MINISTRY OF FINANCE AND ECONOMIC PLANNING

(GHANA EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE-GEITI)

REPORT

ON

THE AGGREGATION/RECONCILIATION OF MINING BENEFITS IN GHANA

JANUARY- JUNE 2004

(1ST AGGREGATED REPORT)

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List of Abbreviations/Acronyms

CEPS	Customs Excise and Preventive Service
C/Fund	Consolidated Fund
DA	District Assembly
EITI	Extractive Industries Transparency Initiative
IRS	Internal Revenue Service
MOFEP	Ministry of Finance and Economic Planning
MUN/DIST ASMBL	Municipal/District Assembly
NTRU	Non Tax Revenue Unit.
OASL	Office of the Administrator of Stool Lands
TA	Traditional Authority
TC	Traditional Council

EXECUTIVE SUMMARY

The Extractive Industries transparency initiative seeks to improve development outcomes from benefits paid by extractive industries to governments.
Achieving the above objective requires transparency in the payment, receipt, disbursements and utilization of these mining benefits.

Objectives
The main objectives of this assignment are to:

- Reconcile mining companies/entities submissions of mining benefits payments to those received by the government.

- Utilise lessons learnt from the reconciliation/aggregation to enhance transparency in the payments, receipts, disbursements and utilization of these benefits.

Scope:

- This report covers actual mining benefit payments made in the period January 2004 to June 2004.

- Mining benefits considered include i) **Mineral right licences**-Reconnaissance, Prospecting and Mining, ii) **Mineral royalties;**
  iii) **Ground rent;** iv) **Property rate;** v) **Corporate tax;** and
  vi**) Dividend.**

- The **companies/mines** which provided data for this report, were selected
  On the basis of their contribution towards mineral royalty receipts within the period.
  The companies contributed about 99% of royalty payment within the period. The companies are indicated below.

Selected companies for first aggregated/reconciled report

MINE/COMPANY	LOCATION	MINERAL MINED
Anglo gold Ashanti	Obuasi, Ashanti Region	Gold
Anglo gold Ashanti	Bibiani, Western Region	Gold

Anglo gold Ashanti	Iduaprim,Western Region	Gold
GS(Bogosu/ Gold) Ltd	Bogosu, Western Region	Gold
Goldfields(Ghana)Ltd	Tarkwa, Western Region	Gold
Abosso GoldfieldsLtd	Damang, Western Region	Gold
Ghana Manganese Ltd	Nsuta, Western Region	Manganese
Ghana Bauxite Company	Awaso, Western Region	Bauxite

Approach and Methodology:

Data collection: This involved the design and administration of questionnaires accompanied by one-on-one discussions.

Some of the data collected included**:**

- Details of mining benefits payments made by the selected mining companies.
- Supporting documents/details on benefits paid by mining companies.
- Technical data on the operations of mining companies.
- Details of mining benefits received ,disbursed and utilized by government Agencies and departments.
- Both Mining companies and Government Agencies were required to complete templates provided with details of payments and receipts of mining benefits.

Other documents reviewed/studied included the financial statements of mining companies

Analysis:

- This included metallurgical accounting of gold extraction for the gold mining companies.
- Ore grade and saleable aluminum component of manganese and bauxite respectively were also checked.
- Shipment records available at the airports/seaports were compared to details provided by the companies.
- Receipts of mineral benefits by government Agencies' were compared to payments made by companies.

Aggregation/reconciliation:

Individual templates of the selected Mining Companies were aggregated and consolidated as a composite Mining Company Template.

Details of mining benefits received by government Agencies were aggregated and consolidated as the Government Template.
The two templates, the Composite Mining Company Template and the Government Template were reviewed/analysed and reconciled.

Disbursements and Utilisation;

- Disbursements of mineral royalties to the beneficiaries were checked by agreeing the total amount collected by the IRS to that presented to the OASL.
- Disbursements were scrutinized for conformity to the statutory requirements.
- District Assembly budgets for the utilization of mineral royalty receipts were reviewed and compared to actual expenditures.

FINDINGS:

Mining Benefits:

- For the period January 2004 to June 2004 the total benefits received amounted to **122,832,702,348 cedis**
- Mineral royalty payment/receipt amounted to **109,290,751,494 cedis** representing 89% of total benefits received.

Payments:

- There are no formalized collaborations between the IRS, Mineral Commission and other government Agencies on matters relating to payments of mining benefits.
- Payment of capital gains tax of 14 billion cedis in December 2006.

- Lack of independent check on the finess/grade of gold declared by gold mining companies.

Disbursements:

- There was a shortfall of eighty nine million and forty thousand cedis

(C89, 044,000) in the amount declared for disbursement by the IRS.

- Lack of detailed information on payments made by the Regional Offices of the Administrator of Stool Lands to Beneficiaries.

Utilisation.

- There are neither regulations nor guidelines for the utilization of mineral royalty receipts by District Assemblies.

RECOMMENDATIONS.

Payment:

- There should be established, formalized lines of communication between the relevant Government Agencies.
- Mining companies should consider sending details of royalty payments to District Assemblies and OASL.
- It may be necessary to commence on pilot basis to ascertain the differences in assay between the companies' declared assay figures and that of an independent refinery.

Disbursements/Utilisation:

- The Regional Offices should be made to provide information to the Districts, Traditional Councils and Stools. This should include:
    - The quarter for which the payments relate to;
    - The mining companies making the payments and amounts paid.

- Guidelines on the utilization of mineral royalties should be established

1.0. INTRODUCTION:

The Extractive Industries Transparency Initiative (EITI) seeks to enhance development outcomes from payments made by mining companies/Entities to the government.

The initiative aims to achieve this laudable objective by reducing the potential for corruption and large scale embezzlement of these mining benefits payments, through the enhancement of transparency in the payments, receipts, disbursements and utilization of the payments/benefits.

To this end, Messrs Boas and Associates has been tasked by the Ministry of Finance and Economic Planning to reconcile and aggregate mining benefits paid to the Government of Ghana and by Mining entities operating in the country.

Additionally the disbursements and utilization of these benefits are to be examined.

2.0. BACKGROUND.

EITI and Aggregation

In order to promote transparency in the Extractive industry, there is the need to provide information on the payments made by the mining companies to the government within a specified period.

Under the EITI guidelines, which have been enhanced by the local steering committee of the EITI, the task of Aggregation/Reconciliation deals with four broad areas:

- Statutory payments made by the mining companies.
- Revenues received by the Government.
- Disbursements made by the Government to the communities affected by mining activities.
- Utilization of funds disbursed to the mining communities.

2.1 Objectives of Aggregation/Reconciliation: The main objectives of this assignment are:

- To reconcile mining companies' submissions of mining benefits payments to those received by government.

- To utilize lessons learnt from the reconciliation/aggregation to enhance transparency in the payments, receipts, disbursements and utilization of these benefits.

3.0 SCOPE OF WORK

3.1 Time Period.

This report covers payments made between January 2004 and June 2004

3.2 Mining Benefits.

The under listed payments made by mining companies have been considered in this report.

- Mineral right Licences i.e. Reconnaissance; Prospecting and Mining leases
- Mineral Royalties
- Property rates
- Dividends
- Corporate taxes
- Ground rents
- Voluntary Contribution

3.2.1 Mineral right Licenses i.e. Reconnaissance; Prospecting and Mining leases

Mineral rights are vested in the state and granted by the Ministry of Lands, Forestry and Mines. The licences considered here are those that allow the holder the right to enter the land and perform specific tasks.
There are three sequential categories entitling the holder to conduct reconnaissance of, prospect for or mine certain minerals.

Reconnaissance Licence.

A reconnaissance licence which is the first stage in the mining operations entitles the holder to search for specified minerals by geological, geophysical and geochemical means.
In general, reconnaissance licences do not permit drilling, excavation, or other physical activities on the land, except where such activity is specifically mentioned by the licence.
Reconnaissance licence is granted for an initial period of not more than twelve months with a renewable option for another twelve months for land area ranging between one block and five thousand blocks. (A block is 21 hectares).

Prospecting Licence

Prospecting licence which covers the second stage of mining operations entitles the holder to search for stipulated minerals and to determine their extent and economic value.
This licence is granted for an initial period of three years for a land area not exceeding 750 contiguous blocks. The prospecting licence may be extended for a period not exceeding three years in respect of all or for any number of blocks subject for prospecting.

Mining Lease

When a holder of a reconnaissance licence or a prospecting licence has established that the mineral(s) indicated in the licence is/are present in commercial quantities, an application for a mining lease may be applied for before the expiration of the current licence.The mining lease is granted for an initial period of thirty (30) years or less as may be agreed upon with the applicant and may be renewed for an additional period of thirty (30) years.

3.2.2 **Mineral Royalties:**

- It is a production based tax which is levied on the basis of Article 25 of the Minerals and Mining Act, 2006; ACT 703 which states that 'A holder of a mining lease, restricted mining lease or small scale mining licence shall pay royalty that may be prescribed in respect of minerals obtained from its mining operations to the Republic, except that the rate of royalty shall not be more than 6% or less than 3% of the total revenue of minerals obtained by the holder."

- Mining Companies are liable to pay royalties immediately they commence mineral production.
- The percentage (3%-6%) to be applied is based on the profitability of the lease holder's operations.
- Profitability here is defined as the operating ratio, which is the ratio between the operating margin and the gross value of minerals extracted.
- The operating margin is the value of total minerals extracted less the operating cost.

The lowest rate of 3% is payable unless the operating ratio exceeds 30% when it increases progressively up to 6%

In 2004, all the mining companies paid mineral royalty at the rate of 3%.

3.2.3 **Property rates**

- Property rates are levies imposed on buildings, and plants that are fixed to the ground.

- These rates are determined by the District Assemblies after applying a formula (Rate impost) to property valuation figures.

- The valuation figures for properties are determined by the District Valuation Board with approval from the Regional Valuation Board.

- Before the year 2006, the rates were applied to buildings only.

  Obuasi Municipal Assembly has included the valuation of the processing plant at Anglogold (Obuasi) for the payment of Property rate for the year 2006.
- The District Assemblies collect property rates directly from the mining companies.

3.2.4 **Corporate tax**

This is the tax on profits made by companies

It is currently fixed at 25% of Net Profit. In arriving at the chargeable incomes for mining companies the following concessions are granted:

Accelerated Depreciation:

Under the income tax code Internal Revenue Act ,2000: ACT 592, mining companies receive higher rates for capital allowances.
For the purposes of computing capital allowances for mining entities, the following are considered as Assets.
i) Mineral Exploration rights

ii) Building, structures and works of a permanent nature which are likely to be of little or no value when the rights are exhausted or the prospecting, exploration, or development ends.

iii) Plant and machinery used in mining operations.

iv) Costs incurred in respect of mineral prospecting, exploration and development (are treated as if they were incurred in securing the acquisition of assets).

For the Assets listed above, a rate of 80% of the cost base is granted as capital allowance in the year of acquisition, 50% is further granted on the reducing balance basis in the subsequent year.

In addition 5% of the cost base of the previous year is added to the written down value of the immediate succeeding year before any capital allowance is granted for the year.

Carry forward of losses.
Mining companies are allowed to carry forward losses arising in any year to the next year for offset against the profit.
The loss must however be deducted within five years following that in which the loss occurred.

3.2.5 **Dividends**
The Republic of Ghana retains a 10% non –contributing shareholding in every mining lease holder/operation.
The government's percentage holding (10%) may be altered in circumstances where special agreements exist.

The dividend refers to the Government's share of the dividends paid by mining lease holders.

3.2.6 **Ground rent:**

This is the annual payment made by mining companies and other companies operating on stool lands in their operating areas.

The amount payable for ground rents depends on the size of the concession.

Payments for ground rents by Mining Companies are collected at the District Offices of the Administrator of Stool Lands and sent to the Regional Offices for disbursements to beneficiary Mining Communities.

3.2.6 **Voluntary Contributions.**

These are non-statutory contributions made by mining entities as part of their social responsibilities to the general public or communities within their areas of operation.

3.3 **BENEFIT STREAMS /APPLICATIONS.**

The details of the benefits (including their applications) as well as the agencies responsible for receiving them on behalf of the government are indicated in table 1 below:

Table1: **Benefit streams/collecting Agencies/Applications**

Benefit/Payment	**Frequency of payment**	**Agency responsible for collection**	**Application of payment/benefit**
Reconnaissance fees	When licence is obtained	Minerals Commission	Used internally by the Minerals

Prospecting fees **Mining Lease**	When licence is obtained When licence is obtained		Commission
Mineral Royalties	Quarterly in arrears. (***Within 30 days after the expiration of every quarter***)	Internal Revenue Service (IRS)	C.Fund - 80% OASL - 1% D.A. 4.95% T. C. 1.80% Stools 2.25%
Corporate tax	Annually, if applicable	Internal Revenue Service (IRS)	Consolidated fund
Dividends/dividend tax	After company declaration	NTRU/IRS	Consolidated fund
Property rates	Annually	District Assembly	Used internally by the District Assembly
Ground Rent	Annually	OASL	OASL- 10.0% DA - 49.5% TC -- 18.0% Stools--- 22.5%

Source: **Aggregator's Field Data compilations, August 2006**

KEY:

C-Fund-consolidated Fund

OASL-Office of the Administrator of Stool Lands

D.A-District Assembly

T.C –Traditional Council

NTRU-Non Tax Revenue Unit

3.4 SELECTED COMPANIES/MINES[1].

Mining companies which provided templates/data and formed part of this report are indicated in the table below.

Table 2: **Selected companies for first aggregated/reconciled report**

MINE/COMPANY	LOCATION	MINERAL MINED
Anglo gold Ashanti	Obuasi, Ashanti Region	Gold
Anglo gold Ashanti	Bibiani, Western Region	Gold
Anglo gold Ashanti	Iduaprim,Western Region	Gold
Bogosu Gold Ltd	Bogosu, Western Region	Gold
Goldfields(Ghana)Ltd	Tarkwa, Western Region	Gold
Goldfields(Ghana)Ltd	Damang, Western Region	Gold

[1] These mining companies were in active production of minerals in the year 2004.

Ghana Manganese Ltd	Nsuta, Western Region	Manganese
Ghana Bauxite Company	Awaso, Western Region	Bauxite

3.4.1 BASIS FOR THE SELECTION OF COMPANIES

For the period under consideration (January 2004-June 2004) the contribution of the selected companies towards mineral royalties received by the Government is as shown below in Table 3
(see also Appendices1A; 2A-2F) and Fig 1.

Table 3: **Mineral royalties collected for the period January –June 2004**

Month	Total collection(cedis)	Collections from selected companies(cedis)	% of collections from selected companies to total collections
January	54,832,799,474.73	54,241,666,114.36	98.92
February[2]	846, 063,613. 32	408,059,515.00	48.23
March	74,573,350.00	0.00	0.00
April	54,788,151,013.00	54,641,025,863.00	99.73
May	116,304,900.00	0.00	0.00
June	57,595,139.00	0.00	0.00
Total	**110715487490.05**	**109290751493.36**	98.71

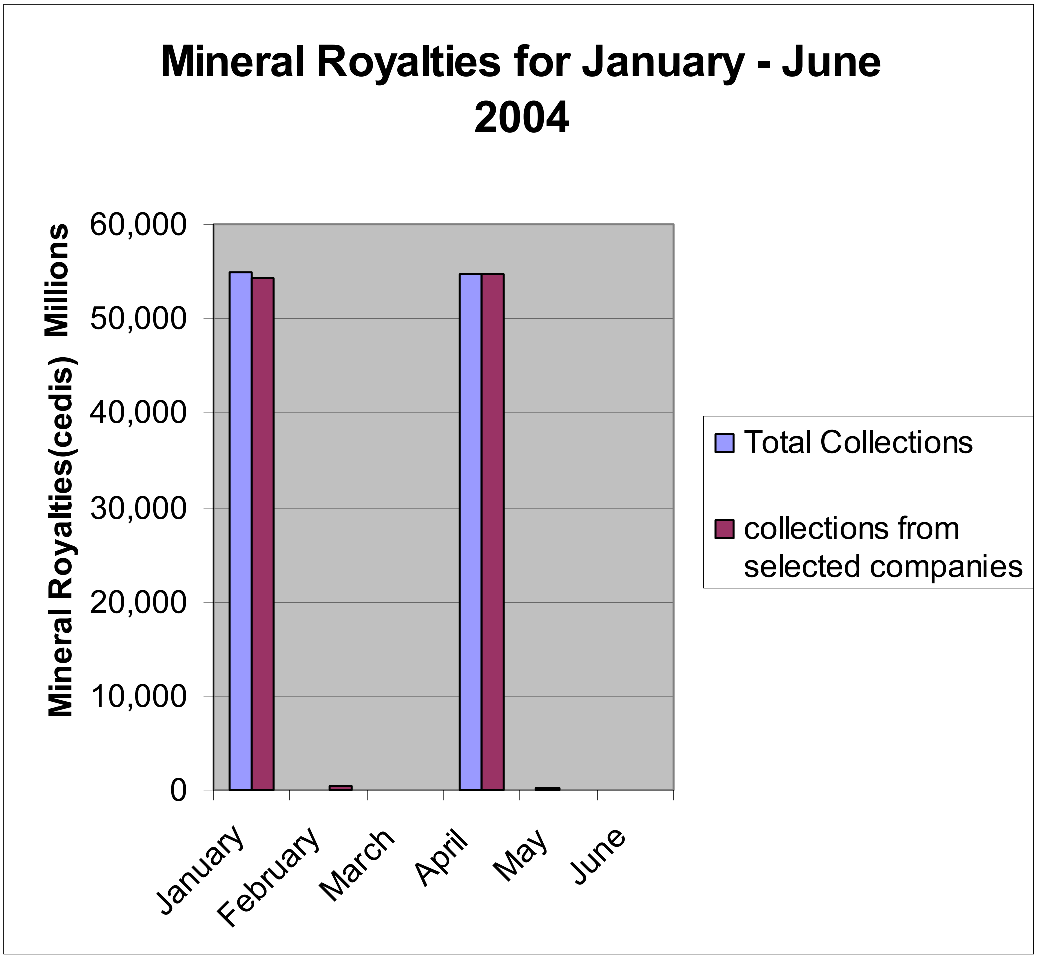
Source: IRS/OASL

- As shown in Table 3 royalty payments from the selected mining companies constitute about 99% of the total royalty receipts nationwide for the period January to June 2004.The remaining 1% is contributed by over 50 companies/enterprises (mainly in the stone quarrying industry) spread throughout Ghana.
- Small scale and artesianal miners in Ghana do not contribute to these benefits.
  On the basis of the above restricting the participating companies to the eight
  Selected is justifiable.

- The selected companies paid their royalties within the stipulated time (ie within 30 days after the expiration of the quarter),hence the peaks in January and April,(see footnote – page 8 and Fig 1)

[2] Ghana Bauxite Company Ltd paid its mineral Royalty for the last quarter in 2003 in February 2004. instead of January 2004.

Fig1



3.4.2 **Activities:**

All the selected mining companies engage in the following activities:

- Exploration
- Mining
- Processing/Ore treatment
- Marketing

3.5 **REPORTING GUIDELINES:**

3.5.1 **Accounting Basis:** The benefits considered are those actually paid within the period i.e. cash basis.

3.5.2 **Currency:** The reporting currency is the cedi**.** All the benefits with the exception of some dividend payments are denominated in cedis. However where a currency other than the cedi is used in payment it is converted using the average exchange rate for the month or quarter, whichever is appropriate.

3.6 **TERMS OF REFERENCE**.

Under the terms of reference for the assignment the obligations of the aggregator shall include the following:

The Aggregator shall perform both process and financial audit. The aggregator shall analyze the historical documentation on production, exports and payment of royalties for minerals produced in the country.

The template developed would be the basic tool for the data collection from government institutions and extractive companies.

Specifically, the Aggregator shall undertake the following activities:

- Ascertain the appropriateness of revenues received as mineral royalty, dividends and tax on profit.
- The aggregator shall also analyze the tax deductions claimed by the companies for the purpose of identifying any improper claims.
- Check the disbursements made from the revenues received and ascertain if they are in conformity with legislation
- Scrutinize the payment made to District Assemblies, Traditional Authorities and Stools within the operational areas of mines.
- Ascertain the appropriateness of payments made with regards to mineral royalties; ground rent; dividends; taxation on profits and for mineral rights.
- Check if the quantities of minerals declared to the Aggregator are in conformity with those made to the Minerals Commission.
- Review financial statements for consistency for both companies and institutions. Specifically, for companies the aggregator shall review company capital investments and operating cost.
- Review the capital investments in order to assess the actual amount of the investment and to determine if the amortization and depreciation declared is correct and does not improperly reduce the amount of taxable profit of the mining companies.

Perform the audit of operating costs in order to assess if the deductions claimed were actually incurred and correspond to legitimate operational expenses as these affect the taxable profit of the companies.

- Review feasibility reports of Mining Companies in order to compare the projected production with the actual production.

Reconcile the data so collected to ascertain if there is any disparity between the governments reported template and the aggregated companies reporting template

4.0 **APPROACH/METHODOLOGY:**

4.1 **General approach.**

Data collection.

The methodology applied for data collection during the First Aggregation Phase was the Design Methodology which basically involved the design and administration of questionnaires accompanied by one-on-one discussion with interviewees for explanations and additional information to clarify issues of concerns.

Data collected included technical data on mining operations and details of mineral benefits received by statutory organizations on behalf of Government of Ghana.

From Mining Companies, the same data received from statutory institutions were collected.

Mining companies were however requested to add detailed supporting documents for the various mineral benefits paid to the appropriate statutory institutions.

- Mining Companies were requested to complete the templates provided (**see Appendices 3A-3H**)
- Composite templates were prepared using the data gathered from mining companies and government agencies which were compared to templates submitted and differences ironed out.

Documents review

Documents reviewed and studied included the following**:**

- Annual reports and financial statements of the selected companies for the periods 2003 and 2004, All these financial statements have been audited by the external Auditors of the companies.

- The Mining and Minerals Act, 2006 (ACT 703)
- Chamber of Mines, Annual Report 2005
- Feasibility Reports of Mining Companies

4.2 **ANALYSIS**

4.2.1 **Payments:**

Production/Mineral Royalty payment:

Mineral royalty is a production based tax. The production figures provided by the mining companies had a direct bearing on the payment of royalty.

The investigation of production figures provided by the mining companies included the following steps:

i) Production schedules detailing ore tonnages, recoveries and other parameters were obtained from the mining companies.

ii) Metallurgical Accounting of gold extraction was carried out for the six gold producing companies, following through at every stage of ore treatment and reduction to bullion production.

iii) Ore grades of manganese provided were checked for consistency and compliance with international reporting standards.

iv) Mode of computation of saleable aluminium component of bauxites determined by the SGS on site was appraised.

v) Production figures provided by the mines were then compared with those provided by the Minerals Commission.

vi) The production figures were compared to export details provided by the Customs and Excise and Preventive Service at the Airport/Seaports. (**see Appendices 4A-C**)
and also from CEPS staff stationed at the mines.

vii) Shipment/export details provided by the mines were also compared with that on the refining certificates (in the case of gold exports) taking special note of the serial numbers of the shipments as well as the grades/fineness quoted.

viii) Remittances from refineries and other agencies that market minerals on behalf of mining companies were also scrutinized to ascertain the relationship between funds transferred and minerals exported.

ix) The returns submitted by the mining companies to the Internal Revenue Service for the payment of mineral royalties were also scrutinized for any inconsistencies that may exist between the company declarations made to the Aggregator and those made to the Internal Revenue Service.
x) Figures provided by mines were compared to those stated in the financial statements to assess comparability.

4.2.2 **Receipts:**
Mineral royalty receipts by the Internal Revenue Service were compared to:
i) The payments made by the mining companies.
ii) The declarations of mineral royalty receipts made by the internal revenue Service to the Ministry of Finance and the Office of the Administrator of Stool Lands (OASL)
iii) Corporate tax and dividend payments received by the IRS and NTRU respectively were compared to the payments made by the companies.
iv) Property rates received by the District Assemblies were compared to those paid by the mining entities.

4.2.3 **Aggregation/Reconciliation**
Individual templates of the selected Mining Companies were aggregated and consolidated as a composite Mining Company Template.
Details of mining benefits received by government Agencies were aggregated and consolidated as the Government Template.

The two templates, the Composite Mining Company Template and the Government Template were reviewed/analysed and reconciled.

4.2.4 **Disbursements:**

The disbursements of mineral royalties received were checked by

i) Agreeing total amount to be disbursed by the Administrator of Stool Lands (OASL) to the total amount received by the Internal Revenue Service.

ii) Ascertaining whether the calculations made for the disbursement were in agreement with the Administrative fiat of 1999(letter no.AB.85/156/01)

iii) Ensuring that total royalties indicated for each region by the Internal Revenue Service is the same as those stated by the OASL.

iv) Confirming if the disbursement from the head office were received by the various regional OASL offices as indicated.

v) Scrutinizing District Assemblies bank statements to confirm receipts from Regional OASL.

4.2.5 **Utilization**: To audit the utilization of mineral royalty received the following steps were undertaken:

i) Scrutinized budget statements for 2003 and 2004, where they existed as in the case of Wassa West District Assembly and Obuasi Municipal Assembly.

ii) Payments from bank accounts were analysed, noting in particular authorization requirements for the issuance of cheques.

iii) List of all contractors and amounts paid within the period were also scrutinised.

iv) Compared details on District Templates with details from Bank statements.

iv) Physical inspections of some selected projects were undertaken.

5.0 AGGREGATION OF MINING BENEFFITS

5.1 Mining Companies

The benefits paid from the perspective of mining companies for the period January 2004 -June 2004 is as shown below :(see Table 4/ Appendices 3A-3H)—

Table 4 indicates that only two of the selected mining companies contributed in four out of the six benefits, all the remaining paid in only two of the benefits.

Table 4

FIRST AGGREGATED REPORT

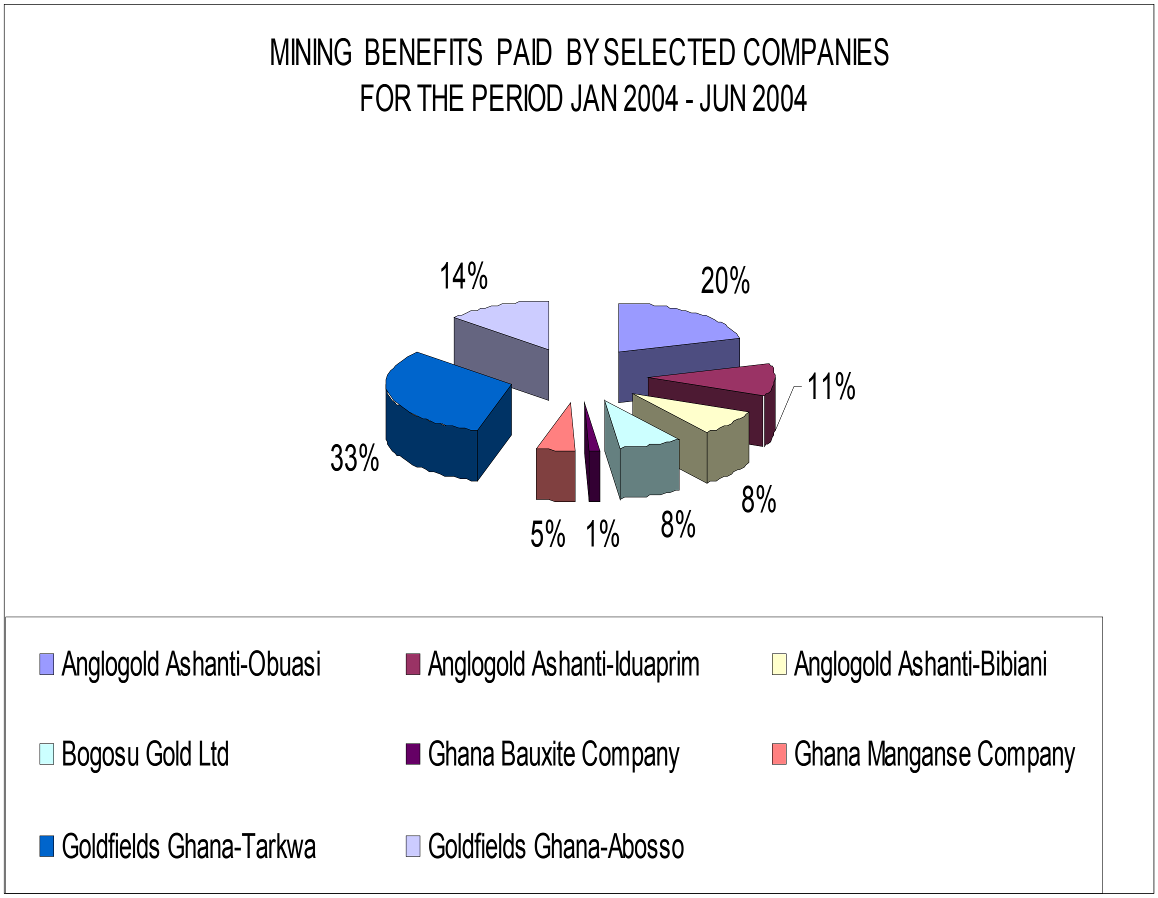
PERIOD:JANUARY2004-JU

ALL AMOUNTS IN CEDIS

COMPANY PAYMENTS

COMPANIES	LICENCE	PROPERTY RATE	GROUND RENT	MINERAL ROYALTIES
Anglogold-Obuasi	0	300,000,000	0	24,606,549,000
Anglogold -Iduaprim	0	137,703,038	0	13,950,469,215
Anglogold -Bibiani	0	200,000,000	0	10,069,967,723
Bogosu Gold Ltd	0	128,817,781	0	9,688,088,761
Ghana Bauxite CO.	0	30,000,000	0	1,491,905,535
Ghana Manganse Co.	0	111,537,753	0	3,649,519,268
Goldfields -Tarkwa	0	302,529,024	0	29,388,481,212
Goldfields-Abosso	0	233,737,842	0	16,445,770,780
TOTAL		**1,444,325,438**	**-**	**109,290,751,494**

Fig 2



The diagram above (Fig 2) shows the percentage contribution of each of the selected mining companies to the total amount of 122.8 billion cedis paid as mining benefits to the government.

Goldfields Ghana Ltd had the highest contribution of 33%.

5.2 **GOVERNMENT (AGENCIES') RECEIPTS OF MINING BENEFITS**.

The Agencies considered here are Non Tax Revenue Unit (NTRU),The Internal Revenue Service(IRS),Minerals Commission, and The Office of the Administrator of Stool Lands(OASL) .The others are the District and Municipal Assemblies within the operational areas of the mining companies (see Table 5)

Table 6 indicates mining benefits received by the government through its Agencies for the period January-June 2004.

A total of 122.8 billion cedis of mining benefits was received by government Agencies from the selected mining companies. (Fig 3) indicates the strength of each category of benefits in percentages.

Table 5: **Mines and corresponding District/Municipal Assemblies**

Mine/Company	District/Municipal Assembly
Anglogold(Bibiani)	Bibiani/Ahwiaso/Bekwai District
Ghana Bauxite Company Ltd	Bibiani/Ahwiaso/Bekwai District
Goldfields(Abosso)	Wassa West District
Goldfields(Go)Ltd,Tarkwa	Wassa West District
Bogoso Gold Ltd	Wassa West District
Ghana Manganese Co.Ltd,Nsuta	Wassa West District
Anglogold (Iduaprim)	Wassa West District)
Anglo gold (Obuasi)	Obuasi Municipal Assembly

Fig 3

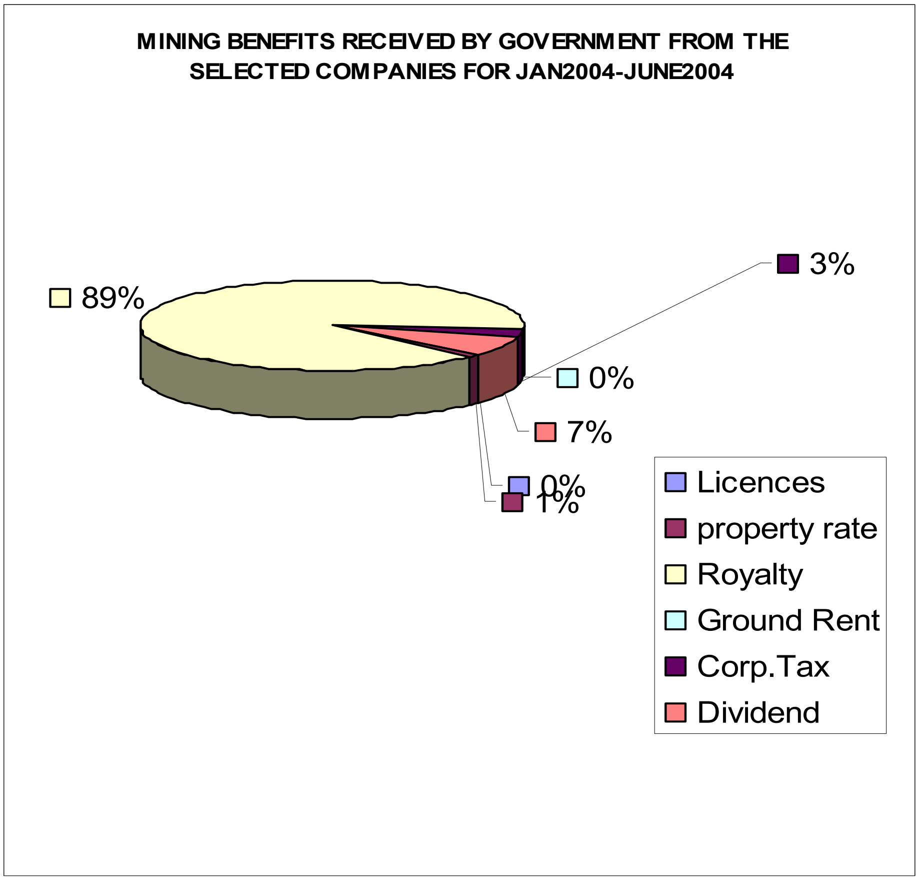


Table 6

Government receipts of mining benefits for the period Jan-Ju 2004(cedis)

GOVT AGENCY	**MIN.COMM**	**MUN/DIST ASMBL**	**OASL**	**IRS**		**IRS**
COMPANY/BENEFIT	Licences	Property rate	G.rent	Mineral	Royalty	Corp.T
Anglogold-Obuasi	0	300,000,000	0		24,606,549,000	
Anglogold -Iduaprim	0	137,703,038	0		13,950,469,215	

Anglogold -Bibiani	0	200,000,000	0	10,069,967,723	
Bogosu Gold Ltd	0	128,817,781	0	9,688,088,761	
Ghana Bauxite co.	0	30,000,000	0	1,491,905,535	
Ghana Manganse Co.	0	111,537,753	0	3,649,519,268	2,500,
Goldfields -Tarkwa	0	302,529,024	0	29,388,481,212	58
Goldfields-Abosso	0	233,737,842	0	16,445,770,780	
GRAND TOTAL	0	**1,444,325,438**	0	**109,290,751,494**	**3,080,**

5.3 **RECONCILIATION OF GOVERNMENT RECEIPTS AND MINING COMPANIES PAYMENTS OF MINING BENEFITS FOR THE PERIOD JANUARY 2004 -JUNE 2004.**

The summary of mining benefits paid by the selected mining entities and those received by the Government of Ghana through its Agencies are indicated below.

Table 7: **Reconciliation of Mining benefits payments and Government receipts**

MINING BENEFIT Payment/Receipt	Aggregated Payments by Mining Companies (cedis)	Aggregated Receipts by Government Of Ghana (cedis)	Deviation
Mineral royalty	109,290,751,494	109,290,751,494	0
Property rate	1,444,325,438	1,444,325,438	**0**
Corporate tax	3,080,925,416	3,080,925,416	**0**
Dividends	9,016,700,000	9,016,700,000	**0**
Ground Rent	0	0	0
Mineral right			

Licence	0	0	**0**
TOTAL	**122,832,702,348**	**122,832,702,348**	

Notes:

i) Mineral Royalties:

For the period January 2004 to June 2004, mineral royalties formed the highest of all the benefits paid by the mining companies and received by the Government.

- In percentage terms it (mineral royalty) covered over 89% of the total benefits considered for this assignment.The total mineral royalty paid for the period amounted to 109,290,751,494 cedis.
- The royalty paid relates to mineral productions for two quarters.

These are a) October 2003 to December 2003 and b) January 2004 to March 2004. The mineral royalty payments for the two quarters were payable in January 2004 and April 2004 respectively.

ii) Property rates:

This represents amounts received by Wassa West District Assembly, Obuasi Municipal Assembly and the Bibiani Ahwiaso District Assembly (see Table 5) for the period January to June 2004.

Property rates accounted for 1% of considered benefits received by government from the selected mining companies.

iii) Dividend

In percentage terms, dividends payments formed 7% of total mining benefits received by government from the selected mining companies.

Two companies Goldfields (Gh) Ltd, Tarkwa and Ghana Manganese Company Ltd, Nsuta paid dividends within the period. Goldfields (Gh) Ltd, Tarkwa paid US$1,000,000 in February 2004. The average exchange rate of the dollar to the cedi in February 2004 was US$1:8863 (see Appendix1C, 1D)

Ghana Manganese paid 153,700,000 cedis (one hundred and fifty three million, seven hundred thousand cedis).

iv) Corporate tax.

3% of the total mining benefit received was contributed by corporate tax payments.

Goldfields Ghana (Tarkwa) and Ghana Manganese Company were the companies that paid corporate taxes within period January 2004 to June 2004.

v) Ground rent

No Ground rent was paid by any of the selected mines for the period January 2004 to June 2004.

vi) Mineral right licence.

There was no record of mineral right licence payment by the selected companies for the period January 2004 to June 2004.

vii) Voluntary Contribution: Details of these benefits would be stated in subsequent reports, as most of the mining entities could not provide data for the period considered in this report.

6.0 **CONSTRAINTS OF IMPLEMENTATION.**

- Accessing detailed information on production from some of the mining companies proved very difficult. It was extremely difficult in obtaining shipment and detailed royalties computations from Anglo gold Ashanti (Obuasi mine), Ghana Bauxite Company Ltd and Bogosu Mines Ltd.

- Information from the Internal Revenue Service was difficult to obtain and took over three months in some instances. Information on computations of mineral royalty payments for Anglogold Obuasi, Anglogold Bibiani and Ghana Manganese could not be obtained.

- Capital allowances and losses that are being carried forward in the files of the companies by the IRS could not be obtained. Efforts would be made to retrieve the information for the subsequent aggregation/reconciliation.

  According to the IRS, the seemingly lack of cooperation, is due mainly to the fact that there is no dedicated desk or department that deals with mining issues.

- Many Companies and Agencies, initially provided figures which were based on accruals instead of actual.

6.1 **RECOMMENDATIONS FOR EFFECTIVE IMPLEMENTATION:**

- The Sector ministries of the Agencies concerned (notably, Ministries of Finance and Economic Planning and that of Local Government) should impress upon their departments connected to the EITI to facilitate the speedy provision of data.

- The EITI Steering committee should consider initiating the backing of the initiative by law.

- Information which would be required for subsequent aggregation should be made available to the EITI steering committee. This is likely to reduce the time spent on data acquisition, and allow more time for reconciliation and investigations.

- Sensitisation seminars should include Financial Managers of relevant companies and Government Agencies, to enable them understand and attach greater importance in the provision of requisite data.

- An established desk dedicated to mining issues at the IRS, would help facilitate speedy data delivery and the early resolution of mining related issues.

7.0 **ENHANCING TRANSPARENCY: Findings and recommendations.**

In this section the findings during the implementation/reconciliation are discussed. Where appropriate the implications/issues if no actions are taking are also discussed. Some recommendations are also made.

Some of these findings may be investigated further in subsequent reports to observe their persistency.

7.1 **Payment of mining benefits and related issues.**

7.1.1 **Fineness/grade/assay in the gold industry.**

- The valuation of minerals won depends on the price and quantity.
- The quantity is a product of the weight and the fineness/grade (assay).

Findings:
The selected gold mining companies produce gold dores which are sent to refineries outside Ghana for the fineness/grade to be determined. The mining companies make their own arrangements for the refining and marketing of gold.
All mining companies have on site assaying facilities, but final values from the refineries outside Ghana are used for royalty determination.
The Customs Excise and Preventive Service (CEPS) have representatives at mine sites to check the quantity of gold won, however only the weight component of the quantity is determined, as they do not determine the fineness/grade of gold bullions produced.(See customs below)

Recommendation:
To ensure transparency in the valuation of gold, it may be necessary to send samples of gold exported by the mining companies, to refineries/assayers other than those used by them (mining companies) for independent checks.
This would ensure that both the weight and fineness are independently checked.
To avoid excessive cost, random sampling could be employed and proper cost/benefit analysis made as the companies are already reporting assay values between 88%-95% with most of the assays above 90%.
It may be necessary to commence on pilot basis to ascertain the differences in assay between the companies' declared figures and that of an independent refinery/assayer before the commitment of substantial resources.

7.1.2 **Price.**
Finding:
There are no guidelines for establishing the prices of minerals won. The gold mines employ varying pricing methods resulting in differences in price.
Different prices were obtained by different companies for gold exports made in the same day (see Table 8.)

Table 8: **Prices obtained by some mining companies**

Date of	Mine/Company/Gold price in US$/0Z

Shipment/Export			
	Anglogold-Iduaprim	Goldfields-Darmang	Goldfields-Tarkwa
27/01/04	410.03	-	407.31
5/03/04	-	390.67	389.54
12/03/04	-	400.45	399.67
19/03/04		402.79	402.32
13/04/04	405.79	417.87	418.78

Although the prices used do not differ significantly from the spot market prices and amongst the companies, for large volumes of production the differences could be substantial.

The average prices for the six months January to June 2004 obtained by some of the mines are indicated in Fig 3 below

Implications.

Since there are no standard methods of pricing, determining the appropriate mineral royalty to be paid by gold mining companies is not possible.

Government planning is also delayed as it has to wait for payment before revenues are known. If prices are determined in advance, revenues from mineral royalty payments could be computed by the government before they are received.

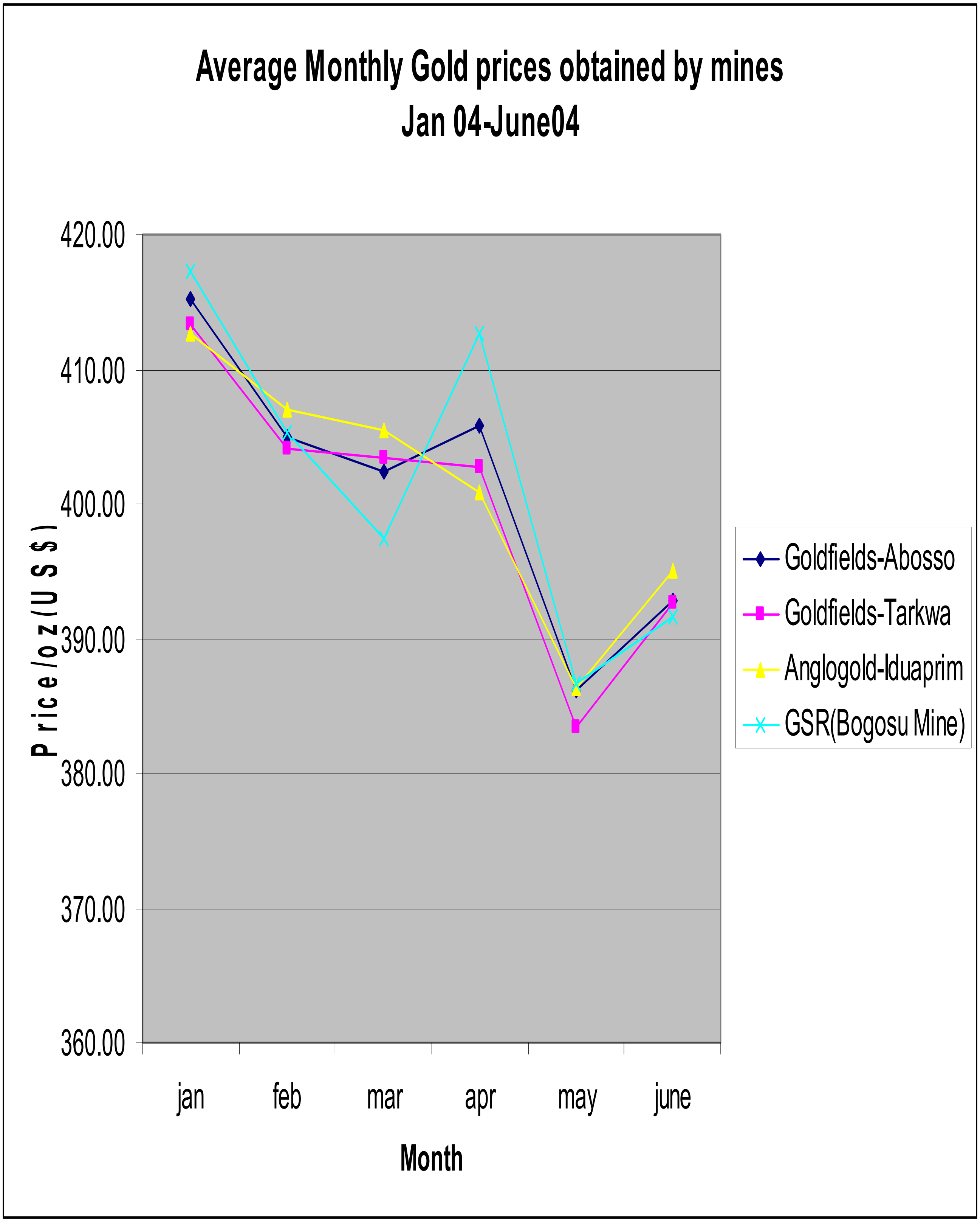
Recommendations

Standardisation enhances transparency**.**

Since gold is a commodity which is traded on the international market it should be possible to have guidelines for fixing the price.

For example prices could be fixed at say the pm spot price (LME) on the date of shipment. This would ensure transparency. It must however be said that this will not necessarily result in increased revenues for the government, as prices used by the companies/mines are sometimes higher than the spot market price at the time of export.

Fig 4



7.1.3 **Exchange Rate:**

There are no guidelines on the exchange rate to be used for mineral royalty payment.
Various exchange rate regimes are employed for the payment of mineral royalty .
Whilst majority of the mines such as Anglogold (Iduaprim) apply the rate employed by the Bank of Ghana in the repatriation of the mines 20% sales proceeds, other rates are used.
A few use the average rate for the quarter whereas Anglogold (Obuasi) applies the rate prevailing at the time of payment.

Implication:
The application of various methods of establishing exchange rates resulting in different rates does not ensure uniformity.
Two companies with equal revenues from production would pay different amounts of royalties if they pay on the same day but employ different methods for establishing the exchange rates.

Recommendation:
For uniformity, all companies should be required to use the Bank of Ghana Inter-Bank Exchange rate applicable on the date of payment.
This is also consistent with the provisions on currency conversion in Section 123 subsection 2 of the Internal Revenue Act, 2000: Act 592 which states that " Where an amount taken into account under this Act is in a currency other than cedis, the amount shall be converted to cedis at the Bank of Ghana Inter-Bank Exchange rate applying between the currency and the cedi on the date that the amount is accrued, derived, incurred, or otherwise taken into account for tax purposes."

7.1.4 **Customs Excise and Preventive Service.**

Findings:
The Customs Excise and Preventive Service (CEPS) has its staff at the mines to :

- Observe the smelting process (in the case of gold mining)

- Observe and record the weighing process.

- Package and seal boxes for shipment.

- Accompany packages to the port or airport for shipment.

However it was observed that the Customs Officers do not authenticate the shipment document that gives details of the bullions of gold to be shipped.

Implications.
Customs officers may possibly not be present in the bullion room to observe and record the weighing but called later to seal boxes for exports.

Recommendation.
The Customs officers should be made to authenticate/endorse by signing the bullion specification document released by the mining company.

7.1.5 **Length Of Stay Of Customs Officers.**
Findings:
In some instances some Customs Officials had stayed in a particular mine for over nine years.
Implication:
Familiarity between the officers in the mine and Customs Officers may hinder effective performance of duties.

Recommendation. . It is acknowledged that Officers attached to the mines have qualifications and skills peculiar to the mining sector, and that not all Customs Officers can work in a mine.
Nevertheless, Officers with such skills could be transferred regularly among the mines.
Regular transfer of Officers is needed to avoid excessive familiarity**.**

7.1.6 **Lack of inter-sectoral collaboration**
Finding:
The mining companies are required to submit monthly returns to the Minerals Commission.
These returns contain both technical (operations) and some financial information.

For the payments of mineral royalty and corporate tax mining companies are required to provide details of computations to the Internal Revenue Service (IRS) Some companies pay mineral royalties without the necessary computations sent to the IRS.
There are no formalized collaborations between the IRS, Mineral Commission and other government Agencies on matters relating to payments of mining benefits..

Implication:
An Entity may decide to provide different details to the IRS and the Minerals Commission for the purpose of evading tax. For example a company may declare higher values of capital expenditure to the IRS for the purpose of obtaining larger capital allowances. However details of capital acquisitions exist at the CEPS and Minerals Commission (due to exemption requirements).

Recommendation:
There should be established, formalized lines of communication between the IRS, the Minerals Commission, CEPS and other Agencies such as Bank of Ghana on matters relating to mineral benefits payments/receipts.

7.1.7 **Capital Gains Tax**:
Finding: Records available at the Internal Revenue Service indicate that the Service recorded a capital gains tax payment of 14 billion cedis in December 2006 as a result of mineral right transfer. This payment was made by Newmont Lasource.

Implication:

It appears mineral right holders have started to pay capital gains tax on mineral rights transfers.

Recommendation: The Minerals Commission should refer all changes in the ownerships of mineral right licences to the Internal Revenue Service for advice on the capital gains tax payment.

7.2 **RECEIPTS:**

7.2.1**Mineral Royalty:**

In general there were no problems with the receipts of mineral royalties for the selected companies. All payments were made using bank cheques which means an audit trail is maintained.

There were no differences between the amounts declared by the mining companies and that presented by the Internal Revenue Service.

Figures released by the Internal Revenue Service to the Office of the Administrator of Stool Lands was however different by eighty nine Million and four hundred thousand cedis. (see disbursements below)

7.3 DISBURSEMENTS:

7.3.1 **Shortfall in Disbursable Amount**:

There was a shortfall of eighty nine million and forty thousand cedis in the amount declared for disbursement.

The payments of mineral royalties from the selected companies for the period January –June 2004 amounted to one hundred and nine billion, two hundred and ninety million, seven hundred and fifty one thousand, four hundred and ninety four cedis.(109,290,751,494) {(see Appendices 1 and 2(A-F)]

The total amount declared as collections from the selected companies for the same period of January-June 2004, by the Internal Revenue Service (IRS) to the Office of the Administrator for Stool Lands (OASL) amounted to one hundred and nine billion two hundred and one million, seven hundred and eleven thousand four hundred and ninety four cedis (109,201,711,494)

This represents a shortfall of eighty nine million and forty thousand cedis.(c89,040,000)

This was due to differences in the amounts stated as receipts and that declared to the OASL as payments made by Anglogold/Ashanti Goldfields (Obuasi) and Bogosu Mines.

Implication:

Although the amount involved is not substantial, any shortfall in amounts declared for disbursement means the communities within the mining areas are deprived of some funds for development.

Recommendation.

The mining companies or probably the Chamber of Mines must be encouraged to send details of mineral royalties paid to the OASL and the Districts Assemblies. In this case the OASL may find out any discrepancy in the figures wrongly declared by the IRS.

7.3.2 **Lack of detailed information on payments made by the Regional Offices of the Administrator of Stool Lands to Beneficiaries.**

Finding:

Although the OASL head office provides adequate information on royalty payments to the regional offices (see Appendix 2A-F), the regional offices do not provide same to the beneficiaries.

Payments made to the District Assemblies, Traditional Authorities and Stools do not have adequate information to enable the recipients assess the correctness or otherwise of mineral royalties received. (see Appendix 6A-B)

Implication:

Without details of the mineral royalty payment due the District, Traditional Council or Stool the correctness or otherwise of amount paid could not be determined.

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Recommendation:

The Regional Offices should be made to provide information to the Districts, Traditional Councils and Stools. This should include:

- The quarter for which the payments relate to;
- The mining companies making the payments and amounts paid.

In addition the Mining Companies should be encouraged to send details of royalty payments to the District Assemblies as is currently being done by Anglogold Iduaprim.

7.3.3 **Formula for the disbursement of mineral royalty at the community level.**

Finding:
In areas where there are more than one District Assembly. Traditional Council or Stool, the method used in apportioning royalty receipts are not well known by the recipients and the public.
This is because in such areas in addition to the prescribed formula provided by the Administrative fiat of 1999, the land areas within the jurisdiction of the various stools and districts are also taken into account in the computations.

Implication: Establishing the correctness of royalty payments to communities becomes extra difficult in such circumstances

Recommendation:
The formula for the disbursement of mineral royalties to beneficiaries should be published yearly and made available at the relevant regional offices of the OASL..

7.3.4 **Delays in disbursement**:

Finding: For the period under consideration, one disbursement of mineral royalty was made from the head office of the Administrator of Stool Lands. The payments made to the two (2) regional offices in Ashanti and Western, which are the relevant regions for the purposes of this report are as follows:

Ashanti region

DATE	BANK	CHEQUE NO.	AMOUNT(cedis)
03/06/04	Bank of Ghana	654984	2,298,709.543.76

Western Region

DATE	BANK	CHEQUE NO.	AMOUNT(cedis)
03/06/04	Bank of Ghana	654982	6,761,836,147.99

Source: OASL Head Office, Accra

- The payment relates to mineral royalties that were paid in the period July to December 2003 (see Appendix 5A-B)

The Office of the Administrator of Stool Lands received the transfer from the consolidated fund on the 1st of June 2004.
The time lag between the royalty payment of July 2003 and the disbursement date is about ten (10) months.
Once the funds are transferred to the OASL, it moves quickly to the Communities.
The table below shows the tracking of benefit payment to the disbursement made within the period by the Western Regional Office of OASL and received by the Wassa West District Assembly.

Table 9 :**Time periods for payment, disbursement and receipt of mineral royalty**

Related Quarter/period Of Royalty Payment	Date of Transfer from consolidated fund to OASL	Date of Transfer from OASL Head Office to Regional OASL	Date received at Regional Office of OASL	Date received by District Assembly.
July –Dec 2003	1st June2004	3rdJune 2004	9TH June 2004	18th June/30th June 2004

Source: OASL/Wassa District Assembly

IMPLICATION:

- The delays associated with the transfers hinder openness as interested parties who are keen on following the disbursement and utilization would easily lose track of the benefits paid.
- Secondly, Districts may be unwilling to budget for the utilization of mineral royalty receipts as the delays will affect local payments.

RECOMMENDATION: Since mineral royalties are paid quarterly, mechanisms should be put in place to disburse to the beneficial communities at most three months after receipt of payment.
This will ensure the effective tracking of disbursements and its utilization , thereby enhancing transparency and development.

7.3.5 **Multiple payments to District Assemblies**.
Finding.
Disbursements made by the Western Regional Office of OASL on the 9th June 2004 to the Wassa West and Bibiani Ahwiaso Bekwai Districts were as follows.

Date paid by OASL	District Assembly	Cheque no.	Amount (m cedis)
18/6/04	Wassa West	396632	500
30/6/04	Wassa West	396645	2200
21/6/04	Bibiani /Ahwiaso	396633	344
21/6/04	Bibiani /Ahwiaso	396634	70

Amounts were split and written on more than one cheque, although they all relate to a single payment.
In the case of Bibiani/Ahwiaso District whilst the cheque no.396633 (344m cedis) was lodged in the Bank on 22nd June 2004, the 70million cedis cheque was lodged on the 30th of June 2004.

Implication:
Splitting the amount due to a district may obscure transparency.
Financial Managers of Districts could misapply some of the funds especially where there are no full disclosures on the royalty payable.
In addition .the disbursement process is further delayed**.**

Recommendation:

The Regional offices of OASL should be discouraged from splitting the amounts payable to Districts and other beneficiaries. Amount due a community or district should be paid in full on a single cheque.

7.4 UTILISATION:

7.4.1 **Findings:**

There are neither regulations nor guidelines for the utilization of mineral royalty receipts by District Assemblies.

However the Obuasi Municipal and Wassa West District Assemblies prepare budgets for the utilization of Mineral royalty receipts.

They also have special bank accounts for receiving Mineral royalty transfers.

The summary of the budgets for the year 2004 for the two Districts are shown below as well as actual expenditures for the period January –June 2004 are (see Tables 10A,10B,11A.11B and Appendices 7A-B)

Table 10A: **Obuasi Municipal Assembly, summary of 2004 Mineral royalty Budget.**

Expenditure item	Amount (Million cedis)	% of total Budget
Educational infrastructure (mainly classrooms)	3,480	63.3
Other works(street lights ,bridges etc)	1230	22.3
Share of royalty to Adansi East	300	5.5
Assembly related Matters	260	4.7
Health (Anasthetic machine for Obuasi Govt Hosp)	100	1.8
Scholarship scheme	80	1.5
Contingency	50	0.9
Total	5500	100.0

For period January 2004 to June 2004, the actual expenditures are shown below:

Table 10B:**Mineral Royalty expenditure for Jan-June 2004 –Obuasi Municipal Assembly**

Expenditure item	Amount (Million cedis)	% of total Expenditure
Educational infrastructure (mainly classrooms)	736	44.2

Other works(Markets,street lights ,bridges etc)	244	14.6
Share of royalty to Adansi East	90	5.4
Health (Anasthetic machine for Obuasi Govt Hosp)	95	5.7
Scholarship scheme	80	4.8
Waste Management	14	0.8
Assembly(Administration) related expenditure	405	24.3
Bank charges	4	0.2
Total	**1668**	**100**

Table11A: **Summary of the 2004 Royalties budget for the Wassa West District Assembly**

Expenditure item	Amount(million cedis)	% of Total Budget
Administratiion	607.3	11.0
Environment	1,112.0	21.0
Economic	2,039.6	38.0
Social	1,585.0	30.0
Total	**5343.9**	100

The summary of expenditures for the Period January to June 2004 for the Wassa West District is shown below:

Table 11B: **Actual expenditure for the period of royalties for Wassa West Jan-June 2004**

Item	Amount(million cedis)	% of Total expenditure
Administration	169	6.0
Environment	253	10.0
Economic	1715	64.0
Social	530	20.0
Total	**2667**	**100**

- The expenditures under **Administration** involve mainly the construction and rehabilitation of District Assembly's offices.
- **Environmental** expenditures consist of the construction of places of convenience and waste management.

Under the **Economic** item, over 80% of the expenditure was budgeted for the construction of markets.

Social expenditure consisted mainly, the construction of classrooms.

Budgets are not strictly followed. For example in the Wassa West District Assembly's budget an expenditure item of fifteen million cedis (15m), earmarked for a road design had an expenditure of over 1.117bn at the end of June 2004. (See Appendix 7B)

Expenditure analysis for the period January to June 2004 by the Wassa West District is presented below:

Item	Amount (cedis)
Construction of Markets	484,458,847
Construction of Roads	1.117,723,550
Extension of Electricity	111,046,750
Support to HIPC Projects	134,779,904
Construction of classrooms Block	307,448,689
Support to Community Initiated Projects	87,604,925
Construction of Assembly Buildings	168,870,181
Waste Management	220,386,000
Rehabilitation of Hand Dug Wells	16,700,000
Construction of Aqua Privy Toilets	17,700,390
Total	**2,666,719,236**

- The Bibiani/Ahwiaso/Bekwai District did not have a dedicated bank account/budget for the utilization of mineral royalty receipts.

Implications:

In the absence of appropriate guidelines, utilization of funds may not be very effective**.** Where budgets exist they may not be strictly followed.

Other Districts may decide to apply royalty receipts for recurring expenditure.

Recommendations:

It is necessary to have some broad guidelines for the utilization of mineral royalty Receipts as applied to other government disbursements to the districts.eg District Assembly's common fund. This will ensure consistency in the provision of development programmes and the promotion of accountability.

Again with mining as a non renewable venture, it may be necessary to target expenditures to provide sustainable economic growth within the communities.

8.0 **CONCLUSION:**

The presentation of this report completes the first aggregated/reconciled report for the Assignment.

In general payments made by mining companies to statutory bodies/Agencies were well accounted for by the receiving Agencies.

Mineral royalty was recorded as the highest and most significant contribution with relevance to the mining communities.

There was no payment of Ground rent and mineral right licence within the period by any of the selected companies .

Transparency in the disbursements of mining benefits(mineral royalty) to the communities needs to be enhanced.

Guidelines for the utilization of these benefits should be drafted as a matter of urgency.

Efforts should be made by the Steering Committee to facilitate the timely provision of data by the Stakeholders, especially the Internal Revenue Service.

The following would be examined in subsequent reports: They are best addressed on annual basis.

- The classification of mineral royalties in the financial statements of mining Companies.

- Issues relating to the payments of royalties at percentages other than the minimum 3%,
- Corporate tax computations
- Grade/ fineness/purity of gold reported by companies.
- Dividend tax
- Review of capital investments for the assessment of the propriety of depreciation and amortization declared by mining companies.

APPENDIX 1-Mineral Royalties collected by the IRS IN 2004 from selected companies

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MINERAL ROYALTIES – 2004

23/4/04	2004	Ghana Bauxite Co Ltd	930,167,355.60
23/7/04			1,169,062,095.24
28/10/04			474,876,944.00

23/4/04	99-2001		23,017.00
23/4/04	2002		153,655,647.00
3/2/04	2004		408,059,514.96
29/7/04	2004	Ghana Manganese Co Ltd	2,530,490,796.32
2/11/04			1,880,854,374.32
29/1/04	2003		2,060,322,036.45
29/3/04	2004		1,589,197,231.43
28/7/04	2004	Ghanaian Australian Goldfields	5,499,783,935.98
29/7/04			6,853,848,342.42
29/1/04	2003		7,331,430,737.01
28/4/04	2004		6,619,038,478.05
29/7/04	2004	Bogosu Gold Ltd	4,169,161,240.71
2/11/04			3,323,980,233.47
29/1/04	2003		4,562,662,845.92
29/4/04	2004		5,125,425,914.73
30/7/04	2004	Abosso Goldfields	8,793,881,865.65
27/10/04			7,446,710,479.91
30/1/04	2003		7,984,260,396.16
30/4/04	2004		8,461,510,383.55
30/7/03	2004	Goldfields Gh Ltd	13,115,488,824.62
28/10/04			13,484,426,177.60
30/1/04	2003		14,471,440,591.94
30/4/04	2004		14,917,040,619.70
30/7/04	2004	AGC (Bibiani) Ltd	4,112,283,984.90
31/7/04			3,780,669.10
2/11/04			4,921,307,533.40
28/1/04	2003		5,505,901,387.40
30/4/04	2004		4,564,066,335.24
30/7/04	2004	Ashanti Goldfields Co Ltd	9,933,180,113.99
29/7/04	2004		10,318,834,112.72
30/7/04	98-2001		75,449,452.26
26/1/04	2003		12,325,648,120.80
30/4/04	2004		12,280,900,879.68