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The Company manages its capital structure and timely requests shareholders for any adjustment to this capital considering the economic environment in which the Company operates. To maintain or adjust its capital structure, it may request shareholders for variations to dividends and capital returns previously agreed on, as well as for increases in capital contributions if necessary. These policies had no significant changes in 2014 and 2013.

The Company monitors capital using a gearing ratio, which is net liabilities divided by total equity plus net liabilities. The Company's policy is to keep the gearing ratio between 50% and 90%. The Company includes within net liabilities, notes and loans payable, accounts payable and accrued expenses, less cash.

The Company is financed through third-party debt and shareholders' equity. The Company's capital management is focused on maximizing shareholders' returns through the optimization of the debt to equity gearing ratio. As of December 31, the Company's gearing ratio was as follows:

	2014	2013
Notes and loans payable	\$ 83,836,117	\$ 86,129,137
Accounts payable	684,174	265,987
Accrued expenses	404,109	1,333,138
Accrued interest payable	318,268	342,403
Decommissioning provision	319,728	238,184
Less – cash and restricted cash	(11,537,045)	(15,956,892)
Net liabilities	74,025,351	72,351,957
Total equity	8,101,811	14,860,144
Equity and net liabilities	\$ 82,127,162	\$ 87,212,101
Gearing ratio	90%	83%

23. Fair value of financial instruments

As indicated in Note 21, the Company's main financial instruments are comprised of cash, notes and accounts receivable, notes and loans payable, accounts payable and accrued expenses. Management believes that the carrying amounts of cash, accounts receivable, and accounts payable approach their fair market value due to their short-term nature.

In evaluating the fair value of loans payable at fixed rates the Company has considered the country risks, market conditions existing both at the date of the loans and those at the statement of financial position dates, and that there are not a significant number of comparable financings in its market. As of December 31, 2014 and 2013 the fair value of the loans, taking into account current market interest rates, are the following:

	Carrying amount		(Level 3) Fair value	
	2014	2013	2014	2013
FMO	\$ 26,758,615	\$ 27,592,710	\$ 26,296,130	\$ 27,140,700
DEG	23,891,620	24,636,349	24,559,599	25,442,385
Proparco	25,325,117	26,114,530	24,797,292	25,585,888
FMO Subordinated	11,471,796	11,844,540	12,503,838	12,672,986
	\$ 87,447,148	\$ 90,188,129	\$ 88,156,859	\$ 90,841,959

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