



National Food Security Processing and Marketing Corporation (NFSP&MC)

Annual Report and financial statements
For the year ended
30th September 2022

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General Information

Board of Directors

| | |
|---------------------------------|-------------------|
| Chief Falalo M Touray | Chairman |
| Muhammed Njie | Managing Director |
| Dr. Amadou Sowe | Member |
| Ndey Naffie Ceesay | Member |
| Chief Yayah Jarjuy | Member |
| Abdoulie Khan | Member |
| Modou Lamin Ceesay | Member |
| The Permanent Secretary - OP | Member |
| The Permanent Secretary - MOFEA | Member |
| The Permanent Secretary - MOA | Member |
| The Permanent Secretary - MOTIE | Member |

Board Secretary

Jabou Bah-Up to November 2021
Alagi Jarju-From December 2021

Bankers

| | |
|---|--|
| Trust Bank Limited 3/4 Ecowas Avenue, Banjul | Vista Bank (Gambia) Limited 2 Kairaba Avenue, Serekunda |
| Arab Gambia Islamic Bank Ecowas Avenue Banjul, The Gambia | Mega Bank Limited 11 Liberation Avenue, Banjul |
| Bloom Bank (Gambia) Limited 70 Kairaba Avenue, Serrekunda | Reliance Financial Services Kairaba Avenue, KSMD |
| Ecobank (Gambia) Limited 42 Kairaba Avenue, Serrekunda | |

Auditors

Accords Associates- The Gambia
JIMPEX Road
Opposite NEA

Solicitors

Semega Legal Chambers
15 Daniel Goddard Street
Banjul, The Gambia

Registered Office

National Food Security, Processing and
Marketing Corporation
Denton Bridge
Sarro
Banjul, The Gambia

Directors report

The Directors of the Corporation present their report and the audited financial statements of National Food Security Processing and Marketing Corporation for the year ended 30 September 2022.

Statement of Directors responsibilities

The Companies Act 2013 requires the directors to prepare the financial statements for the financial period which give a true and fair view of the state of affairs of the Corporation and of its profit or loss for that period. In preparing the financial statements, the directors are required to:

- ☐ select suitable accounting policies and then apply them consistently;
- ☐ make judgments and estimates that are reasonable and prudent;
- ☐ state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- ☐ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Corporation will continue in business.

The directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the Corporation and to enable them to ensure that the financial statements comply with the Companies Act 2013. They are also responsible for safeguarding the assets of the Corporation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activities

The principal activity of the Corporation is the purchasing, processing and marketing of groundnut and groundnut by-products. The Corporation also provides handling, storage, river transport, decortications and crushing of other oil products.

Results and dividends

The results of the corporation are as detailed in the accompanying financial statements. The directors do not propose payment of any dividend for the year [2021 Nil].

Property, Plant and Equipment

The Corporation's property, plant and equipment are detailed in note 17 of the financial statements. There has not been any permanent diminution in the value of the Corporation's property, plant and equipment as disclosed in note 17 of the financial statements.

Directors and director's interests

The directors who held office during the year are as detailed on page 2. None of the directors who held office had beneficial financial interest in the corporation's shares.

The auditors, who were appointed by the National Audit Office and having indicated their willingness, will continue in office pursuant to Section 342 of the Companies Act 2013.

By Order of the Directors

Secretary *Tamsin B. Jallow*
Date: *5th July* 2024

Independent Auditor's Report

To Board Members of National Food Security Processing and Marketing Corporation (NFSPMC)

Opinion

We have audited the financial statements of National Food Security Processing and Marketing Corporation (NFSPMC) which comprise the statement of financial position as at 30 September 2022, income statement, the statement of changes in equity and the statement of cash flows for the year ended 30 September 2022, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Entity and its financial performance and its cash flows for the year then ended in accordance with the requirements of the Companies Act 2013 and Generally Accepted Accounting Principles.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the entity in accordance with the Independent Regulatory Board for Auditors *Code of Professional Conduct for Registered Auditors* (IRBA Code), which is consistent with the International Ethics Standards Board for Accountants *Code of Ethics for Professional Accountants* (Part A and B), together with other ethical requirements that are relevant to our audit of the financial statements in The Gambia, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. Key audit matters have been included in the Management Letter.

Other Information

The Directors are responsible for the other information. The other information comprises the Directors' Report in the Financial Report which we obtained prior to the date of this auditor's report. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance thereon

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with the requirements of the Companies Act 2013 and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Concluded on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Corporation to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicated with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Accord Associates
Accord Associates
Chartered Accountants
Registered Auditors
Banjul The Gambia





Date... 9 July 2024

Statement of Financial Position

As at 30th September 2022
(In Gambian Dalasi)

| | Notes | 30-Sep-22 GMD | 30-Sep-21 GMD |
|-------------------------------------|-------|----------------------|----------------------|
| Assets | | | |
| Non-current assets | | | |
| Property, plant and equipment | 12 | 210,191,017 | 229,229,434 |
| Total Non-current assets | | 210,191,017 | 229,229,434 |
| Current assets | | | |
| Cash and Cash equivalent | 13 | 446,984,987 | 124,824,940 |
| Short term investments | 14 | - | 76,000,000 |
| Inventory | 16 | 417,597,466 | 83,321,617 |
| Receivables | 17 | 1,317,546,530 | 574,678,354 |
| Total Current assets | | 2,182,128,983 | 858,824,911 |
| Total assets | | 2,392,320,000 | 1,088,054,345 |
| Equity and liabilities | | | |
| Equity | | | |
| Share capital | 20 | 75,500,000 | 75,500,000 |
| Retained earnings | | (178,160,986) | (190,293,261) |
| Total equity | | (102,660,986) | (114,793,261) |
| Liabilities | | | |
| Bank Overdrafts | 15 | - | 100 |
| Accruals and other payables | 18 | 19,642,349 | 8,696,603 |
| Loans | 19 | 2,211,698,736 | 913,170,592 |
| Taxation | 10 | 88,444,878 | 82,444,778 |
| Capital grant | 12 | 175,195,023 | 198,535,534 |
| Total liabilities | | 2,494,980,986 | 1,202,847,606 |
| Total equity and liabilities | | 2,392,320,000 | 1,088,054,345 |

These Financial Statements were approved by the Board of Directors on.....2024, and were signed on their behalf by:

 Chairman
 Director

The notes form an integral part of these financial statements

Statement of Profit or Loss

For the year ended 30 September 2022
(In Gambian Dalasi)

| | Notes | 30-Sep-22 GMD | 30-Sep-21 GMD |
|--|-------|----------------------|---------------------|
| Operating income | 2 | 1,510,387,934 | 1,017,832,923 |
| Cost of sales | 3 | (1,235,301,937) | (841,035,273) |
| Production and processing cost (conversion cost) | 5 | (13,352,685) | (20,276,118) |
| Gross profit | | 261,733,313 | 156,521,532 |
| Other income | 4 | 6,023,079 | 45,512,136 |
| Grant income | 12 | 23,340,511 | 23,340,511 |
| Total income less cost of sales | | 291,096,903 | 225,374,179 |
| Administration expenses | 7 | (27,035,855) | (23,331,860) |
| Employee cost | 8 | (55,704,780) | (37,900,726) |
| Depreciation | 11 | (31,564,386) | (28,003,687) |
| Total Expenditure | | (114,305,021) | (89,236,273) |
| Finance cost | 9 | (160,126,293) | (83,011,667) |
| Profit before Tax | | 16,665,589 | 53,126,239 |
| Taxation | 10 | (15,164,110) | (14,344,084) |
| Profit / (loss) after tax | | 1,501,479 | 38,782,155 |

The notes form an integral part of these financial statements

Statement of changes in equity

For the year ended 30th September 2022
(In Gambian Dalasi)

| | Share Capital GMD | Retained earnings GMD | Total GMD |
|--|----------------------|--------------------------|---------------|
| Balance as at 1 st October 2021 | 75,500,000 | (229,830,534) | (154,330,534) |
| Profit or loss for the year | | 38,782,155 | 38,782,155 |
| Prior year adjustments | | 755,118 | 755,118 |
| | 75,500,000 | (190,293,261) | (114,793,261) |
| At 1st October 2022 | | | |
| Balance as at 1st October 2022 | 75,500,000 | (190,293,261) | (114,793,261) |
| Retained Earnings Adjustment | - | - | - |
| Profit or loss for the year | - | 1,501,479 | 1,501,479 |
| Prior year adjustments | | 10,630,796 | 10,630,796 |
| | | - | - |
| Closing balance 30th September 2022 | 75,500,000 | (178,160,986) | (102,660,986) |

The notes form an integral part of these financial statements

Statement of cash flow

For the year ended 30th September 2022.
(In Gambian Dalasi)

| | 30-Sep-22 GMD | 30-Sep-21 GMD |
|--|------------------------|----------------------|
| Cash flows from operating activities | | |
| Profit or loss before tax | 16,665,589 | 53,126,239 |
| Adjustments for: | | |
| Depreciation | 31,564,386 | 28,003,687 |
| Grant income released | (23,340,511) | (23,340,511) |
| Changes in Receivables | (742,868,176) | (362,336,700) |
| Changes in inventories | (334,275,849) | (56,499,427) |
| Changes in payables | 10,945,746 | (9,005,034) |
| Opening retained earnings error | 10,630,398 | 755,118 |
| Cash generated from operations | (1,030,678,417) | (369,296,628) |
| Income taxes paid | (9,164,010) | (9,082,005) |
| Net cash from Operating activities | (1,039,842,427) | (378,378,633) |
| Cashflow from investing activities | | |
| Purchase of Property plant and equipment | (12,525,969) | (20,238,776) |
| Capital grant received | | |
| Short term investments | 76,000,000 | 54,000,000 |
| Net cash from investing activities | 63,474,031 | 33,761,224 |
| Cash flow from financing activities | | |
| Changes in long term borrowings | 1,298,528,144 | 418,716,794 |
| Decrease in bank overdrafts | (100) | (1,109,592) |
| Net cash used in financing activities | 1,298,528,044 | 417,607,202 |
| Net increase or (decrease) in cash and cash equivalent | 322,159,648 | 72,989,793 |
| Cash and cash equivalent at the beginning of the period | 124,824,942 | 51,835,147 |
| Cash and cash equivalent at the end of the period | 446,984,590 | 124,824,940 |

The notes form an integral part of these financial statements

1. Notes to the financial statements

1.1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are material in relation to the Corporation's financial statements.

Accounting convention

The financial statements have been prepared under the historical cost convention in accordance with Generally Accepted Accounting Principles and applicable provisions of the Company's Act 2013.

1.2 Revenue recognition

Revenue represents the amount invoiced to customers for the purchase of products and commodities as well as sales made on cash basis.

1.3 Property, plant and equipment

Owned assets

Items of property, plant and equipment are stated at cost less accumulated depreciation. Cost includes all costs incurred in acquiring the asset plus all directly attributable costs incurred in bringing the asset to its present location and condition for the asset to become operational.

Depreciation

Depreciation is provided at the following annual rates in order to write off the cost of each asset on a straight-line basis over its estimated useful life.

| | % |
|-----------------------------|-------|
| Building | 4 |
| Badges and Tug boats | 10 |
| Office equipments | 10 |
| Plant and Machinery | 10 |
| Other equipment (Generator) | 10 |
| Motor vehicles | 20 |
| Furniture and Fittings | 20 |
| Computer Equipments | 33.33 |

1.4 Subsequent expenditure

Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately, including major inspection and overhauled expenditure, is capitalized. Other subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the item of property, plant and equipment. All other expenditure is recognized in the income statement as an expense as incurred.

National Food Security Processing and Marketing Corporation (NFSPMC)
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1.5 Foreign currencies
Monetary assets and liabilities denominated in foreign currency are converted to Dalasi at the period end exchange rate ruling on the Balance Sheet date. Transactions in foreign currencies are recorded at the rates ruling on the date of the transaction. All gains or losses arising are transferred to the income statement.

1.6 Taxation

Tax is charged on the basis of the higher of 1% of gross income and 27% of tax adjusted accounting profits in accordance with Income Tax laws of The Gambia.

1.7 Pension scheme

The company is registered with the Social Security and Housing Finance Corporation and contributes each month on behalf of the permanent employees 15% of their Gross Salary (i.e. basic salary plus all other fixed allowances) and 10% for the temporary employee's basic salaries to the national provident fund. Temporary Employees' contributions are 5% of basic salaries which is deducted before arriving at net salaries.

Under the scheme, employees are entitled to lump sum payments upon attaining the retirement age of 60.

1.8 Impairments

Assets that have an indefinite useful life are not subject to amortization and are tested for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

1.9 Provisions

A provision is recognized in the balance sheet when the company has a legal or constructive obligation as a result of a past event, and when it is probable that an outflow of economic benefits will be required to settle the obligation.

1.10 Inventory

Inventory is valued at lower of cost and net realizable value using the First In First Out (FIFO) method of valuation

2. Operating income

| 30-Sep-22 | GMD | 30-Sep-21 |
|---|----------------------|----------------------|
| Hand Picked Selection | 845,740,039 | 113,422,316 |
| Sale of Groundnut Oil | 127,037,835 | - |
| Groundnut Cake | 35,924,110 | 27,093,604 |
| Sale of F.A.Q. Nuts | 8,127,900 | - |
| Sale of Un-decorated Groundnut | 1,344,000 | - |
| Sale of Raw Cashew Nuts | - | 74,942,209 |
| Fertilizer | 175,084,950 | 278,374,794 |
| GTOG Subsidy for purchase of fertilizer | 317,129,100 | 524,000,000 |
| | 1,510,387,934 | 1,017,832,923 |

(2.1). The GTOG subsidy for purchase of fertilizer figure represents subsidy element on sale of fertilizer payable by Government of The Gambia to the NFSPMC.

3. Cost of sales

| | 30-Sep-22 | 30-Sep-21 |
|---|----------------------|--------------------|
| | GMD | GMD |
| Opening Stock of Produce | 54,067,444 | 3,192,525 |
| Opening Stock of Fertilizer | 404,600 | - |
| Purchase cost Groundnut in Shells | 1,124,846,440 | 190,334,658 |
| Purchase of Groundnut Seed Nut | - | 13,831,350 |
| Groundnut Purchase Control Account | 83,155,022 | - |
| Purchases- Cashew Nuts | 59,140,361 | 64,796,054 |
| Purchase Cost of fertilizer | 627,309,279 | 590,728,419 |
| Truck/Tractor Hire HPS | 990,223 | - |
| Port dues & shipment charges HPS | 4,967,683 | - |
| Contract Labour HPS | 90,318 | - |
| Contract Labour Crude Oil | 2,000 | - |
| Port Dues & Shipment Charges_ Oil | 2,679,179 | - |
| Truck/Tractor Hire Groundnut in Shell | 25,174,410 | - |
| Contract Labour Groundnut in shell | 18,904,179 | - |
| Commission on Purchase of Groundnut in Shell (Note 3.1) | 67,400,757 | 9,692,959 |
| Contract Labour | 387,388 | - |
| Port Dues & Shipment Charges_RCN | 1,580,530 | - |
| Truck/Tractor Hire Fertilizer | 13,019,139 | - |
| Commission on sale of fertilizer | 3,876,200 | 7,780,070 |
| Contract Labour Fertilizer | 2,757,325 | - |
| Port Dues & Shipment Charges Fertilizer | 12,855,178 | 12,715,323 |
| Rehab & Refurb Cost -Depot | 364,200 | 1,149,160 |
| Water & Electricity (SP & OM) | 6,689,546 | 1,138,723 |
| Truck/Tractor Hire | 3,320,199 | 44,639,085 |
| Mobilisation- Depot Staff | 7,000 | - |
| Repairs & Maint- Depot Equipment | 1,193,856 | 5,000 |
| Contract Labour | 61,088 | 5,462,855 |
| Repairs & Maint- Gensets | 9,700 | 59,685 |
| Insecticide & Spraying Cost | 1,615,000 | 468,200 |
| Fish Money - R/T Crew | 1,327,075 | 655,785 |
| Fuel & Oil - Tug Boats | 1,158 | 15,650 |
| Repairs & Main - Tug Boat & Barges | 939,391 | 463,504 |
| Other Evacuation Costs | 64,000 | 1,383,093 |
| Packaging Expenses HPS | 6,116,289 | - |
| Withholding Tax Liability | (744,008) | (589,901) |
| GOTG Subsidy for purchase of Groundnut (Note 3.2) | (516,591,852) | (52,414,880) |
| Closing Stock of Produce | - | (54,067,444) |
| Closing Stock of Fertilizer | (313,538,000) | (404,600) |
| Closing stock of Cashew Nuts | (59,140,361) | - |
| | 1,235,301,937 | 841,035,273 |

3.1 Commission on purchase of Groundnut in Shells increased exponentially from 2021 to 2022 because in 2021 only 7,000 MT of Farmers stocks were bought whilst in 2022, 42,000 MT of farmers stocks were bought.

3.2 The GOTG subsidy for purchase of groundnut figure represents subsidy element on sale of purchase of groundnut from farmers payable by Government of The Gambia to the NFSP&MC.

4. Other income

| | | | |
|-----------------------------------|-------------------|-----------|-----|
| Sale of Groundnut Shell | 1,555,000 | 30-Sep-22 | GMD |
| Groundnut sludge | 219,000 | 30-Sep-21 | GMD |
| Tender fee | 10,000 | | |
| Bad Debt Recover | 42,268 | | |
| Interest on Current Bank Accounts | 47,762 | | |
| Sale of Scrap Metal | 1,575,995 | | |
| Term Deposit Interest | 136,258 | | |
| Miscellaneous Income | 2,436,797 | | |
| | 6,023,079 | | |
| | 45,512,135 | | |

5. Production & processing cost

| | | | |
|---|-------------------|-----------|-----|
| Fuel & Oil | 327,100 | 30-Sep-21 | GMD |
| Repairs & Maint - Plant & Machinery | 1,453,438 | 30-Sep-22 | GMD |
| Spare Parts | 7,175,254 | | |
| Water & Electricity | 552,443 | | |
| Hire Of Fertilizer/Oil Storage Facilities | 302,494 | | |
| Other Operational Costs | 3,541,957 | | |
| | 13,352,685 | | |
| | 20,276,118 | | |

6. Profit/(Loss) before interest & taxation

| | | | |
|--|-------------|-------------|-----|
| after charging: Depreciation & amortization | 176,791,882 | 30-Sep-2021 | GMD |
| | 136,137,906 | | |

7. Administration Expenses

| | 30-Sep-22 | 30-Sep-21 |
|--|-----------|-----------|
| | GMD | GMD |
| Land Rent & Rates | 2,060,055 | 2,616,979 |
| Water & Electricity | 1,525,033 | 665,441 |
| Vehicle Fuel & Oil | 3,261,549 | 1,061,813 |
| Vehicle Repairs & Maintenance | 1,986,627 | 1,096,648 |
| Vehicle Insurances | 102,112 | 4,490 |
| Vehicle Licences & Road Tax | 22,800 | 19,100 |
| Miscellaneous Vehicle Expenses | - | 114,868 |
| Postages & Currier Services | - | 61,885 |
| Telephones & Internet Services | 1,937,691 | 892,989 |
| Trek Allowances | 1,738,352 | 2,104,761 |
| Ferry Crossings | 82,660 | 57,085 |
| Transport Hire | 196,269 | 87,697 |
| Taxi Fares | 104,725 | 85,300 |
| Per Diem Allowances | 1,022,298 | 23,453 |
| Air Fares | 678,094 | - |
| Other Incidental Expenses | 430,325 | 871,585 |
| Consultancy and professional cost | 115,000 | 45,590 |
| Legal Retainer & Fees | 170,000 | 265,000 |
| Adverts & Publicity - Local | 1,043,917 | 1,461,941 |
| Other Consultancies | 2,393,532 | 1,369,098 |
| Repairs & Maintenance - Office Equipment | 16,695 | 52,150 |
| Repairs & Maint Comp Equip | 205,125 | 298,064 |
| Repairs & Refurbs- Furniture, Fittings & Fixt. | - | 5,500 |
| Repairs & Refurbs - Office & Premises | 2,110,935 | 340,650 |
| Repairs & Maint - Gensets | 72,900 | 61,600 |
| Refurbs & Rehabilitation - Warehouses | 466,375 | 9,690 |
| Directors fees | 2,566,248 | 1,430,500 |

7. Administration Expenses (Cont.)

| | 30-Sep-22 | 30-Sep-21 |
|-----------------------------------|--------------------|-------------------|
| | D. | D. |
| Trade & Business Licenses | 155,000 | 221,000 |
| Refreshments | 33,025 | 56,100 |
| Office Supplies | 144,075 | 19,450 |
| Ex- Gratia Payments | 502,500 | 166,500 |
| News Paper & Periodicals | 67,035 | 5,076 |
| Entertainment | - | 443,235 |
| Sundry Expenses | 1,125,403 | 2,341,404 |
| Printing and stationery | 1,876,506 | 944,188 |
| Donations | 333,950 | 165,000 |
| Hired Security Cost | 140,000 | 3,000 |
| Audit fee | - | 431,250 |
| Subscriptions | 178,849 | - |
| Workshops and Meetings | 363,870 | - |
| Foreign Exchange (Gains) / Losses | (2,193,674) | 3,431,781 |
| | 27,035,855 | 23,331,860 |

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8. Staff cost

The average number of staff employed during the year including Senior Management and Support Staff by category was as follows:

| | 30-Sep 2022 | 30-Sep 2021 |
|-------------------|-------------|-------------|
| Senior Management | 16 | 10 |
| General Staff | 320 | 258 |

The aggregate payroll costs were as follows:

| | 30-Sep-22 | 30-Sep-21 |
|--|-------------------|------------|
| Basic Salaries & Wages | 30,036,071 | 22,240,324 |
| Overtime | 326,757 | 460,975 |
| Leave in lieu of pay | 81,712 | 219,724 |
| Longevity Allowance/Charge allowance | 432,603 | 470,736 |
| Residential allowance | 9,407,491 | 3,560,396 |
| Provincial allowance | 406,841 | 1,113,940 |
| Responsibility allowance | 4,190,208 | 2,214,715 |
| Vehicle / Transport allowance | 8,427,986 | 3,254,906 |
| Rent allowance | 29,200 | 67,200 |
| Telephone allowance | 702,340 | 826,465 |
| Acting allowance | - | 31,561 |
| Staff annual leave allowance | 72,000 | 68,428 |
| Allowances for industrial attachment | 7,545 | 86,401 |
| Injury Compensation Fund Contributions | 297,267 | 60,337 |
| Provident Fund Contribution | - | 2,175,463 |
| Gratuities | 282,310 | 111,575 |
| Staff Medical Expenses | 499,135 | 150,346 |
| Uniforms, Boiler Suits & Hard Hats | 505,315 | 233,675 |
| Staff Education & Training Expenses | 55,704,780 | 553,559 |
| | 37,900,726 | |

9. Financing cost

| | 30-Sep-22 GMD | 30-Sep-21 GMD |
|---------------|--------------------|-------------------|
| Bank Charges | 27,297,471 | 9,962,567 |
| Loan Interest | 132,828,821 | 73,049,100 |
| | <u>160,126,293</u> | <u>83,011,667</u> |

10. Taxation

| | 30-Sep-2022 GMD | 30-Sep-2021 GMD |
|-------------------------|--------------------|--------------------|
| Tax charge for the year | 15,164,110 | 14,344,084 |
| Balance b/d | 82,444,778 | 77,182,699 |
| Current year charge | 15,164,110 | 14,344,084 |
| Tax payments | (9,164,010) | (9,082,005) |
| | <u>88,444,878</u> | <u>82,444,778</u> |

11. Property, Plant & Equipment

| | Land and building | Badges and Tug boats | Office equipment | Computers | Plant & Machinery | Other equipment | Motor Vehicle | Furniture & fittings | Software Applications | Tarpaulins | Work in Progress | Total |
|---|-------------------|----------------------|------------------|-------------|-------------------|-----------------|---------------|----------------------|-----------------------|------------|------------------|---------------|
| Cost | | | | | | | | | | | | |
| Opening balance 1/10/2021 | 93,096,369 | 189,691,628 | 1,838,955 | 3,632,433 | 72,960,518 | 45,529,843 | 61,993,875 | 3,033,996 | 1,190,785 | - | 40,174,476 | 533,082,877 |
| Additions | 469,150 | (0) | 110,900 | 1,499,400 | - | 6,701,907 | - | 349,525 | 545,972 | - | 2,849,115 | 12,525,969 |
| Disposals | | | | | | | | | | | | |
| Closing balance 30/9/2022 | 93,505,519 | 189,691,628 | 1,949,855 | 5,131,833 | 72,960,518 | 52,231,750 | 61,993,875 | 3,383,521 | 1,736,757 | - | 43,023,591 | 525,608,846 |
| Depreciation | | | | | | | | | | | | |
| Opening balance 1/10/2021 | (31,677,032) | (111,251,620) | (1,240,638) | (2,243,020) | (67,650,475) | (29,154,295) | (38,196,244) | (2,102,213) | (337,706) | - | - | (283,853,443) |
| Charge for the year | (3,729,377) | (3,073,752) | (76,625) | (1,062,503) | (883,141) | (2,623,357) | (9,341,774) | (260,070) | (513,788) | - | - | (31,564,386) |
| Disposals | | | | | | | | | | | | - |
| Closing balance 30/9/2022 | (35,406,409) | (124,325,372) | (1,317,263) | (3,305,523) | (68,533,616) | (31,777,651) | (47,538,017) | (2,362,283) | (851,494) | - | - | (315,417,829) |
| Net Book Value as at 30th September 2022 | 58,099,110 | 65,366,056 | 632,592 | 1,826,310 | 4,426,902 | 20,454,098 | 14,455,858 | 1,021,238 | 885,263 | - | 43,023,591 | 210,191,017 |
| as at 30th September 2021 | 61,359,336 | 78,439,808 | 598,318 | 1,389,413 | 5,310,043 | 16,375,548 | 23,797,631 | 931,783 | 853,079 | - | 40,174,476 | 229,229,434 |

12. Capital grant

| | Land and building | Badges and Tug boats | Office equipment | Computers | Plant & Machinery | Other equipment | Motor Vehicle | Work in Progress | Total |
|---------------------------|-------------------|----------------------|------------------|-----------|-------------------|-----------------|---------------|------------------|-------------|
| Cost | | | | | | | | | |
| Opening balance 1/10/2022 | 68,133,759 | 170,051,228 | 128,992 | 247,138 | 40,289,146 | 34,493,906 | 27,080,717 | 40,174,473 | 380,599,359 |
| Additions | | | | | | | | | |
| Closing balance 30/9/2022 | 68,133,759 | 170,051,228 | 128,992 | 247,138 | 40,289,146 | 34,493,906 | 27,080,717 | 40,174,473 | 380,599,359 |
| Depreciation | | | | | | | | | |
| Opening balance 1/10/2021 | 12,234,224 | 91,641,121 | 128,992 | 247,138 | 35,023,902 | 20,209,275 | 22,579,172 | - | 182,063,825 |
| Charge for the year | 2,725,350 | 13,068,352 | - | - | 877,541 | 2,167,725 | 4,501,543 | - | 23,340,511 |
| Movement | | | | | | | | | |
| Closing balance 30/9/2022 | 14,959,574 | 104,709,473 | 128,992 | 247,138 | 35,901,443 | 22,377,000 | 27,080,716 | - | 205,404,336 |
| Net Book Value | | | | | | | | | |
| as at 30th September 2022 | 53,174,185 | 65,341,755 | (0) | - | 4,387,703 | 12,116,906 | - | 40,174,473 | 175,195,023 |
| as at 30th September 2021 | 55,899,535 | 78,410,107 | (0) | - | 5,265,244 | 14,284,631 | 4,501,545 | 40,174,473 | 198,535,534 |

13. Cash & Bank balances

| | 30-Sep-22 | 30-Sep-21 |
|--|--------------------|--------------------|
| | GMD | GMD |
| Trust Bank Ltd. A/c. # 110-100.760.02 | 124,675,521 | 7,789,740 |
| TBL US\$ 120-107446-05 | 28,984 | 28,984 |
| TBL Euro 120-107446-06 | 27,867 | 27,867 |
| Eco Bank A/c. # 6254500327 | 1,508,700 | 694,998 |
| Skye Bank A/c. # 11588 | 19,620,848 | 52,452,605 |
| FIB A/C # 00101008665-01 | 2,559,964 | 32,529 |
| AGIB US\$ A/c # 101-201-010193565-294 | 7,134,191 | 34,210 |
| Bloom bank A/c #1012520011588 USD | 13,882,215 | 24,969 |
| Trust Bank - 100-100-760-04 | 1,095,361 | 1,881,481 |
| AGIB GMD A/c # 101-201-010193565-197 | 190,549,348 | 60,892,341 |
| AGIB NFSC (GROUNDNUT TRADE) | 18,457,799 | - |
| MegaBank GMD A/C # 005102000282 | 1,051,500 | - |
| VISTA BANK USD A/C # 0010800866508 | 89,082 | 89,082 |
| EcoBank US\$ 311-3490-1532-701 | 19,806,133 | 65,169 |
| Bsic Bank - 251171-104621 | 23,066 | 27,929 |
| BSIC \$ A/C | 8,527 | 8,527 |
| Reliance Main A/C GMD | 33,221,692 | 570,609 |
| RFS Sarro Fertilizer Sales A/C 96793 | 2,000 | - |
| RFS Kuntaur Fertilizer Sales A/C 96786 | (25) | - |
| RFS Kerewan Fertilizer Sales A/C 96784 | 651,000 | - |
| RFS Sappo Fertilizer Sales A/C 96790 | 391,000 | - |
| cash in hand | 365,612 | 23,800 |
| Imprest | 11,834,601 | 180,100 |
| | 446,984,987 | 124,824,940 |

14. Short term Investment

| | 30-Sep-22 | 30-Sep-21 |
|-------------------------------------|------------------|------------------|
| | GMD | GMD |
| Term deposit relia. finan. serv-rfs | - | 76,000,000 |
| | - | 76,000,000 |

These were 3 months Fixed deposit investment done to maximize earnings in 2021.

15. Bank Overdraft

| | 30-Sep-22 | 30-Sep-21 |
|---|------------------|------------------|
| | GMD | GMD |
| Reliance Finance Services-Fertilizer Accounts | - | 100 |
| | - | 100 |

16. Inventory

| | 30-Sep-22 | 30-Sep-21 |
|-------------------|--------------------|-------------------|
| | GMD | GMD |
| Spare parts stock | 31,243,118 | 27,873,324 |
| Gasoil stock | 13,459,803 | 760,528 |
| Oil and lubricant | - | 15,070 |
| Stationery | 216,183 | 200,651 |
| Stock of produce | - | 54,067,444 |
| Fertilizer | 313,538,000 | 404,600 |
| Raw Cashew Nuts | 59,140,361 | - |
| | 417,597,466 | 83,321,617 |

16.1 Stock of produce

This item represents mainly value of products produced by the Corporation, such as HPS (Hand-Pick-Selection nuts), FAQ (Fair Average Quality nuts), Crude Groundnut Oil, Groundnuts-in-shell and Groundnut Cake.

All stocks of produce were sold before the year end.

16.2 Stock of fertilizer

AGIB Bank provided Crop Finance to the Corporation for the procurement of fertilizer, and the amount shown above was the value of stock as at 30th September 2022.

17. Receivables

| | 30-Sep-22 | 30-Sep-21 |
|---|----------------------|--------------------|
| | GMD | GMD |
| Debtors Control Account | 476,166,432 | 36,179,090 |
| FD Interest (Suspense) account | - | 206,352 |
| GOTG /Subsidy Accrued on fertilizer and groundnut subsidy | 833,720,952 | 524,000,000 |
| Groundnut Purchase imprest | - | 2,658,834 |
| Cashew Purchase Imprest | - | 1,900,000 |
| Staff Loan | 7,659,145 | 9,734,078 |
| | 1,317,546,530 | 574,678,354 |

17.1 Trade debtors

This represents outstanding invoices for the sale of produce and fertilizer.

17.2 GOTG/ Subsidy on Fertilizer & Farm -gate Price

This represents government subsidy on both the farm Gate price and fertilizer. The amount remains unsettled by the Government.

18. Accruals & other payables

| | 30-Sep-22 | 30-Sep-21 |
|---------------------------|-------------------|------------------|
| | GMD | GMD |
| Creditors Control Account | 11,073,773 | 3,028,652 |
| Trade/ Sundry Creditors | 6,827,105 | - |
| Other Creditors | - | 4,168,805 |
| Deferred Income | 543,355 | 582,245 |
| Staff PAYE | 702,998 | 225,651 |
| | 19,642,349 | 8,696,603 |

19. Loans

| | 30-Sep-22 | 30-Sep-21 |
|--------------------------|----------------------|--------------------|
| | GMD | GMD |
| SSHFC loan | 222,698,735 | 222,898,735 |
| Sale of scrap/stock GoTG | 21,000,000 | 21,000,000 |
| Crop finance loan | 1,968,000,001 | 669,271,857 |
| | 2,211,698,736 | 913,170,592 |

19.1 SSHFC Loan

The Social Security and Housing Finance loan 2007 and 2010 Crop Finance Loan is a long-term loan, secured on all the corporation's land and building assets, and carrying an interest rate of 2% over The Central Bank Treasury bills, this loan should have been fully paid by December, 17th 2010. In addition, all crop finance commercial bank loans secured by SSHFC; in which the corporation defaulted in repayment, were settled by SSHFC. There is now an agreement or a payment plan of D200,000 yearly entered into between Gambia Groundnut Corporation and Social Security and Housing Finance Corporation.

20. Share Capital

| | Nominal value | Number of shares | D.000 |
|-----------------------|---------------|------------------|-------------|
| Authorised | | | |
| Ordinary shares | 10 | 10,000,000 | 100,000,000 |
| Issued and fully paid | | | |
| Ordinary shares | 10 | 7,550,000 | 75,500,000 |

20.1 Ownership Structure

| Name | Percentage of Shares |
|---|----------------------|
| Government Of The Gambia | 99% |
| Social Security and Housing Finance Corporation | 1% |

20.2 Unamortized Grant Balance

The grant assets received from the EVAGSP are capitalized as fixed assets with the grant balance being amortized and released as revenue systematically. The balance in the statement of financial position represents the remainder of the unamortized grant.

This represents the remaining balance of the unamortized grant received from the EVAGSP Project.

21.Contingency

Bollore sued NFSP&MC in the High Court Civil Suit No. HC/161/15/CO/042/D2 and got judgement in sum of D1,337,340 interest at 20% and legal & administrative costs of D133,734 plus VAT at the rate of 15%. This was quickly enforced by writ of fifea and NFSPMC paid the amounts.

NFSP&MC appealed to the Court of Appeal in Civil Appeal No. 020/2016 and in its judgement dated 24th June, 2019 the Court rendered the judgement from the High Court nullity and ordered that Bollore should return all the monies paid plus the interest to the Corporation and the case be remitted back to the High Court for retrial because fair hearing was breached.

22.Prior year adjustment

The figure of GMD 10,630,398 for the prior year adjustment mainly corresponds to the understatement of the value of spare parts in the sage accounting software.