness.

❖ General Water Supply To Tepz/Mpip

During the period under review, the general water supply to the TEPZ/MPIP improved significantly due to the good working relationship between the Department and Ghana Water Company at Tema.

❖ Monthly Meter Reading

The Department and Messrs AV Hermon have been taking the monthly power consumption of the individual enclave tenants and preparing the bills for them for payment.

3.4.3 Other Activities

a. Development Of Community 21 Into A World Class Residential Estate

A proposal on the above subject was presented to the Board from Vanguard Properties Development and the Governing Board of the Ghana Free Zones Board has finalized negotiations with the Vanguard Properties Ltd to develop the Proposed Community 21 Land into a world class residential estate.

b. Security

The Department will like to report that, during the period under review, the police patrol in and around the TEPZ is still on-going. This has drastically reduced the incidence of vandalism and stealing of parts of plant and equipment within the TEPZ.

c. Construction Of Perimeter Fence Wall

The final phase of the preparation towards the award of contract to construct the perimeter fence wall has commenced.

d. Renovation Works on the Administration Block at TEPZ

The Department will like to report that, the renovation works on the administration block in Tema has been completed. Also, weeds in and around the enclave have been cleared to enhance the facelift of the enclave.

e. Establishment of Fire Station at the Tema EPZ

During the period of reporting, the Department began discussions with the Tema Regional Fire Service Department for the establishment of a fire station to serve the TEPZ and its environs. The Board has been assured of an allocation of a Fire Tender, Recovery Trucks and an Ambulance to that effect. Meanwhile, plans are far advanced to renovate a pre-fabricated building owned by the Board to the Fire Department for its use at the TEPZ.

f. Establishment of A Bank

The Secretariat, during the reporting period also started discussions with Zenith Bank and Ecobank for the established of a banking facility at the TEPZ.

Sekondi Epz

1. Re-Survey of Sekondi Industrial Park

With the Board realization of some encroachment on the Sekondi Industrial Park, the Lands Commission (Sekondi-Takoradi) were commissioned to re-survey the Sekondi Industrial Park to enable the Board determine the actual size of the area. The re-survey will also help identify the

boundaries of the various traditional chiefs whose land falls within the Sekondi Industrial Park. The Department will like to report that the re-surveying of the Sekondi EPZ has been completed.

Proposed Guest House at Kumasi

The Board gave approval for the renovation of an existing Ministry of Trade & Industry Guest House in Kumasi to be used by the Board. A team of Quantity Surveyors took a preliminary assessment of the whole building in Kumasi and submitted their report to the Board. The Department is now awaiting the cost estimates from contractors for the said work.

3.5 COMPLIANCE DEPARTMENT

The core functions of the Department were to ensure compliance by Free Zone Enterprises as enshrined in the Free Zones Act 1995, (Act 504) and its regulations (L.I 1618).

The following activities were carried out by the Compliance Department in the year.

3.5.1 In-house Training Seminar

A two day in-house training seminar was organised for Compliance Officers of the Department. Topics discussed included interpretation of financial statements and audit report writing skills.

Participants were taken through various stages of processing applications for exemption.

Review of GFZB form 9s was carried out with a view of refining and redesigning the forms to meet current situation. Some changes were proposed and recommendations made to management for consideration and amendment.

3.5.2 Seminar for FZEs

As part of the Department work plan for 2014, a training seminar was organised for FZEs in the Greater Accra, Eastern, Central and Ashanti regions. The purpose was to update the companies on issues relating to their operations. Resource persons were drawn from the Ghana Immigration Service, Domestic Tax and Custom Divisions of the Ghana Revenue Authority (GRA) and officials from the secretariat.

3.5.3 Capacity Building

Ten (10) compliance officers attended training programmes in auditing and computerised accounting system, and audit of computer based financial systems.

3.5.4 Audit

The Department carried out audit on One Hundred and Thirteen (113) FZEs as summarised below:

QUARTER	NO.
FIRST (1ST)	Nil
SECOND (2ND)	30
THIRD (3RD)	44
FOURTH (4TH)	39
TOTAL	113

3.6 INFORMATION TECHNOLOGY DEPARTMENT

3.6.1 Key Functions

The IT department strives in providing infrastructure for automation and governance for the use of network and application software to assist in providing operational units with the functionality they need. Other major activities that took place during the year under review include but not limited to:

- Procurement, installation and management of licensed Antivirus software for the Board.
- Operation of the GCNet System
- Regular back up of important data
- Regular update of the GFZB website to provide up-to-date investment information in the free zones.
- Ongoing update of information about the Free Zone Enterprises for monitoring and management decision making
- Providing the capacity for operating applications development, storing and securing the electronic information the Board owns, and providing direct operating assistance in software use and data management to all functional areas at the Secretariat.
- Management of the internet connectivity and operation of the corporate email system
- Management of the network infrastructure at the Secretariat

3.6.2 Procurement and Configuration of ICT Equipment

The following items were procured during the year under review. They were configured and distributed to staff.

ITEM	QUANTITY
Laptop Computers	5
Personal Computers	15
UPS	15
Heavy Duty Scanner	1
LCD Projector	1

The department upgraded some of the old desktop computers for the National Service Personnel whose services were extended to use at the Secretariat.

3.6.3 Software Deployment

The Board revitalized the implementation of accounting software with payroll and Human Resource functionality. The Sage Pastel software has been installed on all the Accounting staff computers and training has also been completed. Training on the software has been completed with capturing of outstanding data ongoing. It is envisaged that the new payroll software shall be used to generate staff salaries from January 2015.

3.6.4 Construction of a Local Area Network in newly Rented Office

The Board awarded the contract of networking the newly rented office building and it was completed in September. The IT department supervised the installation of the Local Area Network and internet connection at the new offices. CAT 6 cables as well as Gigabit Ethernet were used to increase data transmission rates up to 1000Mbps. A team at the Secretariat inspected the network infrastructure before the contractor handed over to the Board. The Secretariat moved into the office in October.

3.6.5 Training on use of GCNet/GFZB Web Portal

The IT unit participated in the training seminar organised by the Compliance department for Free Zone Enterprises in Kumasi. Investors were taken through the operation of the GCNet and common mistakes they make in the submission of exemption as well as the use of GFZB web portal for online submission of quarterly investment returns to the Board

3.6.6 GFZB Internet Bandwidth Upgrade

The Board approved the upgrade of internet bandwidth from 1Mbps to 3Mbps at the Secretariat resulting in increase in internet speed to ensure that efficient online services (eg electronic approval of exemption through the GCNet system) were provided to our cherished clients.

3.6.7 National Information Technology Agency One-Stop Service Centre

The National Information Technology Agency has allocated Booth No. 10 at the One-stop service centre at Vodafone Office at Kwame Nkrumah Circle, Accra to the Board. The ultimate objective is to improve the performance of Government in services delivery and create a multi-channel delivery access for the public. The Centre became operational on 15th October 2014. Management is yet to fully utilize its facilities.

3.6.8 Way Forward

It is the hope of the department that IT service delivery is improved to impact positively on users' efficiency.

3.7 LEGAL DEPARTMENT

3.7.1 Introduction

The Legal Department is responsible for handling and representing the Ghana Free Zones Board in all legal actions in which the Board's interest is at stake with assistance from the Attorney General's Department. The Department offers in-house legal advice to the Board and Secretariat. The Department is responsible for drafting all legal documents such as Lease Agreements. The Department also deals with requests from licensed free zone companies and prospective investors on legal issues and interpretation of sections of the Free Zones Act, 1995 (Act 504) and its accompanying Regulations

3.7.2 Land Matters

1. (a) Tema Export Processing Zone (TEPZ)

TEPZ was declared a free zone area on 17th May, 1996; in accordance with Section 7(1) of the Free Zone Act 1995, (Act 504). The legal implication of the declaration of an area as a free zone is that occupancy is restricted to only free zone companies. Lands Commission parceled the whole of the land consisting of One Thousand, Two Hundred acres; into four (4) Plots (A, B, C&D) and leased the plots to GFZB, subject to terms and conditions including payment of ground rent.

Plot A

Plot A is made up of approximately One Hundred and Sixty Acres of land. Five Hundred Acres of this parcel of land was originally leased by GFZB to Business Focus Limited. Business Focus violated some conditions and terms of its Sublease Agreement. With support from the Lands Commission Secretariat, GFZB re-entered the land it granted Business Focus. Five Hundred Acres of this land has been leased to Octoglow Ghana Limited.

Plot B

The whole of Plot B, which is approximately Two Hundred and Fourteen (214) acres of land has been leased to International Land Development Company (ILDC). ILDC is a licensed Free Zone developer with the mandate to develop free zone areas for occupation by free zone enterprises.

1. (b) Multi- Purpose Industrial Park (MPIP)

The whole of Plot D, one hundred and fifty acres of land within Octoglow's concession and more than one hundred and ten (110) acres of Plot A, have been legally converted into Multi-Purpose Industrial Parks. Consequently these sites can now be occupied by companies which are not necessarily holders of free zone licenses. A request has been made to the Attorney General to convert an additional Hundred (100) Acres of land within Plot A into multipurpose use.

1. (c) Proposed Ashanti Technology Park

Approximately One Thousand and Ninety (1,090) acres of land near Boankra in the Ashanti Region was declared a free zone. Compensation due surface rights owners has been paid. An amount of GH¢60,000.00 has been paid to the Ejisu Traditional Council as part payment on account of compensation assessed and due landowners.

A Memorandum of Understanding granting the Board the right of way over land earmarked for Ashanti Technology Park has been executed between the Board and the Ejisu Traditional Council. Unfortunately the MOU has become a subject matter of a suit which is pending before the Kumasi High Court (Land Division).

1(d) Proposed Shama Export Processing Zone

A Memorandum of Understanding has been executed between some Chiefs of the Shama Traditional Council and GFZB. The document accords GFZB the right of way and the mandate to locate investors on the land situate and lying in Shama, pending the completion of statutory provisions on compulsory acquisition of the land. The area has not yet been declared a free zone. The Ministry of Trade has signed an MOU with Black Ivy Company Limited. Parties to the MOU have agreed to collaborate and ensure the development of the land.

1(e) Sekondi Export Processing Zone

Land near Sekondi in the Western Region of the Republic of Ghana was declared a free zone in 1996. The site has been targeted for development with part of the Government of Ghana's loan from the China Development Bank. A project Implementation Agreement and a Consultancy Agreement have been executed between GFZB and Hasan Investments Ghana Limited. Hasan Investments will be responsible for developing the land.

A Memorandum of Understanding has been executed between GFZB and Chiefs of the beneficiary communities. The Ministry of Trade and Industry with funding from EDAIF has paid an amount of GH¢2,500,000.00 to the Chiefs and communities where the land is situate as first installment payment on account of compensation due.

3.7.3 Way Forward

GFZB is required to settle its financial obligation to TDC to make handing over of the site to its partner, Vanguard Properties Ltd possible. A Joint Venture Agreement and a Shareholders' Agreement should be executed with Vanguard Properties to pave the way for the actual development of the site.

4.0 DATA ANALYSIS

4.1 INVESTMENT CAPITAL SCHEDULE

The total capital investment made by licensed Free Zone Enterprises during the year amounted to **US\$167.47 million**, a decrease of **40.07%** over the 2013 figure of **US\$279.45 million**. The cumulative amount of investment capital in the free zones since inception of the programme in 1996/97 to the end of 2014 stands at **US\$2,852.37 million** (refer to Appendix II)

4.2 PRODUCTION SCHEDULE OF MANUFACTURING AND SERVICE ENTERPRISES

The ex-factory value of production for Free Zone Enterprises in the manufacturing and service sector during the year amounted to **US\$2,200.18 million** representing a **95.34%** increase over the 2013 figure of **US\$1,126.31 million** (Refer to Appendix III)

4.3 IMPORT SCHEDULE OF COMMERCIAL ENTERPRISES

Commercial Free Zone Enterprises imported semi-finished and finished goods at a total value of **US\$67,527,118.80** for re-packaging and re-export to the ECOWAS region and beyond. This represents a decrease of **6.6%** over the previous year's figure of **US\$72,304,598.41** (Refer to Appendix IV).

4.4 EXPORT SCHEDULE OF ALL ENTERPRISES

Total ex-factory value of exports of all Free Zone Enterprises (manufacturing, Service and Commercial) amounted to **US\$2,360.22 million** representing a decrease of **80.76%** over the 2013 figure of **US\$12,268.18 million** (Refer to Appendix V).

4.5 EMPLOYMENT SCHEDULE OF ALL ENTERPRISES

The most important contribution of the Free Zones Programme to the economy of Ghana is employment creation. At the end of the reporting year, the employment figure of Ghanaian nationals employed by the Free Zone Enterprises reached **28,908**. This represents a decrease of **4.0%** over the 2013 figure of **30,111**

The distribution of national employees according to gender indicates that **20,744** i.e **71.76%** were male whereas **8,164** i.e. **28.24%** were female.

The number of expatriates employed by Free Zone Enterprises was **1,363** representing **4.5%** of total employment. The total employment generated by the Free Zones Programme as at 2014 was **30,271** (Refer to Appendix VI).

Distribution of employees in the Free Zones Programme by sector is shown in the table below:

Table VI

Sector	Number employed
Developer	28
Manufacturing	27,705
Service	2,226
Commercial	312

4.6 SALARY/WAGE SCHEDULE OF ALL ENTERPRISES

The free zones programme contributes greatly to the economic empowerment of the Ghanaian workforce. Total value of salary/wages for 2014 amounted to **US\$115,250,306.93** an increase of **38.38%** over the 2013 figure of **US\$83,283,783.56**.

The total salary/wage paid to Ghanaian Nationals working with Free Zone Enterprises amounted to **US\$75,173,166.58**. This represents an increase of **27.17%** over the 2013 value of **US\$59,107,875.83**. Expatriates working under the free zones programme earned **US\$40,077,140.35** (Refer to Appendix VII).

4.7 VAT/DUTIES PAID ON SALES INTO THE DOMESTIC/LOCAL MARKET

Total duties/levies paid on sales into the local market amounted to **US\$10,619,615.56** representing an increase of about **37.36%** on the previous year's figure of **US\$7,730,918.39** (Refer to Appendix VIII).

4.8 TRAINING SCHEDULE OF ALL ENTERPRISES (GHANAIAN NATIONALS)

Under the free zone regulations at least 1% of the total annual salary/wage bill of free zone companies should be spent on the training of Ghanaian nationals employed in the companies. In 2014, a total amount of **US\$4,854,888.14** was spent on training national employees representing **4.2%** of the total salary wage bill indicated above. Even though the minimum requirement was achieved, only **151** Free Zone Enterprises actually offered training to their employees. (Ref. Appendix IX)

The Board is taking steps to ensure that more training programmes are implemented for Ghanaian staff working under the free zones by instituting penalties on defaulting enterprises.

4.9 SOCIAL SECURITY SCHEDULE OF FREE ZONE EMPLOYEES

In 2014, **151** Free Zone Enterprises contributed a total of **US\$10,564,752.04** in Social Security contributions to the Social Security and National Insurance Trust. (Ref. Appendix X)

4.10 INCOME TAX SCHEDULE OF FREE ZONE EMPLOYEES

In the reporting year, **151** companies contributed a total of **US\$19,313,254.97** in Income Tax in respect of their employees. (Ref. Appendix XI)

5.0 FINANCIAL REVIEW

The financial position of the Board as at 31st December 2014 is as follows:

5.1 REVENUE

Total income generated in 2014 was Thirty-One Million, Eight Hundred and Eighty-Nine Thousand, Four Hundred and Thirty-Seven Ghana Cedis, (GHC31,889,437) as against 2013 amount of Fifteen Million, Six Hundred and Forty-Three Thousand Ghana Cedis, (GHC15,643,000). This represents a 103.9% increase in revenue generated over 2013. The increase was mainly due to levies and penalties on companies who do not comply with the board operational regulations, increased sales of Forms, License Fees and renewals.

5.2 EXPENDITURE

Total expenditure in 2014 amounted to Thirteen Million Eight Hundred and Fourteen Thousand, Nine Hundred and Thirty-Five Ghana Cedis (GH¢13,814,935) as against Nine Million and Seventy-Three Thousand, Two Hundred and Thirty-One Ghana Cedis (GH¢9,073,231) in 2013. The marginal increase in expenditure was mainly due to increase in administrative & other expenses.

Excess income over expenditure was Eighteen million and Seventy-Four thousand, Five Hundred and Two Ghana Cedis (GH¢18,074,502) in 2014 as against Six million, Five Hundred and Sixty-Nine thousand, Seven Hundred and Sixty-Nine Ghana Cedis (GH¢6,569,769) in 2013.

The Audited Accounts is attached as Appendix XII.

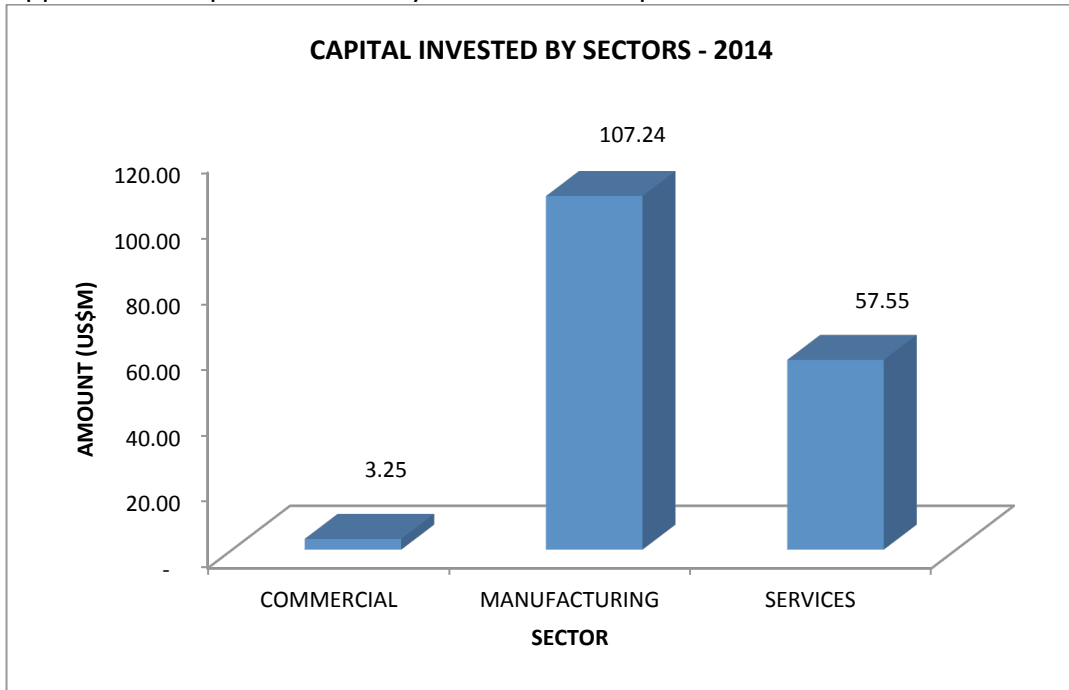
Appendices

Appendix I - Free Zone Enterprises Licensed In 2014

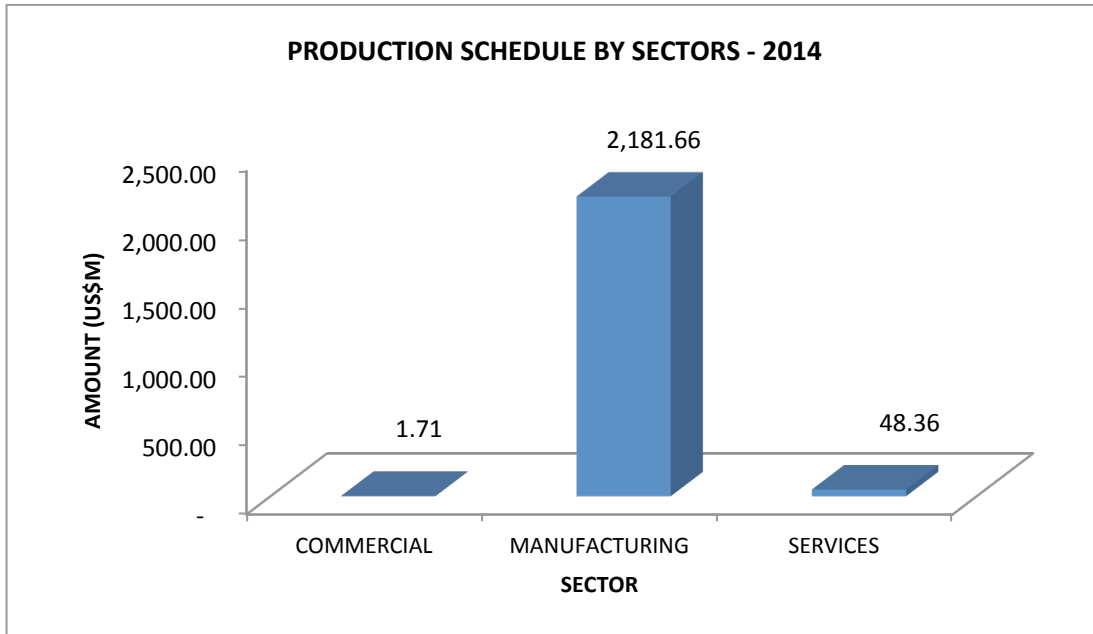
NAME OF COMPANY	NATIONALITY	SECTOR /SUBSECTOR
Nut for Growth Ltd	Ghanaian	(Manufacturing) Processing of shea nuts ad soya The licensed companies were made up of Nine (9) from the manufacturing sector, Two (2) from the service sector and Three (3) from the commercial sector. beans into oil and fats
Alubond West Africa	Indian/Spanish/Ghanaian	(Manufacturing) Manufacturing of composite glass panels
China Agric. Science and Technology Development Limited	Chinese	(Manufacturing) Cotton farming, processing of cotton and cotton seeds
Fabrimetal Ghana Limited	Indian/ Canadian	(Manufacturing) Manufacturing of steel bars
Dignity DTRT Limited	Ghanaian-American	(Manufacturing) Manufacturing of apparel
DTRT Apparel Limited	American	(Services) Provides technical and marketing services
Swedish Engineering Company Ltd.	Ghanaian/Swedish	(Manufacturing) Manufacturing of machine and engine parts
Alteco Ghana Ltd.	Singaporean	(Commercial) Import of glue, sealant and all types of adhesives
Kelton Ghana Ltd.	Ghanaian/Indian	(Manufacturing) Manufacturing of margarine, mayonnaise and salad cream
Platon Gas oil Ghana Ltd.	Ukrainian	(Manufacturing) Oil refinery
Dow Commodities Limited	Ghanaian	Commercial
Ducati limited Formally Sprinttmo Limited	Ghanaian	Commercial
Universal Plastic Product & Recycling Ltd.	Ghanaian	(Manufacturing) Plastic recycling &

		manufacturing
Enclave Power Company Limited	Ghanaian	(Service) Manage and distribute power at TEPZ (Tema export processing zone)

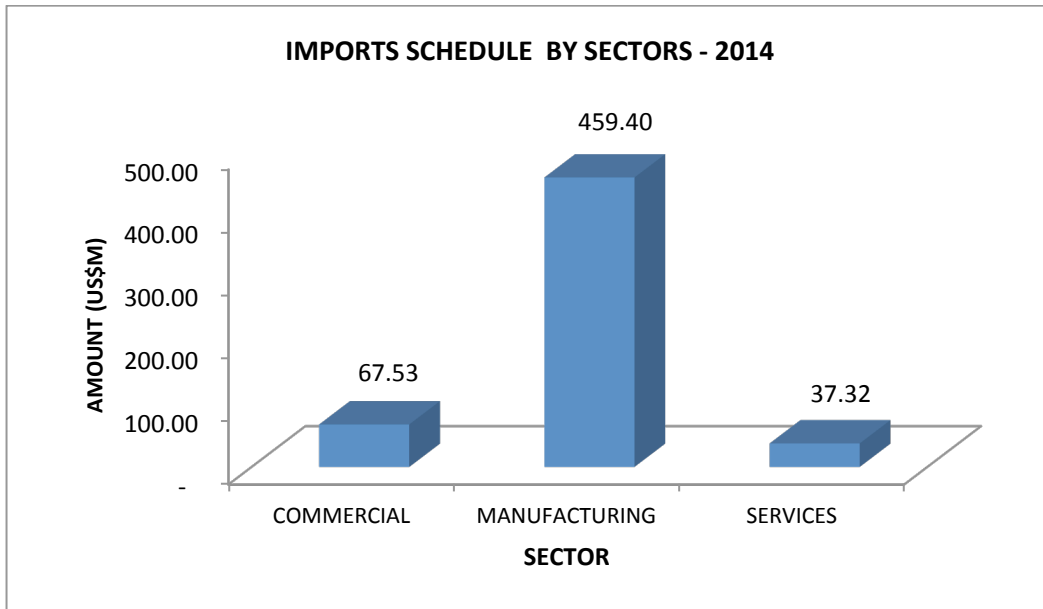
Appendix II - Capital Invested By Free Zone Enterprises 2014



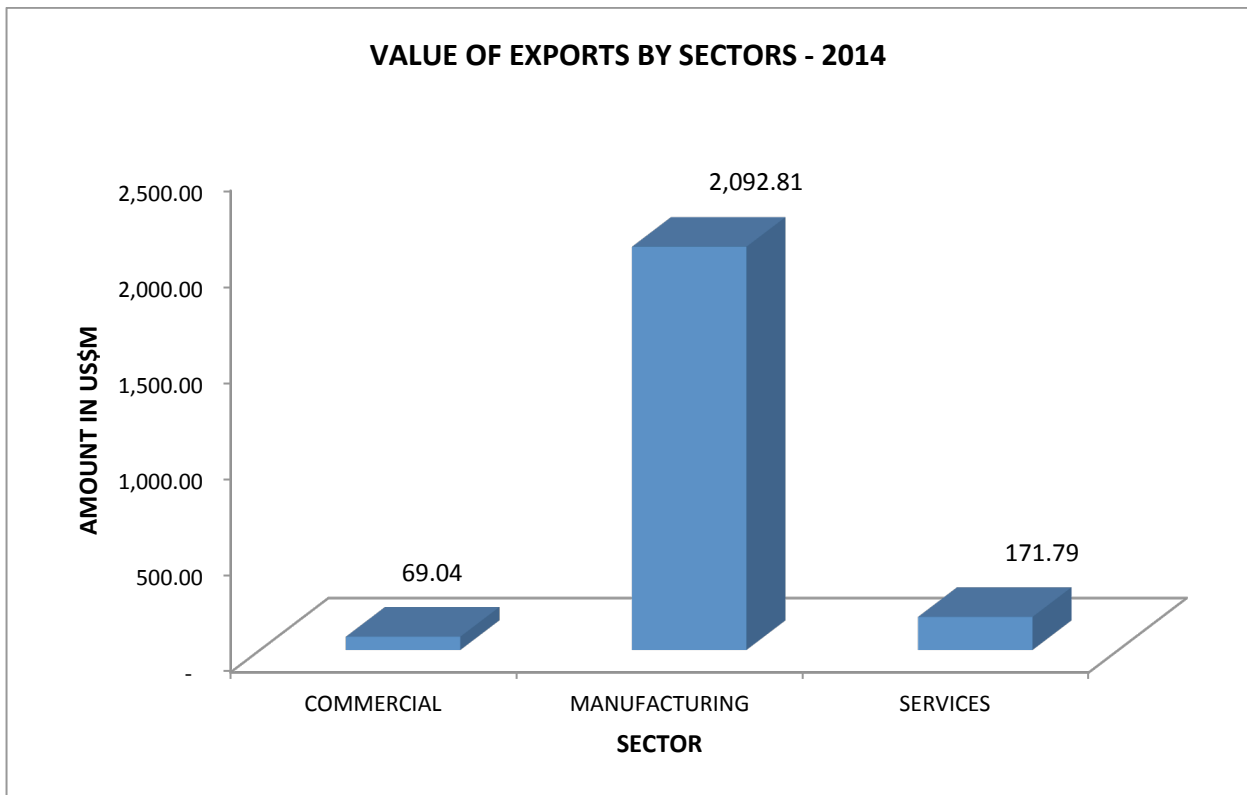
Appendix III – Production Schedule of Enterprises 2014



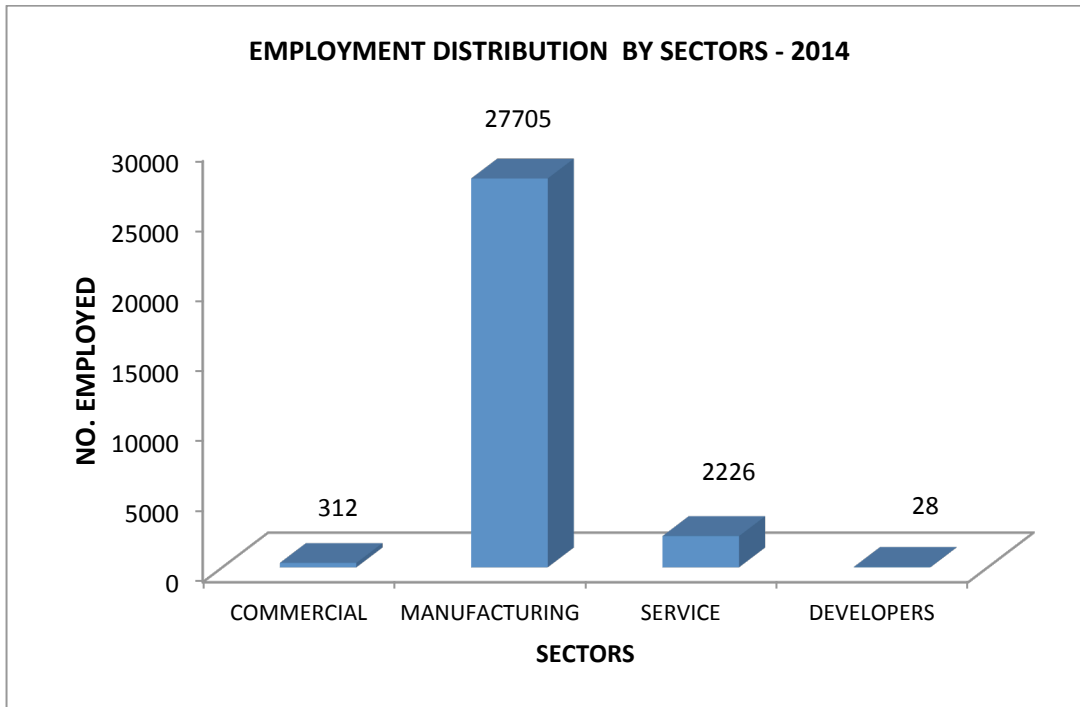
Appendix IV - Import Schedule of Free Zone Enterprises 2014



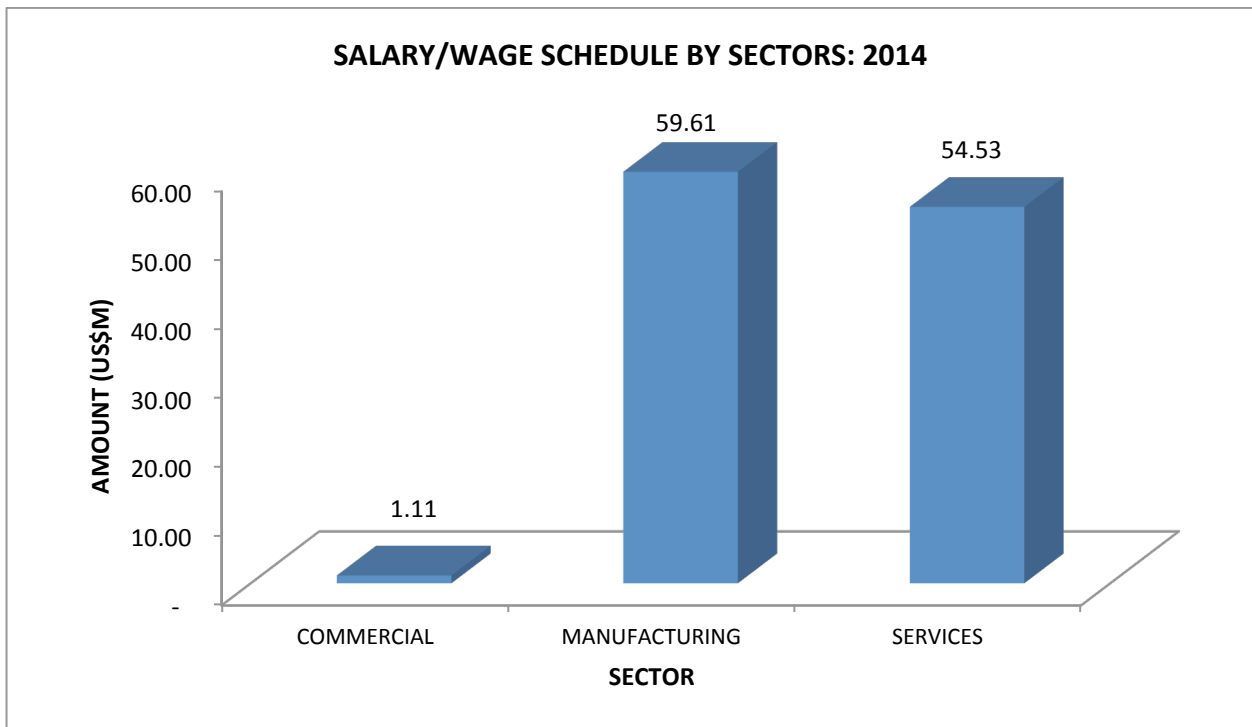
Appendix V - Export Schedule of All Free Zone Enterprises 2014



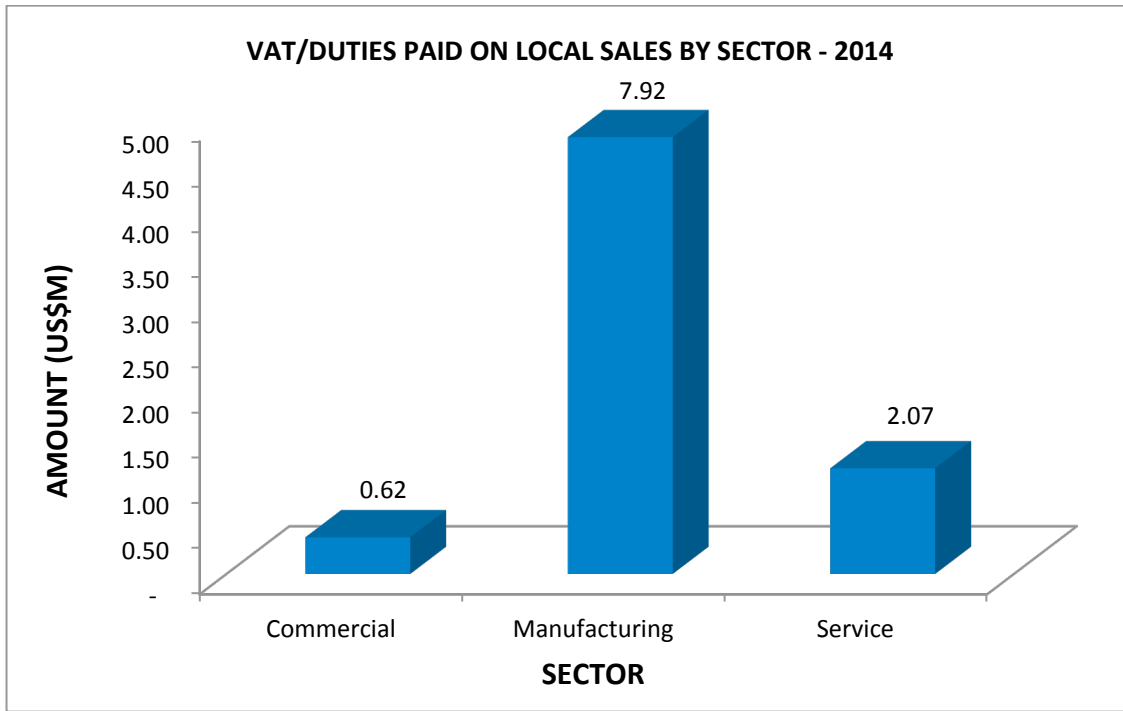
Appendix VI – Employment Schedule of Free Zone Enterprises 2014



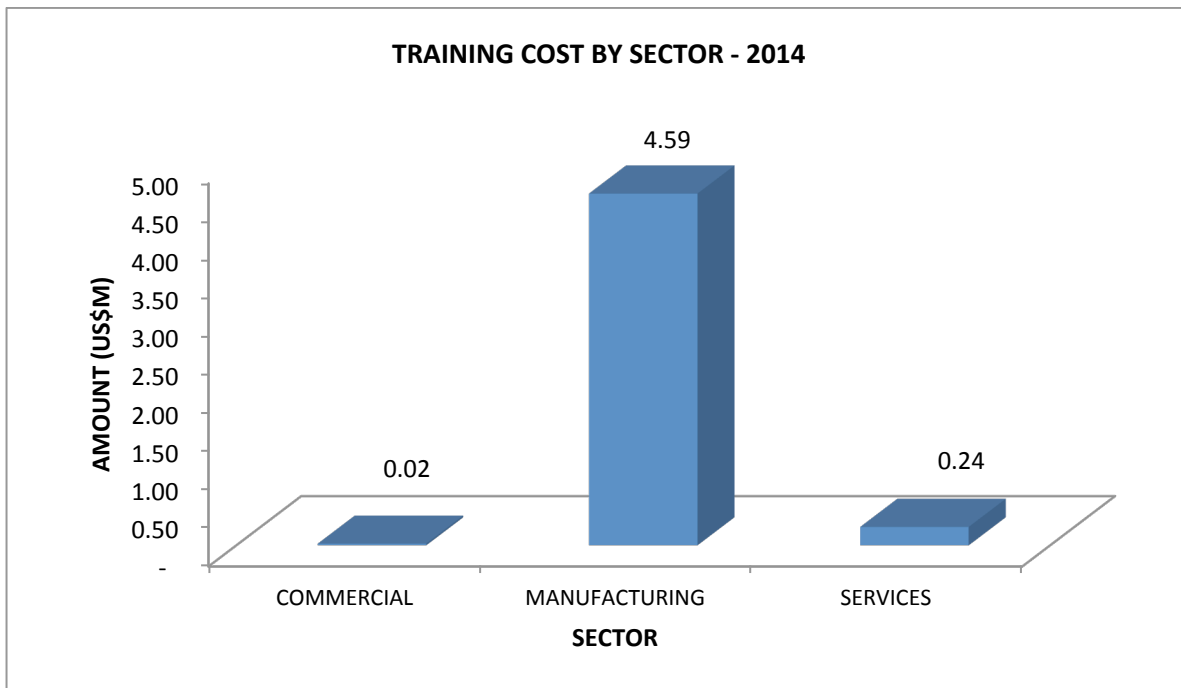
Appendix VII - Salary/Wage Schedule of Free Zone Enterprises 2014



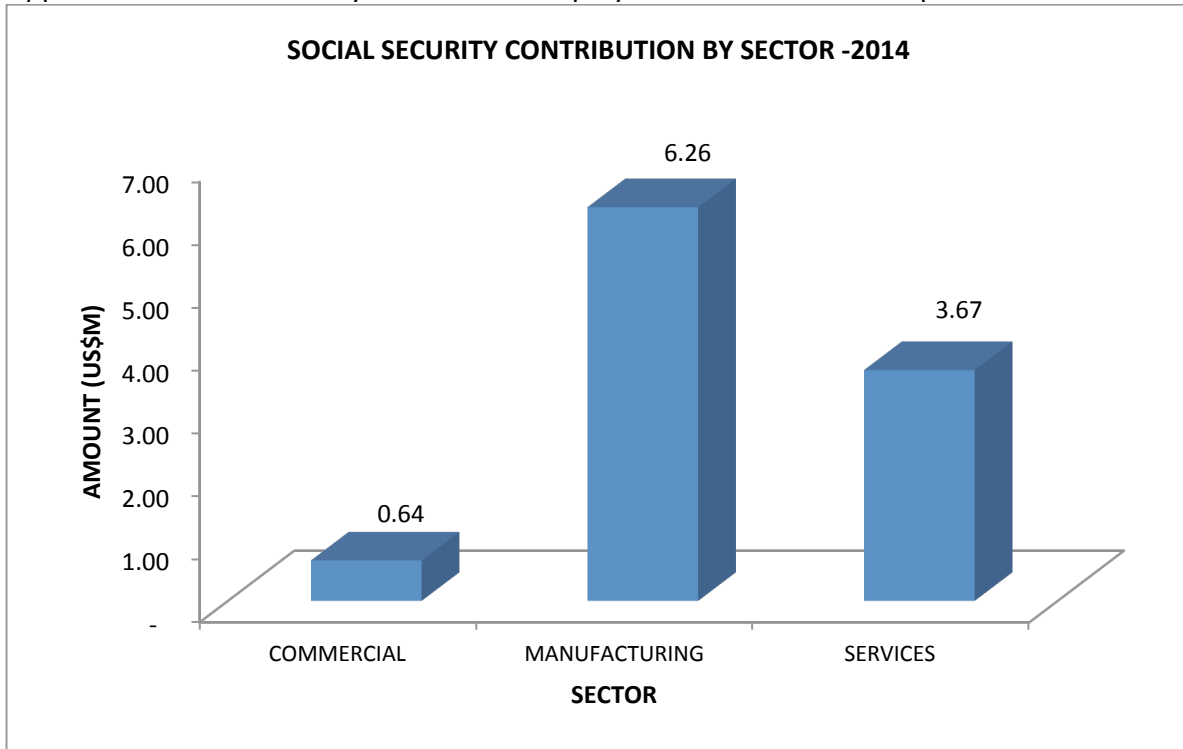
Appendix VIII - Vat/Duties paid on Local Sales by Free Zone Enterprises 2014



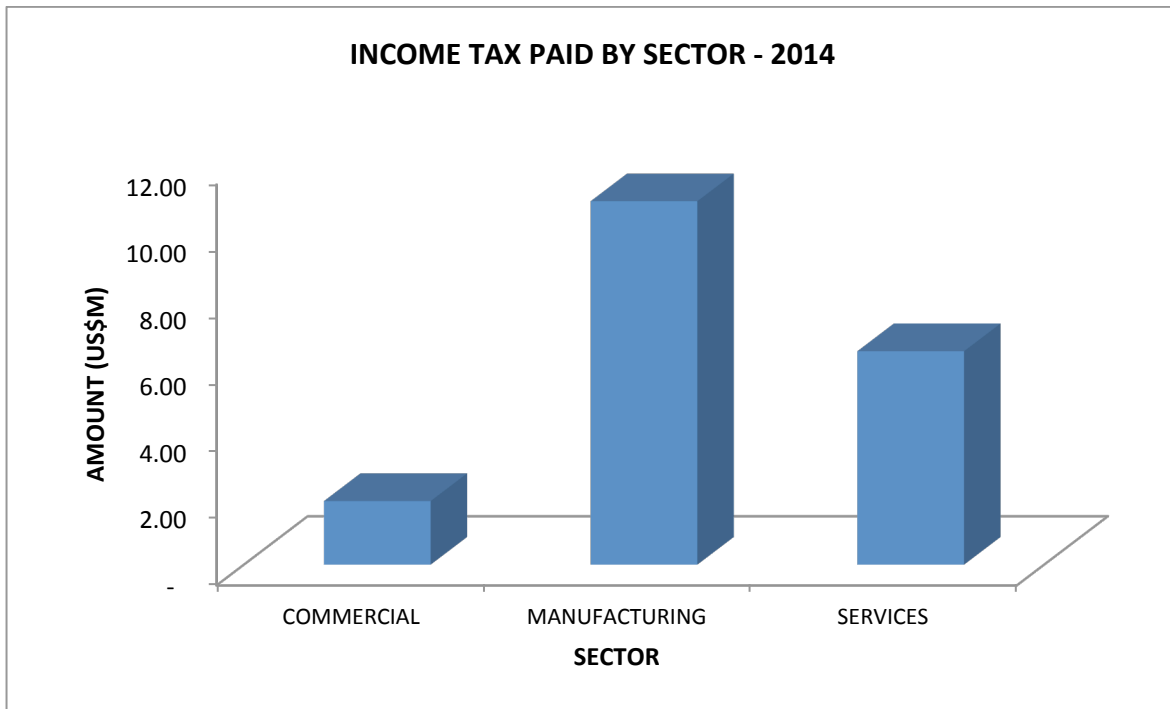
Appendix IX - Training Schedule of Free Zone Employees (Ghanaian Nationals) 2014



Appendix X - Social Security Schedule of Employees of Free Zone Enterprise 2014



Appendix XI - Income Tax Schedule of Free Zone Employees 2014



Appendix XII - Audited Accounts

GHANA FREE ZONES BOARD
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2014

GHANA FREE ZONES BOARD

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2014**

<u>CONTENTS</u>	<u>PAGE</u>
GENERAL INFORMATION	1
REPORT OF THE DIRECTORS	2
REPORT OF THE AUDITORS	3-4
STATEMENT OF FINANCIAL POSITION	5
INCOME STATEMENT	6
STATEMENT OF CASH FLOWS	7
NOTES TO THE FINANCIAL STATEMENTS	8-16

GHANA FREE ZONES BOARD

GENERAL INFORMATION

DIRECTORS

Hon. Dr. Ekwow Spio Garbrah (Chairman)
Mrs. Gifty Anku
Ms. Katherine Oduro
Ms. Eugenia Jackson-Cofie
Mr. William Adotei Addo
Mrs. Florence Hutchful
Ms. Anita De Sosoo
Mr. Kwabena Yeboah
ACP (Rtd) Alhaji Mahama Adams

EXECUTIVE SECRETARY

Mr Kwadwo Twum Boafo

AUDITORS

Veritas Associates
No. 11 Adaman Loop
Tesano, Accra
P. O. Box CT 6372
Cantonments
Accra

BANKERS

Bank of Ghana
United Bank for Africa (Ghana) Limited
Prudential Bank Limited
GCB Bank Limited
Guaranty Trust Bank (Ghana) Limited
Ecobank Ghana Limited
ADB Bank Limited

GHANA FREE ZONES BOARD

Financial statements for the year ended 31 December 2014

REPORT OF THE DIRECTORS

The directors hereby present their report together with the audited financial statements of Ghana Free Zones Board for the year ended 31 December 2014.

Statement of directors' responsibilities

The directors are responsible for the preparation of financial statements for each financial period which give a true and fair view of the state of affairs of Ghana Free Zones Board at the end of the financial year and of the surplus or deficit and of the cash flows for the period. In preparing these financial statements, the directors have selected suitable accounting policies and then applied them consistently, made judgments and estimates that are reasonable and prudent and followed Ghana Accounting Standards and other applicable requirements of Ghanaian law.

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

Nature of business

There was no change in the nature of business of Ghana Free Zones Board during the year.

Financial results

The financial result for the year ended 31 December 2014 are set out below

	2014 GH¢	2013 GH¢
Surplus for the year was:	18,074,502	6,569,769
When added to accumulated surplus brought forward of:	27,756,644	21,186,875
Leaves a balance carried forward of:	<u>45,831,146</u>	<u>27,756,643</u>

Auditors

The auditors, Veritas Associates, have indicated their willingness to continue in office for the ensuing year.

BY ORDER OF THE BOARD

Dated ^{8th}.....December 2016



Hon. Dr. Ekwow Spio Garbrah



Mr Kwadwo Twum Bofo



Veritas Associates

Chartered Accountants

P. O. Box CT 6372,
Cantonments, Accra
Loc: No. 11 Adaman Loop, Tesano
(Near Abeka Junction), Accra

Tel/Fax #: 0302 243 952
Cell: 050 834 9942
E-mail: veritax@myzipnet.com

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF GHANA FREE ZONES BOARD (GFZB)

We have audited the accompanying financial statements of Ghana Free Zones Board set out on pages 4 to 16. These financial statements comprise the statement of financial position as of 31 December 2014, the income statement and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the financial statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with Ghana Accounting Standards, International Public Accounting Standards and the Free Zone Act 1995, Act 504. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an independent 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 plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatement.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Ghana Free Zones Board as of 31 December 2014, and its financial performance and its cash flows for the year then ended in accordance with Ghana Accounting Standards, the Free Zone Act 1995, (Act 504) and comply with the Companies Act, 1963 (Act 179).



Report on other legal requirements

The Ghana Companies Act, 1963 (Act 179) requires that in carrying out our audit work we consider and report on the following matters.

We confirm that:

- i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit;
- ii. In our opinion proper books of account have been kept by the company so far as appears for our examination of those books ; and
- iii. The balance sheet and profit and loss account of the company are in agreement with the books of account.

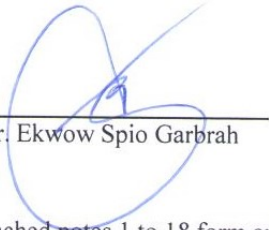
Veritas Associates
Signed by Anthony Danquah (ICAG/P/1045)
For and on behalf of Veritas Associates (ICAG/F/116)
Chartered Accountants
Accra, Ghana

gt
..... December 2016

GHANA FREE ZONES BOARD**STATEMENT OF FINANCIAL POSITION
AT 31 DECEMBER 2014**

ASSETS EMPLOYED	<i>Note</i>	2014 GH¢	2013 GH¢
NON-CURRENT ASSETS			
Property, plant and equipment	3	7,148,848	7,338,719
CURRENT ASSETS			
Accounts receivable and prepayment	4	20,360,225	14,675,779
Short term investments	5	15,653,678	9,971,339
Cash and cash equivalents	6	24,869,799	13,277,994
		<u>60,883,702</u>	<u>37,925,112</u>
CURRENT LIABILITIES			
Accounts payable and accruals	7	19,016,609	13,973,662
NET CURRENT ASSETS		<u>41,867,093</u>	<u>23,951,450</u>
NET ASSETS		<u>49,015,941</u>	<u>31,290,169</u>
FUNDS EMPLOYED			
Donors' fund	8	394,956	394,956
Construction fund	9	2,789,839	3,138,569
Accumulated fund		45,831,146	27,756,644
		<u>49,015,941</u>	<u>31,290,169</u>

Approved by the Board of Directors on ^{8/12}.....December 2016 and signed by:


Hon. Dr. Ekwow Spio Garbrah


Mr Kwadwo Twum Bofo

The attached notes 1 to 18 form an integral part of these financial statements.

GHANA FREE ZONES BOARD
**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014**

	<i>Note</i>	2014 GH¢	2013 GH¢
INCOME			
Operating income	<i>10</i>	19,243,147	12,941,699
Other income	<i>11</i>	12,297,560	2,352,571
Released from construction fund	<i>9</i>	348,730	348,730
		<u>31,889,437</u>	<u>15,643,000</u>
EXPENDITURE:			
Operational expenses	<i>12</i>	1,739,898	1,195,207
Employee costs	<i>13</i>	2,989,192	2,028,875
Board and committee expenses	<i>14</i>	730,226	690,159
Financial and professional charges	<i>15</i>	351,745	186,401
Travelling and transport	<i>16</i>	2,116,726	1,866,630
Repairs and maintenance	<i>17</i>	1,347,277	448,569
Administrative and general expenses	<i>18</i>	4,539,872	2,657,390
		<u>13,814,935</u>	<u>9,073,231</u>
EXCESS OF INCOME OVER EXPENDITURE		<u><u>18,074,502</u></u>	<u><u>6,569,769</u></u>

**ACCUMULATED FUND
FOR THE YEAR ENDED 31 DECEMBER 2014**

	2014 GH¢	2013 GH¢
Balance at 01 January	27,756,644	21,186,875
Excess of income over expenditure	18,074,502	6,569,769
Balance at 31 December	<u><u>45,831,146</u></u>	<u><u>27,756,644</u></u>

The attached notes 1 to 18 form an integral part of these financial statements.

GHANA FREE ZONES BOARD**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2014**

	<i>Note</i>	2014 GH¢	2013 GH¢
OPERATING ACTIVITIES			
Excess income over expenditure		18,074,502	6,569,769
Adjustment for non-cash items:			
Depreciation	3	1,153,868	1018541.2
Released from construction fund	9	(348,730)	(348,730)
Profit from disposal of asset		0	(22,500)
Operating income before working capital changes		18,879,640	7,217,080
Increase in accounts receivable	4	(5,684,446)	(1,977,266)
Increase in accounts payable	7	5,042,947	2,116,648
Cash generated from operating activities		18,238,141	7,356,462
INVESTING ACTIVITIES			
Increase in investments	5	(5,682,338)	(328,328)
Proceeds from disposal of assets		0	22,500
Purchase of property, plant & equipment	3	(963,998)	(1,773,032)
Net cash outflow from investing activities		(6,646,336)	(2,078,860)
Net decrease in cash and cash equivalents before financing		11,591,805	5,277,602
FINANCING ACTIVITIES		0	0
Cash and cash equivalents at the beginning of the year		13,277,994	8,000,392
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	6	24,869,799	13,277,994

The attached notes 1 to 18 form an integral part of these financial statements.

GHANA FREE ZONES BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

1 NATURE OF BUSINESS AND OPERATIONS

Ghana Free Zones Board (the Board) was established on 31 August 1995 by an Act of Parliament, the Free Zones Act 1995, (Act 504), for the establishment of free zones in Ghana for the promotion of economic development, and to provide for the regulation of free zones activities and related purposes. The Board operates under the Free Zones Regulation L.I 1618.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The Board maintains its books and records using the modified cash basis under which revenue is recognised when cash is received but liabilities are recognised when incurred; and the financial statements are prepared on historical cost basis and applicable requirements of Ghanaian law.

Basis of measurement

The financial statements are prepared under the historical cost convention and are presented in Ghana cedis.

Significant accounting policies

The accounting policies applied by the Board are as follows:

Property, plant and equipment

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

Depreciation is provided using the straight line basis on all property, plant and equipment so as to write off the costs of assets over their estimated useful lives. Leasehold land, however, is not depreciated.

The rates of depreciation are as follows:

	Rate
Improvement of land banks	10%
Plant & machinery	20%
Motor vehicles	20%
Office equipment	20%
Furniture, fixtures & fittings	20%

GHANA FREE ZONES BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

ACCOUNTING POLICIES (Continued)

Cash and cash equivalents

Cash and cash equivalents are defined as cash on hand, demand deposits and short term highly liquid investments readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the cash flow statement, cash and cash equivalents consist of cash in hand and deposits in bank net of any outstanding bank overdrafts.

Revenue recognition

Revenue comprises an initial lease premium, an annual ground rent for leased land, sale of forms, registration and renewal of licences fee, and income from investments.

Lease premium and associated income

Under the modified cash basis of accounting, as applied by the Board, lease premium is recognised as income when cash is received and not when an offer of land at the Ghana Free Zones Enclave is accepted. Revenue from ground rent, sale of forms and registration and renewal of licence fees is recognised when cash is received.

Interest on investment

Interest on investment is earned on time apportioned basis and is accrued only when it is probable that the income would be received in the near future.

Accounts payable and accruals

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

Foreign currency translation

Transactions in foreign currencies are recorded at the rates ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the financial position date. All translation differences are taken to the statement of income.

Investments

Investments held to maturity are carried at amortised cost.

Deferred expenditure

Compensation for leasehold land is initially deferred until the expenditure is incurred at which time the expenditure is capitalized as cost of leasehold land to be written off over the lease period.

GHANA FREE ZONES BOARD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

3 PROPERTY, PLANT & EQUIPMENT

	Leasehold land GH¢	Improvement of land banks GH¢	Plant and machinery GH¢	Motor vehicles GH¢	Office equipment GH¢	Furniture, fixtures & fittings GH¢	Total GH¢
Cost							
Balance at 1 January 2014	1,235,507	6,197,872	31,791	1,666,988	568,849	336,120	10,037,126
Additions during the year	0	75,464	0	642,000	169,235	77,298	963,998
Balance at 31 December 2014	1,235,507	6,273,336	31,791	2,308,988	738,084	413,418	11,001,124
Depreciation							
Balance at 1 January 2014	0	1,224,454	31,790	859,696	419,082	163,386	2,698,408
Charge for the year	0	628,803	0	378,421	81,484	65,159	1,153,868
Balance at 31 December 2014	0	1,853,257	31,790	1,238,117	500,566	228,546	3,852,276
Net book value-31/12/2014	1,235,507	4,420,078	1	1,070,871	237,519	184,873	7,148,848
Net book value-31/12/2013	1,235,507	4,973,417	1	807,292	149,767	172,734	7,338,719

GHANA FREE ZONES BOARD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

4 ACCOUNTS RECEIVABLE AND PREPAYMENTS	2014	2013
	GH¢	GH¢
Trade debtors	4,953,276	2,754,822
Other debtors	6,284,311	3,478,306
Staff loans	47,769	17,357
Prepayments	698,809	49,233
Deferred expenditure	8,376,060	8,376,060
	<u>20,360,225</u>	<u>14,675,779</u>

Deferred expenditure relates to amount provided as compensation to landowners for designated free zone activities to be capitalized when payments are made.

5 SHORT TERM INVESTMENTS	2014	2013
	GH¢	GH¢
These are made up as follows:		
1-year treasury notes	15,362,502	9,733,418
182-day treasury bills	291,175	237,921
	<u>15,653,678</u>	<u>9,971,339</u>

6 CASH AND CASH EQUIVALENTS	2014	2013
	GH¢	GH¢
Cash and cash equivalents consist of:		
Fixed deposits	8,310,830	6,468,964
Cash at bank	16,542,696	6,789,456
Cash in hand	16,273	19,575
	<u>24,869,799</u>	<u>13,277,994</u>

GHANA FREE ZONES BOARD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

7 ACCOUNTS PAYABLE AND ACCRUALS	2014	2013
	GH¢	GH¢
Trade creditors	1,099,253	1,047,413
Sundry payables	8,938,867	4,218,491
Accrued expenses	602,489	331,758
Provisions	8,376,000	8,376,000
	<u>19,016,609</u>	<u>13,973,662</u>

Provisions relate to estimated cost of compensation payable to landowners for designated leasehold land banks for free zones activities.

8 DONORS' FUND	2014	2013
Contributors are as follows:	GH¢	GH¢
Government of Ghana	62,149	62,149
Ministry of Trade and Industry	206,103	206,103
Tema Export Processing Zone Gateway Project	126,704	126,704
	<u>394,956</u>	<u>394,956</u>

9 CONSTRUCTION FUND

This represents receipts of fund approved by Export Development & Investment Fund (EDIF) for construction of storm drain at the Tema Export Processing Zone. The receipts are being capitalised and equivalent portion of annual depreciation charge on the cost of the storm drain is released to income.

	2014	2013
	GH¢	GH¢
Balance at 1 January	3,138,569	3,487,299
Released to income	(348,730)	(348,730)
Balance at 31 December	<u>2,789,839</u>	<u>3,138,569</u>

GHANA FREE ZONES BOARD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

10 OPERATING INCOME	2014 GH¢	2013 GH¢
Lease premium	5,753,624	5,948,184
Ground rent	2,953,776	1,867,802
Annual licence and renewal fees	1,876,827	854,176
Vehicles registration fee	256,612	166,216
Sale of forms and processing fees	8,402,307	4,105,321
	<u>19,243,147</u>	<u>12,941,699</u>
11 OTHER INCOME	2014 GH¢	2013 GH¢
Investment income	2,225,024	1,517,292
Exchange gains	9,760,648	651,159
Profit from disposal of asset	0	22,500
Sundry income	311,888	161,620
	<u>12,297,560</u>	<u>2,352,571</u>
12 OPERATIONAL COST	2014 GH¢	2013 GH¢
Ground rent charges-Land Commission	180,715	178,700
Vehicle registration expenses	72,111	34,788
Resident permits acquisition expenses	1,433,844	981,719
Land compensation	53,228	0
	<u>1,739,898</u>	<u>1,195,207</u>

GHANA FREE ZONES BOARD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

13 EMPLOYEE COSTS	2014	2013
	GH¢	GH¢
Salaries and wages	1,700,910	1,185,165
Clothing allowance	127,584	98,345
Fuel and vehicle maintenance allowance	193,905	130,669
Medical expenses	49,996	21,393
Social security contribution-employer	204,061	152,762
Provident fund contribution- employer	156,478	107,952
Staff bonus	256,865	200,221
Rent allowance	-	36,000
Staff training and development	299,395	96,368
	<u>2,989,192</u>	<u>2,028,875</u>
	<u><u>2,989,192</u></u>	<u><u>2,028,875</u></u>
14 BOARD & COMMITTEE EXPENSES	2014	2013
	GH¢	GH¢
Board members allowances	178,923	102,142
Committee allowances	165,160	84,698
Board expenses	341,698	425,586
Ex-Gratia/ Board bonus	44,444	77,733
	<u>730,226</u>	<u>690,159</u>
	<u><u>730,226</u></u>	<u><u>690,159</u></u>
15 FINANCIAL & PROFESSIONAL CHARGES	2014	2013
	GH¢	GH¢
Consultancy services	322,120	157,026
Audit fee (inclusive of VAT & NHIL)	29,375	29,375
Other professional fees	250	0
	<u>351,745</u>	<u>186,401</u>
	<u><u>351,745</u></u>	<u><u>186,401</u></u>

GHANA FREE ZONES BOARD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

16 TRAVELLING & TRANSPORT	2014	2013
	GH¢	GH¢
Honorarium	82,751	31,494
Per diem	46,769	22,594
Overseas travels	1,811,278	1,687,280
Motor vehicle fuel and lubricants	175,928	125,262
	<u>2,116,726</u>	<u>1,866,630</u>
	<u><u>2,116,726</u></u>	<u><u>1,866,630</u></u>
17 REPAIRS & MAINTENANCE	2014	2013
	GH¢	GH¢
Motor vehicles	187,980	112,253
Office equipment	66,314	16,047
General repairs and maintenance	123,869	66,301
Maintenance of enclave	894,574	217,125
Grounds maintenance	46,225	24,583
Pumps	28,315	12,260
	<u>1,347,277</u>	<u>448,569</u>
	<u><u>1,347,277</u></u>	<u><u>448,569</u></u>

GHANA FREE ZONES BOARD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

18 ADMINISTRATIVE AND GENERAL EXPENSES	2014	2013
	GH¢	GH¢
Printing and publications	123,296	147,315
Telecommunication	102,623	64,299
Stationery cost	77,049	57,663
Postage and courier	2,176	1,414
Electricity and water charges	104,505	67,244
Monitoring expenses	0	38,419
Security services	149,700	74,700
Hospitality and entertainment	62,490	37,009
Marketing and promotion	1,213,485	852,708
Public relations	313,482	75,517
Insurance charges	96,486	80,753
Bank charges	5,479	1,817
Donation	311,999	48,398
Cleaning materials	1,589	691
Depreciation	1,153,868	1,018,541
Generator running expenses	26,049	16,886
Tender committee expenses	29,200	33,116
Operational audit expenses	201,206	23,300
Relocation expense	168,181	0
Office rent	253,750	0
Bad debt written off	0	17,600
Internet and web hosting	143,260	0
	<u>4,539,872</u>	<u>2,657,390</u>