

Mining Materiality:

The relevant revenue streams for reconciliation included Mineral Rights; Ground Rent; Property rate; Mineral Royalty; Corporate tax and dividends. They excluded taxes levied on consumption such as value added taxes, personal income tax (PAYE) or sales taxes as they were considered as indirect taxes.

Other direct payments were not considered material, ie their omission or misstatement could not significantly affect the comprehensiveness of the EITI report.

The mineral production sector in Ghana generates revenue that far outweighs that from the exploration sector. All entities engaged in mineral production pay mineral royalty except artisanal miners.

Mineral royalty payment from small scale mineral producers was not material. ie

Mineral royalty and corporate tax generated over 95% of the revenues from the relevant revenue streams in 2012 and 2013.

By setting the materiality threshold at mineral royalty payment of GHS400,000 for large scale mining lease holders, over 95% of the value of relevant revenue streams were due for reconciliation