
 Table of Contents
6. Cash

	2014	2013
Banks	\$ 6,312,107	\$ 5,696,136
Petty cash	2,025	690
	<u>\$ 6,314,132</u>	<u>\$ 5,696,826</u>
Restricted cash in banks	\$ 228,323	\$ —

Cash deposited in bank accounts earns interest based on daily rates determined by the corresponding banks.

The cash balance for US\$228,323 as of December 31, 2014 is restricted under the financing documents between Energía Eólica and the Lenders (Note 11). Under the terms of its debt agreements, the Company has a series of restricted bank accounts both "on-shore" in Costa Rica, and also off-shore. Cash receipts from operations are initially deposited directly into these restricted accounts and then based on contractually agreed provisions are allocated into a series of sub-accounts, restricted for specific operational and other purposes including, but not limited to, construction, debt service, major maintenance, insurance, and shareholders distributions. Except as expressly provided in those debt agreements, the restricted bank accounts are under the control of a trustee and the Company has the right to withdraw or transfer funds only as expressly provided in those debt agreements.

7. Prepaid sales tax

As of December 31, 2014, the Company reflects an asset for a total of US\$7,153,071 (2013: US\$0) in its financial statements which is related to sales taxes paid. Out of this balance, US\$7,022,301 relates to taxes for the import of the generation equipment for the Project. The Company filed an application with the Ministry of Treasury to obtain tax exempt purchase orders for the import of the equipment necessary for the Project's construction. This application, however, was denied. Orosi was therefore forced to pay all of the sales taxes for the imports.

On February 12, 2015 the Company filed a claim against the State of Costa Rica through an ordinary process that would allow for the recovery of these taxes plus interest. In the meantime, the Company will use the taxes paid as tax credits to be offset against taxes collected from the sale of energy. Because the Company believes that it is probable that it will ultimately recover such prepaid sales tax amounts, it has reflected these amounts as a prepaid amount in its financial statements and not as an incremental component of the project construction.

8. Intangible assets

As indicated in Note 4.8.2, the Company accounts for the construction of the wind park under the intangible asset model contemplated in IFRIC 12. Construction of the wind park began in December 2013. The intangible asset balance as of December 31 is as follows:

	2014	2013
Construction revenue during 2014	\$ 94,519,373	\$ —
Construction revenue during 2013	4,752,567	4,752,567
Restoration Obligation (note 15)	234,793	—
Advances to the wind park sub-contractors	—	14,193,096
	<u>\$ 99,506,733</u>	<u>\$ 18,945,663</u>

Construction costs in the year 2014 associated to revenue amount to US\$93,767,828 (2013: US\$4,718,125).

F-528