

Evaluation of Access to Finance for Local Oil Fields Companies in Ghana

Authors : Gordon Newlove Asamoah, Wendy Ama Oti

Abstract : This study focused on evaluating access to finance for local oil field companies in Ghana. The study adopted a census survey design in evaluating access to finance for local oil field companies in Ghana. The respondents of this study were 30 management members of three oil field companies in Ghana. The data collected was analysed using Statistical Package for Social Scientists (SPSS) to generate tables and graphs for interpretation. The results show that most companies use equity financing in combination with other forms of financing to finance their business activities. This research has shown the various challenges bordering on the financing of local oil and gas projects, with emphasis on the challenges of raising funds by indigenous oil companies. Financing of the projects by indigenous oil field companies in Ghana is preferably achieved through equity finance mainly because it is the easiest to get compared to all the other forms of financing available. Other sources of financing available are debt financing, joint venture, and retained earnings from the profits generated from their operations. The study made recommendations to local oil field companies as to how they can make good use of the capital market to raise financing.

Keywords : access, financing, oil fields, Ghana

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