

**AUDITED FINANCIAL STATEMENTS OF THE  
MATHEWS RIDGE POWER AND LIGHT INCORPORATED**

**FOR THE PERIOD  
12 JULY TO 31 DECEMBER 2011**

**AUDITORS:   AUDIT OFFICE  
63 HIGH STREET  
KINGSTON  
GEORGETOWN  
GUYANA**



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AG: 108/2013

25 July 2013

REPORT OF THE AUDITOR GENERAL  
TO THE MEMBERS OF THE  
MATTHEWS RIDGE POWER AND LIGHT INC.  
ON THE FINANCIAL STATEMENTS  
FOR THE PERIOD 12 JULY TO 31 DECEMBER 2011

I have audited the accompanying financial statements of Matthews Ridge Power and Light Incorporated (MRPLI) which comprise the statement of financial position for the period 12 July to 31 December 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, and a summary of significant accounting policies and other explanatory information. The audit was conducted in accordance with the Audit Act 2004.

### *Management's responsibility for the financial statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's responsibility*

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing issued by the International Federation of Accountants (IFAC), and those of the International Organization of Supreme Audit Institutions (INTOSAI). Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, 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 management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

*Opinion*

In my opinion, the financial statements give a true and fair view in all material respects of the financial position of Matthews Ridge Power and Light Incorporated for the period 12 July to 31 December 2011, and of its financial performance and cash flows for the period then ended in accordance with International Financial Reporting Standards and the Companies Act 1991.



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**MATTHEWS RIDGE POWER & LIGHT INCORPORATED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD JULY 12, 2011 - DECEMBER 31, 2011**

	Notes	07/12/2011 - 12/31/2011 <u>G\$</u>
Revenue	3	-
Generation & Distribution Cost	4	<u>-</u>
Net Operating Revenues		-
Administrative Expenses	5	63,900
Depreciation		-
<b>Profit for the Year</b>		<u><u>(63,900)</u></u>
Basic Earnings per Share in Dollars		<u><u>-</u></u>

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

**MATTHEWS RIDGE POWER & LIGHT INCORPORATED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD JULY 12, 2011 - DECEMBER 31, 2011**

	<u>Share Capital</u> G\$	<u>Retained Earnings</u> G\$	<u>Deposit On Shares</u> G\$	<u>Total</u> G\$
As at July 12, 2011	-	-	-	-
Loss for the year	-	(63,900)	-	(63,900)
Increase in Deposit on Shares	-	-	63,900	63,900
<b>Balance at 31 December 2011</b>	<u>-</u>	<u>(63,900)</u>	<u>63,900</u>	<u>-</u>

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

**MATTHEWS RIDGE POWER & LIGHT INCORPORATED**  
**STATEMENT OF FINANCIAL POSITION**  
**FOR THE PERIOD ENDED DECEMBER 31, 2011**

	Notes	07/12/2011 - 12/31/2011 GS
<b>ASSETS</b>		
<b>Non - Current Assets</b>		
Tangible Non - Current Assets	6	-
<b>Current assets</b>		
Cash on Hand & at Bank	7	-
<b>TOTAL ASSETS</b>		<u>-</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital &amp; Reserves</b>		
Share Capital	8	-
Deposit on Shares	9	63,900
Retained Earnings		<u>(63,900)</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>-</u>

The Financial Statements were approved by the Board of Directors on the July 15, 2013

W. K. Ryt  
 Director

Manoj Radicharma  
 Director

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

**MATTHEWS RIDGE POWER & LIGHT INCORPORATED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD JULY 12, 2011 - DECEMBER 31, 2011**

	07/12/2011 - 12/31/2011 G\$
<b>Operating activities</b>	
Net Profit / (Loss) for the year	(63,900)
Adjustments for:	
Fixed Assets	-
Depreciation	-
Net Changes in Working Capital	-
<b>Cash Generated from Operations</b>	<b>(63,900)</b>
<b>Investing Activities</b>	
Purchase of Tangible Non - Current Asset	-
<b>Net Cash Used in Investments</b>	<b>-</b>
<b>Financing Activities</b>	
Deposit on Shares	63,900
<b>Net Cash Used in Financing</b>	<b>63,900</b>
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>-</b>
<b>Cash &amp; Cash Equivalents as at Beginning of the Period</b>	<b>-</b>
<b>Cash &amp; Cash Equivalents as at End of Period</b>	<b>-</b>

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



**MATTHEWS RIDGE POWER & LIGHT INCORPORATED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD JULY 12, 2011 - DECEMBER 31, 2011**

**1. Incorporation**

Mathew's Ridge Power & Light Incorporated (MRPLI) was incorporated as a company under the Companies Act Chapter 89:01 on the July 12, 2011. The objectives of the company are the Generation, Transmission and Distribution of electricity within Mathew's Ridge and its surrounding communities.

**2. Summary of significant of accounting policies**

**(a) Accounting convention**

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings and conform with International Financial Reporting Standards adopted by the Institute of Chartered Accountants of Guyana.

**(b) Fixed assets**

Fixed assets are depreciated on the straight - line method over their estimated useful lives as follows:-

Buildings	2%
Furniture & Equipment	20%
Motor Vehicles	25%

Depreciation for a full year is charged in the year of acquisition. However, no depreciation is charged in the year of disposal.

**(c) Foreign currency**

Foreign currency transactions completed during the year are translated to Guyana dollars at the Republic Bank (Guyana) Limited Cambio rates of exchange ruling at the dates of such transactions. At Balance sheet date all amounts denominated in foreign currencies are translated to Guyana dollars at the Republic Bank (Guyana) Limited Cambio exchange rates ruling at that date or at rates agreed by Bank of Guyana. Gains and losses resulting from such transactions are included in the profit and loss account for the year.

Gains and losses arising from the translation of foreign currencies are included in the profit and loss account for the year.



**MATTHEWS RIDGE POWER & LIGHT INCORPORATED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD JULY 12, 2011 - DECEMBER 31, 2011**

**2. Summary of significant of accounting policies continued**

**(d) Revenue**

Revenue consists of the following:-

- (a) Sale of electricity to consumers
- (b) Subvention received from Government of Guyana.
- (c) Contract work for the set-up of electricity supply.

Income is recongnised on an accrual basis unless collectability is doubtful.

**(e) Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is determined using primarily the weighted average cost basis. Inventories consists of fuel and oil held on hand.

**(f) Expenditure**

Expenditure are dealt with in these financial statements on the accrual basis.

**MATTHEWS RIDGE POWER & LIGHT INCORPORATED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD JULY 12, 2011 - DECEMBER 31, 2011**

	07/12/2011 - 12/31/2011 <u>G\$</u>
<b>3. Revenue</b>	
Subvention from GOG	-
Receipts from the Supply of Electricity	-
Others	-
<b>Total Revenue</b>	<u>-</u>
<b>4. Generation &amp; Distribution Cost</b>	
Fuel & Lubricants	-
Materials, Equipment and Supplies	-
Repairs & Maintenance: Generators	-
Meters	-
Depreciation of Generators	-
Transportation	-
<b>Total Generation &amp; Distribution Cost</b>	<u>-</u>
<b>5. Administrative Expenses</b>	
Incorporation Fees	63,900
<b>Total Administrative Expenses</b>	<u>63,900</u>

**MATTHEWS RIDGE POWER & LIGHT INCORPORATED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD JULY 12, 2011 - DECEMBER 31, 2011**

**6. Tangible Non - Current Assets**

	<b>Land &amp; Buildings G\$</b>	<b>Furniture &amp; Equipment G\$</b>	<b>Motor Vehicles G\$</b>	<b>Distribution Systems G\$</b>	<b>Total G\$</b>
<b>Cost</b>					
At July 12, 2011	-	-	-	-	-
Additions					
At December 31, 2011	-	-	-	-	-
<b>Depreciation</b>					
At July 12, 2011	-	-	-	-	-
Charge for the Year					
At December 31, 2011	-	-	-	-	-
<b>Net Book Value:</b>					
At December 31, 2011	-	-	-	-	-

**07/12/2011 -  
12/31/2011  
G\$**

**7. Cash on Hand & at Bank**

Cash at Bank	-
<b>Total Cash on Hand &amp; at Bank</b>	<b>-</b>

**8. Share Capital**

Authorised Share Capital: 500,000 Ordinary Shares at G\$100 each.	<b>50,000,000</b>
Issued and Fully Paid Ordinary Shares	-

**9. Deposit On Shares**

Deposit on Shares	<b>63,900</b>
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This amount represents a deposit made by the Parent Company for issued Share Capital of MRPLI.

**10. Directors**

The Directors of the company during the period July 12, 2011 - December 31, 2011 were:

- 1) Mr. Winston Brassington
- 2) Mrs. Marcia Nadir - Sharma