

**2014**



**FFC ENERGY LIMITED**

**FINANCIAL STATEMENTS**

For the year ended  
December 31, 2014

# Contents

Directors' Report	
Auditors' Report	
Balance Sheet	
Profit and Loss Account	
Statement of Comprehensive Income	
Cash Flow Statement	
Statement of Changes in Equity	
Notes to the Financial Statements	

## Directors Report 2014

The Directors of the Company are pleased to present the Annual Report of the Company along with its audited financial statements for the year ended December 31, 2014.

### Principal Activities

FFC Energy Limited was incorporated on November 18, 2009 as a public limited company under the Companies Ordinance, 1984. The commercial operations started in May 2013.

The Company is a special purpose vehicle established to develop, own, operate and maintain 49.5 MWh of wind power project at Jhampir, Sindh. The project life is 20 years from commercial operations date.

### Business Model

The Company has set-up Pakistan's signature independent power project which utilizes renewable wind resource to commercially generate electricity. National Transmission and Despatch Company [NTDC] is the sole customer for sales of electricity. NTDC has assumed the risk of variability in wind speeds under the Energy Purchase Agreement [EPA].

Government of Pakistan, through the Implementation Agreement, has guaranteed the payment obligations of NTDC on account of power sales. National Electric Power Regulatory Authority [NEPRA] determines the price of electricity produced by the Wind Farm.

Applicable tariff regime affords reimbursements of operating costs and returns on equity throughout the life of the project.

### Plant and Operations

The Company has installed 33 Wind Turbine Generator [WTGs] units of Nordex S77 make with name plate capacity of 1.5 MWh each mounted at hub height of 80 meters. The net capacity of the Wind Farm is approx. 46.85 MWh. The WTGs can safely operate within the wind speed range of 3.5 to 25 meters per second.

The Wind Farm occupies 1283 acres of land in the wind corridor of Thatta District, approx. 100 km inland from the coast. The annual average wind speed in the areas worked out by Alternative Energy Development Board of Pakistan is 7.3 meters per second.

The plant's operations and maintenance services [O&M services] have been outsourced to the WTGs manufacturer i.e. Nordex Germany who have partnered with Descon Engineering Limited for the O&M services. First 2 years O&M service contract with Nordex/ Descon shall complete in August 2015. The Company has the right to prolong the O&M Contract with the same operators for another 3 years period.

No Lost Time Injury has been reported at the Wind Farm and safe operations time now stands at 595 days. Two scheduled maintenances of WTGs were undertaken in the months of March/April and October/November. Cumulative maintenance stoppage was 632 hours.

