

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

Annual Report and financial statements
for the year ended
30th September 2016

Table of contents

1.	GENERAL INFORMATION.....	2
2.	DIRECTORS REPORT	3
3.	REPORT OF THE INDEPENDENT AUDITORS	4
4.	INCOME STATEMENT	6
5.	BALANCE SHEET	7
6.	STATEMENT OF CHANGES IN EQUITY	8
7.	STATEMENT OF CASH FLOW.....	9
8.	NOTES TO THE FINANCIAL STATEMENTS	10
8.1	Accounting policies	10
8.2	Accounting convention	10
8.3	Revenue recognition.....	10
8.4	Property, plant and equipment.....	10
8.5	Subsequent expenditure	10
8.6	Foreign currencies.....	10
8.7	Taxation.....	11
8.8	Pension scheme	11
8.9	Impairments	11
8.10	Provisions.....	11
8.11	Inventory.....	11
8.12	Operating income	11
8.13	Cost of sales.....	12
8.14	Other income	12
8.15	Production & processing cost	12
8.16	Profit/ (Loss) before taxation.....	13
8.17	Administration Expenses	13
8.18	Staff cost.....	13
8.19	Financing cost.....	14
8.20	Taxation.....	14
8.21	Property, Plant & Equipment.....	15
8.22	Capital grant.....	16
8.23	Cash & Bank balances.....	17
8.24	Bank Overdraft	17
8.25	Inventory.....	17
8.26	Receivables	18
8.27	Short Term Investments.....	19
8.28	Accruals & other payables	19
8.29	Loans.....	19
8.30	Share Capital.....	20

1. General Information

Directors

Amadou Colley	Chairman
Chief Bakary M Badjie	Member
Anthony Carvalho	Managing Director
Mustapha Colley	Deputy Managing Director
The Permanent Secretary - Ministry of Finance and Economic Affairs	Member
The Permanent Secretary - Ministry of Agriculture	Member
The Permanent Secretary - Ministry of Trade, Industry and Employment	Member

Bankers

Trust Bank Limited	
3/4 Ecowas Avenue, Banjul	First International Bank (Gambia) Limited 2 Kairaba Avenue, Serekunda
Guaranty Trust Bank (Gambia) Limited	
56 Kairaba Avenue, Serrekunda	Mega Bank Kairaba Avenue, Serrekunda
Skye Bank (Gambia) Limited	
70 Kairaba Avenue, Serekunda	
Ecobank (Gambia) Limited	
42 Kairaba Avenue, Serekunda	

Auditors

DT Associates - The Gambia
1 Paradise Beach Place
P.O Box 268
Banjul, The Gambia

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

2. 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 30th September 2016.

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 judgements 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 [2016 Nil].

Property, plant and equipments

The Corporation's property, plant and equipment are detailed in note 11 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 11 of the financial statements.

Directors and directors 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 National audit office is mandated to appoint the corporations auditors

By Order of the Directors

Secretary



Date: 05th November 2018

3. Report of the Independent Auditors

To the members of National Food Security Processing and Marketing Corporation

Qualified Opinion

We have audited the accompanying financial statements of the National Food Security Processing and Marketing Corporation for the year ended 30th September 2016, which comprise of the Income Statement, Balance Sheet, Statement of Changes in Equity and Statement of Cash Flows as at 30th September 2016 and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the financial statements presents fairly, in all material respects, the financial performance and cash flows for the year ended in accordance with Generally Accepted Accounting Principles and requirements of the companies Act 2013.

Basis for Qualified Opinion

Non-recognition of Impairment Loss on total receivable of D258 million

As detailed in Note 8.26 of the financial statements, the receivables balance of D443 million included total receivables of D258 million due from the Government of The Gambia (GG). The balance related mainly to Letter of Credit settled on behalf of Office of The President and subsidies on the Farm-Gate Price due from the Government of The Gambia. These have been outstanding since 2014 and as at 30th September 2016, the receivable balance due has significantly been impaired. Government of the Gambia has not made any commitment to settle the outstanding balances and; Management has been accruing 20% annual interest on the balance even when disbursements were not forthcoming.

The National Food Security, Processing and Marketing Corporation has not recognised provision for the impairment of the D258 in order to reflect the true value of the receivable balance in the financial statements

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 Company in accordance with the requirements of the International Federation of Accountants Code of Ethics for Professional Accountants (IFAC Code) and we have fulfilled our other ethical responsibilities in accordance with IFAC Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the General Information, Directors report as required by the Companies Act of 2013. 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 an audit opinion or any form of assurance conclusion 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, 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 the financial statements in accordance with Generally Accepted Accounting Principles and 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 Company'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 Company 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 skepticism throughout the audit. We also:

- Identify and assess 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.
- Obtain 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude 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 Company'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 Company to cease to continue as a going concern.
- Evaluate 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.

We communicate with the directors 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. The engagement partner on the audit resulting in this independent auditor's report is Aji Penda Sankareh.

DT Associates

DT Associates
Chartered Accountants
Registered Auditors
Aji Penda Sankareh
Partner

Date: *05th November* 2018

4. Income statement

For the year ended 30th September 2016
(In Gambian Dalasi)

	Notes	Sept. 2016	Sept. 2015
Income			
Operating Income	8.3, 8.12	436,604,092	624,722,602
Cost of sales	8.13	(403,134,840)	(494,769,577)
Gross profit		33,469,252	129,953,025
Other income	8.14	49,786,941	39,833,610
Grant income	8.22	8,549,312	8,549,312
Total income less cost of sales		91,805,505	178,335,947
Expenditures			
Production and processing cost	8.15	(19,094,589)	(9,697,538)
Administration expenses	8.17	(20,759,820)	(29,097,536)
Staff cost	8.18	(22,777,972)	(23,949,579)
Finance cost	8.19	(23,757,090)	(28,245,693)
Depreciation	8.21	(10,059,463)	(16,834,933)
Translation (loss) gain		10,877,043	(1,819,274)
Total expenditure		(85,571,891)	(109,644,553)
Profit before tax		6,233,614	68,691,394
Taxation	8.7, 8.20	(6,549,061)	(21,981,246)
(Loss) / Profit after tax		(315,447)	46,710,148

The notes on pages 10 to 20 are an integral part of these financial statement

5. Balance sheet

as at 30th September 2016
(in Gambian Dalasi)

		Sept. 2016	Sept. 2015
Assets			
Non current assets			
Property, Plant and equipment	8.4, 8.21	20,381,954	30,030,326
Total Non current Assets		20,381,954	30,030,326
Current Assets			
Cash and bank balances	8.23	39,639,817	58,842,327
Inventory	8.11, 8.25	145,325,462	189,049,850
Receivables	8.26	443,352,354	427,166,399
Short term investments	8.27	23,500,000	73,000,000
Total current Assets		651,817,633	748,058,576
Total Assets		672,199,587	778,088,902
Equity & liabilities			
Equity			
Share Capital		75,500,000	75,500,000
Retained earnings		(49,786,964)	(49,471,517)
Total equity		25,713,036	26,028,483
Liabilities			
Bank Overdrafts	8.24	110,606	667,661
Accruals & other payables	8.28	8,945,210	8,692,701
Loans	8.29	566,705,842	663,903,824
Taxation	8.7, 8.20	50,696,698	50,218,726
Capital grant	8.22	20,028,195	28,577,507
Total liabilities		646,486,551	752,060,419
Total equity & liabilities		672,199,587	778,088,902

These Financial Statements were approved by the Board of Directors on 05th November 2018, and were signed on their behalf

..... Chairman

..... Director

The notes on pages 10 to 20 are an integral part of these financial statements

6. Statement of changes in equity

for the year ended 30th September 2016
(In Gambian Dalasi)

	Share capital	Retained earnings	Total
Opening balance 1st Oct. 2015	75,500,000	(49,471,517)	26,028,483
Loss for the year	-	(315,447)	(315,447)
Closing balance as at 30th September 2016	75,500,000	(49,786,964)	25,713,036

7. Statement of cash flow

for the year ended 30th September 2016 (In Gambian Dalasi)

	Sept. 2016	Sept. 2015
Cash flows from operating activities		
Profit (Loss) before tax	6,233,614	68,691,394
Adjustments for:		
Depreciation	10,059,462	16,834,933
Grant income released	(8,549,312)	(8,549,312)
Changes in receivables	(16,185,955)	(213,295,242)
Changes in inventories	43,724,388	264,307,773
Changes in payables	252,508	(640,443)
PY Adjustment	-	5,577,716
Cash generated from operations	35,534,705	132,926,819
Income taxes paid	(6,071,089)	(4,350,000)
Net cash from operating activities	29,463,616	128,576,819
Cash flows from investing activities		
Purchase of property, plant and equipment	(411,090)	(1,026,525)
Short term investments	49,500,000	(73,000,000)
Net cash from investing activities	49,088,910	(74,026,525)
Cash flows from financing activities		
Decrease in Long-term Borrowing	(97,197,983)	31,533,464
Decrease in Bank Overdrafts	(557,053)	(47,369,986)
Net cash from financing activities	(97,755,036)	(15,836,522)
Net (decrease) increase in cash and cash equivalents	(19,202,510)	38,713,772
Cash & cash equivalent at the beginning of period	58,842,327	20,128,555
Cash & cash equivalent at the end of period	39,639,817	58,842,327

The notes on pages 10 to 20 are an integral part of these financial statements

8. Notes to the financial statements

8.1 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.

8.2 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.

8.3 Revenue recognition

Revenue represents the amount invoiced to customers for the purchase of products.

8.4 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

8.5 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 capitalised. Other subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the item of property, plant and equipment. All other expenditure is recognised in the income statement as an expense as incurred.

8.6 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.

8.7 Taxation

Tax is charged on the basis of the higher of 1.5% of gross income and 30% of tax adjusted accounting profits in accordance with Income Tax laws of The Gambia.

8.8 Pension scheme

The company is registered with the Social Security and Housing Finance Corporation and contributes 10% of the employee's basic salaries to the national provident fund. 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.

8.9 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.

8.10 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.

8.11 Inventory

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

8.12 Operating income

	Sept. 2016	Sept. 2015
Sale of Hand Picked selection	103,230,240	54,089,077
Sale of crude groundnut oil	155,571,245	302,029,930
Sale of Groundnut cake	80,870,468	92,363,669
Sale of Groundnut sludge	(357,440)	1,144,560
Sale of fertiliser	97,229,579	175,064,146
Sale of Groundnut Shells	60,000	31,220
	436,604,092	624,722,602

8.13 Cost of sales

	Sept. 2016	Sept. 2015
Opening stock	171,192,479	430,441,243
Purchase of groundnut in shell	208,007,941	355,866,902
Purchase of fertilizer	132,846,500	-
2014/2015 groundnut subsidy from GOTG	-	(178,166,090)
Purchase of raw cashew nuts	(1,907,208)	5,959,110
Depot expenses	14,061,456	37,633,082
Evacuation expenses	2,150,510	1,498,733
Port dues and shipping charges	2,645,293	8,754,257
Buying Commission to CPMS'	2,820,583	4,164,394
Addition cost CPMS at furthest point	5,364	34,422
Prefinancing recovered from private traders	(75,691)	(223,997)
Closing stock	(128,612,387)	(171,192,479)
	403,134,840	494,769,577

8.14 Other income

	Sept. 2016	Sept. 2015
Interest on current accounts	82,211	39,479
Rental income	118,800	269,088
Sale of scrap metal	-	88,000
Interest on subsidy, LC	46,385,755	38,055,905
Interest on Term deposits	2,966,642	1,377,856
Interest on staff loans	21,280	3,282
tender fee for fertilizer supply	80,000	-
Interest received pre-finance private traders	131,603	-
Weighing Scrap Metal	650	-
	49,786,941	39,833,610

8.15 Production & processing cost

	Sept. 2016	Sept. 2015
Production staff cost	2,817,480	700,782
Electricity and water	5,175	1,622,913
Repairs of plant & machinery	852,117	1,726,990
Other production cost	11,730,660	1,095,737
Repairs & maintenance of Genset	314,563	186,692
Spare parts	3,374,594	4,364,424
	19,094,589	9,697,538

8.16 Profit/ (Loss) before taxation

	Sept. 2016 GMD	Sept. 2015 GMD
after charging:		
Depreciation & amortisation	6,233,614	68,691,394

8.17 Administration Expenses

	Sept. 2016 GMD	Sept. 2015 GMD
Electricity and water	5,366,714	7,748,864
Vehicle running cost	3,625,909	4,422,654
Communication cost	554,802	564,749
Local transport cost	1,036,553	1,991,852
Overseas travel cost	636,347	1,660,310
Consultancy and professional cost	1,627,732	3,578,989
Repairs & refurbishments	1,147,468	3,254,690
Directors fees	276,000	370,150
GPPA levy	500,448	-
Tarpaulines	31,600	-
Subscriptions	174,850	-
Printing & Stationery	1,158,881	926,089
Donations	193,500	201,000
Insurances	882,989	233,427
Advertisement	81,165	165,850
General Expenses	3,464,862	3,978,912
	20,759,820	29,097,536

8.17 (7.1) Audit fees for the current year was paid for by the IDB Project

8.18 Staff cost

	Sept. 2016	Sept. 2015
Wages & salary	13,910,707	14,412,345
Overtime	644,728	398,051
Leave in leau of pay	453,060	172,103
Charge allowance	218,138	168,877
Residential allowance	3,648,215	3,816,080
Provincial allowance	685,859	865,745
Responsibility allowance	985,193	1,020,056
Rent allowance	33,890	22,804
Vehicle Allowances	2,000	-

Rent Allowances	8,050	-
Risk allowance	4,800	-
Telephone allowance	195,000	223,125
Staff Annual Leave Allowance	226,763	51,177
Industrial Attachment Allowance	(2,000)	15,385
Injury compensation	77,593	914,647
National Provident fund (NPF)	1,152,891	1,145,378
Gratuties	50,345	222,972
Medical expenses	116,210	179,953
Staff uniforms, Boiler suits & hard hats	295,150	158,490
Staff traing expenses	71,380	162,393
	<u>22,777,972</u>	<u>23,949,579</u>

8.19 Financing cost

	Sept. 2016	Sept. 2015
Bank charges	1,053,822	3,223,674
Interest on loans	22,703,268	25,022,019
	<u>23,757,090</u>	<u>28,245,693</u>

8.20 Taxation

	Sept. 2015	Sept. 2015
Tax charge for the year	<u>6,549,061</u>	<u>21,981,246</u>
Balance b/d	50,218,726	32,587,480
Current year charge	6,549,061	21,981,246
Tax payments	(6,071,089)	(4,350,000)
	<u>50,696,698</u>	<u>50,218,726</u>

8.21 Property, Plant & Equipment

	Land & building	Badges & Tug boats	Office equipment	Computers	Plant & Machinery	Other equipment	Motor Vehicle	Furniture & fitting	Total
Cost									
Balance b/d 1/10/15	27,915,128	58,954,112	1,141,770	1,495,678	64,129,111	22,198,905	16,570,008	1,788,241	194,192,953
Additions	-	-	87,215	75,900		35,000	35,000	177,975	411,090
Balance c/f 30/9/16	<u>27,915,128</u>	<u>58,954,112</u>	<u>1,228,985</u>	<u>1,571,578</u>	<u>64,129,111</u>	<u>22,233,905</u>	<u>16,605,008</u>	<u>1,966,216</u>	<u>194,604,043</u>
Depreciation									
Balance b/d 1/10/15	(14,667,491)	(57,509,535)	(757,757)	(1,387,946)	(60,157,523)	(14,343,338)	(13,997,875)	(1,341,163)	(164,162,627)
Charge for the year	(1,116,605)	(1,444,577)	(118,251)	(60,125)	(3,971,588)	(2,220,183)	(765,220)	(362,913)	(10,059,462)
Balance c/f 30/9/16	<u>(15,784,096)</u>	<u>(58,954,112)</u>	<u>(876,008)</u>	<u>(1,448,071)</u>	<u>(64,129,111)</u>	<u>(16,563,521)</u>	<u>(14,763,095)</u>	<u>(1,704,076)</u>	<u>(174,222,089)</u>
NBV									
At 30th September 2016	<u>12,131,032</u>	<u>-</u>	<u>352,977</u>	<u>123,507</u>	<u>-</u>	<u>5,670,384</u>	<u>1,841,913</u>	<u>262,140</u>	<u>20,381,954</u>
At 30th September 2015	<u>13,247,637</u>	<u>1,444,577</u>	<u>384,013</u>	<u>107,732</u>	<u>3,971,588</u>	<u>7,855,567</u>	<u>2,572,133</u>	<u>447,078</u>	<u>30,030,326</u>

8.22 Capital grant

	Land & Building	Badges & Tug boats	Office equipment	Computer equipment	Plant & Machinery	Other equipment & Generators	Motor Vehicle	Total
Cost								
Opening balance 1/10/15	4,165,067	39,367,712	128,992	247,138	31,513,739	12,816,655	4,573,000	92,812,303
Closing balance @ 30/9/16	4,165,067	39,367,712	128,992	247,138	31,513,739	12,816,655	4,573,000	92,812,303
Amortisation								
Rate of amortisation	4%	10%	10%	33.33%	10%	10%	20%	
Opening balance 1/10/15	(999,617)	(31,739,413)	(77,394)	(247,138)	(18,908,242)	(7,689,991)	(4,573,000)	(64,234,796)
Release to Profit and Loss	(166,603)	(3,936,771)	(12,899)	-	(3,151,374)	(1,281,666)	-	(8,549,312)
Closing balance @ 30/9/16	(1,166,220)	(35,676,185)	(90,294)	(247,138)	(22,059,616)	(8,971,657)	(4,573,000)	(72,784,108)
Carrying value @								
30th September 2016	2,998,847	3,691,527	38,698	-	9,454,123	3,844,999	-	20,028,195
30th September 2015	3,165,450	7,628,299	51,597	-	12,605,497	5,126,664	-	28,577,507

8.23 Cash & Bank balances

	Sept. 2016	Sept. 2015
	D	D
Trust Bank Ltd. A/C. # 760.02	10,344	185,138
GTBank A/c. # 153388-4/1/1/0	311,163	923,404
GT BANK US (\$) Dollar Account	23,227,712	179,154
Trust Bank - 100-100-760-04	2,556,284	7,687,620
TBL US\$ 120-107446-05	10,786,549	47,063,164
TBL Euro 120-107446-06	26,649	21,800
TBL - Pound 120- 107446-07	124	123
Skye Bank A/c. #11588	204,060	585,101
FIB A/C # 00101008665-01	412,827	688,228
FIB Fertilizer A/C #605928-01	303,972	195,176
Skye bank \$ A/C	1,173,448	1,012,112
Eco Bank A/c. # 2701	1,750	-
Eco Bank A/c # 153270-02	34	34
Mega Bank	199,447	-
Cash in hand	425,454	301,274
	<u>39,639,817</u>	<u>58,842,327</u>

8.24 Bank Overdraft

	Sept. 2016	Sept. 2015
	GMD	GMD
Eco Bank A/c. # 2701		1
Trust Bank A/c. # 110-100-760-01	110,606	660,760
Mega Bank		6900
	<u>110,606</u>	<u>667,661</u>

8.25 Inventory

	Sept. 2016	Sept. 2015
	GMD	GMD
Spare Parts Stock	21,929,886	22,267,213
Gas Oil Stock	444,211	1,230,422
Oil & Lubricant	81,116	24,997
Stationery	145,284	169,954
Electrical Appliances	663,121	663,121
Miscellaneous Stock	32,583	32,583
Stock of produce	50,181,887	163,859,729
Stock of fertiliser	78,430,500	7,332,750
Quality control material	45,540	97,747
Provision for Stock Obsolescence	(6,628,666)	(6,628,666)
	<u>145,325,462</u>	<u>189,049,850</u>

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.

Stock of fertilizer

ITFC through its line of credit provided fertilizer to the Corporation, and the amount shown above was the value of stock as at 30th September 2016.

8.26 Receivables

	Sept. 2016	Sept. 2015
	GMD	GMD
Trade debtors	111,711,542	105,705,680
2007/08 trade season debtors	15,137,119	15,139,219
GOTG Subsidy	159,928,011	131,154,164
Staff loans	670,717	711,485
Other Debtors GOTG	106,809	87,592
GOTG L/C Account	97,888,800	80,276,892
GoTG Subsidy Accrued	76,691,466	111,817,079
FD Interest accrued	126,068	1,182,466
Provision for Bad & Doubtful Debts	(18,908,178)	(18,908,178)
	443,352,354	427,166,399

Trade debtors

Every trade season the Corporation will provide an agreed amount, on a revolving basis, as pre-financing to CPMS' (Cooperative Produce and Marketing Societies) and Private Traders, to buy un-decorticated groundnuts on its behalf. As at 30 September 2016, the amount outstanding stood at D106,190,747 (2015 :D105,705,680).

2007/08 trade season debtors

During the trade season of 2007/2008, the Corporation pre-financed a number of private traders to buy un-decorticated groundnuts on its behalf. However, most of them defaulted in repayment of the amount owed to the corporation. Through a court judgment, the amount owed by them is now being repaid.

GOTG Subsidy (D159,928,011)

This is a subsidy on the farm-gate price of previous years which has been increasing by way of annual interest addition of 20%. This amount is unsettled by Government.

GOTG L/C Account (D97,888,800)

Settlement of L/C for the John Deere Tractors on behalf of Government. This receivable has been increasing annually by way of interest addition 20%. This amount is unsettled by Government.

GOTG Subsidy Account (D76,691,466)

This is an approved subsidy by Government on the farm gate price for the 2014/2015 and 2015/2016 groundnuts marketing season. This amount is unsettled by Government as at the end of 2015/2016 financial year

8.27 Short Term Investments

	Sept. 2016	Sept. 2015
	GMD	GMD
Term deposit with FI bank	-	10,000,000
Term deposit with skye bank	-	16,000,000
Term deposit with TBL 04	-	45,000,000
Term deposit with GT Bank	15,000,000	
Term deposit with mega bank	8,500,000	2,000,000
	<u>23,500,000</u>	<u>73,000,000</u>

8.28 Accruals & other payables

	Sept. 2016	Sept. 2015
	GMD	GMD
Accruals	4,625,444	4,625,444
Unclaimed wages	57,590	-
Staff PAYE	(471)	-
Cash surplus	93,842	93,842
FD Interest accrued	-	-195,390
Ministry of Agriculture	4,168,805	4,168,805
	<u>8,945,210</u>	<u>8,692,701</u>

8.29 Loans

	Sept. 2016	Sept. 2015
	GMD	GMD
SSHFC Loan	222,623,734	222,623,734
ITFC (IDB) Loan	344,082,108	441,280,090
	<u>566,705,842</u>	<u>663,903,824</u>

SSHFC Loan

The Social Security and Housing Finance loan 2007 and 2010 Crop Finance Loan is a short 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 rate. This loan should have been fully paid by December, 17th 2010. However, this condition is not met thus the Corporation incurred additional interest charges on the loan. In addition, all crop finance commercial bank loans secured by SSHFC; in which the Corporation defaulted in repayment, were settled by SSHFC. There is no agreement or a payment plan entered into between Gambia Groundnut Corporation and Social Security and Housing Finance Corporation.

ITFC (IDB) Loan

The Islamic Trade Finance Corporation under the trade wing of the Islamic Development Bank (IDB) provides trade financing to the Corporation for the purchase fertilizer based on the Murahaba Financing Principles.

8.30 Share Capital

	30-Sep-16		30-Sep-15	
	Number of shares	D. 000	Number of shares	D. 000
Authorised				
Ordinary shares of (D10.00) each	10,000,000	100,000	10,000,000	100,000
Issued and fully paid				
Ordinary shares of (D10.00) each	• 7,550,000	75,500	7,550,000	75,500

8.30.1 Ownership Structure

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