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2. Basis of preparation and changes to accounting policies**2.1 Basis of preparation—**

The interim financial statements for the three months ended 31 March 2015 have been prepared in accordance with IAS 34 Interim Financial Reporting.

The interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements as at 31 December 2014.

2.2 New standards, interpretations and amendments adopted by the Company

The accounting policies adopted in the preparation of the interim financial statements are consistent with those followed in the preparation of the annual financial statements for the year ended 31 December 2014. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

3. Cash and cash equivalents

(a) Following is the composition of this caption:

| | March 31, 2015 | December 31, 2014 |
|-----------------------|-------------------|----------------------|
| | S/,(000) | S/,(000) |
| Current accounts(b) | 688 | 625 |
| Trust fund account(c) | 867 | 781 |
| | <u>1,555</u> | <u>1,406</u> |

(b) As of December 31, 2014 and 2013, the Company keeps current accounts in local banks, denominated in local and foreign currency, are unrestricted and do not bear interest.

(c) Correspond to the "collections bank account" which include collections from customers of the Company which are deposited in an account in local and foreign currency in a local bank, according to the Trust Agreement subscribed with La Fiduciaria . These balances are freely available.

4. Trade accounts receivable

(a) Following is the composition of this caption:

| | March 31, 2015 | December 31, 2014 |
|--|-------------------|----------------------|
| | S/,(000) | S/,(000) |
| Trade accounts receivable(b) | 3,262 | 2,084 |
| Accrued income for RER auctions(c) | 2,650 | 482 |
| | <u>5,912</u> | <u>2,566</u> |
| Less: | | |
| Provision for doubtful accounts receivable | (14) | — |
| | <u>5,898</u> | <u>2,566</u> |

(b) Trade accounts receivable correspond mainly to the estimation performed by Management of accounts receivable from energy delivered but not billed in the month. These accounts receivable are billed on the first days of the following month and are denominated in Nuevos Soles.

As of March 31, 2015 and December 31, 2014, the aging of the balance of accounts receivable is mainly comprised by non-past due balances shorter than 30 days.

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