Real Time Consulting
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Chartered Certified Accountants

GAMBIA TELECOMMUNICATIONS CELLULAR COMPANY LTD

(GAMCEL)

FINAL

Audit Report & Financial Statements

For the year ended

31st December 2015

Elton Filling Station
Mamadi Manjang Highway
Old Jeshwang,
P.O Box 978
Banjul, The Gambia

CONTENTS

General Information

Registered Office

59 Franklin D. Roosevelt Highway
P.O.Box 541
Banjul
The Gambia

Board of Directors

Mr. Alhaji Tafsir Samba Alieu Njie	Chairman
Mr. Alhaji Bai Matarr Drammeh	Vice Chairman
Mr. Baboucarr J. Sanyang - Gamtel MD	Member
Perm. Sect. - Office of the President	Member
Perm. Sect. - Min. of Finance and Econ. Affairs(MOFEA)	Member
Perm. Sect. - Min. of Info & Comm. Infrastructure (MOICI)	Member
Mr. Momodou O.S. Badjie - Managing Director GNPC	Member
Dr. Momodou Jain	Member
Mr. Edrissa. Mass Jobe- Staff Representative	Member

Company Secretary : Mr. Sarjo .S.A. Ceesay

In-Attendance :

Mrs. Elizabeth Mendy- Johnson — Gamcel GM

Auditors:

Real Time Consulting
Chartered Certified Accountants & Consultants
Elton Filling Station
Old Jeshwang
P.O Box 978
Banjul, The Gambia

Solicitors:

1 Amie Bensouda & Co. Ltd.
Kanifing Institutional Area
P.O.Box 907
Banjul, The Gambia

2 State Council
Attorney General's Chambers
4 Marina Parade, Banjul

Bankers :

Arab Gambia Islamic Bank	Guarantee Trust Bank Ltd.	Trust Bank Ltd.
7 Ecowas Avenue	56 Ecowas Avenue	3-4 Ecowas Avenue
Banjul,	Banjul,	Banjul,
The Gambia	The Gambia	The Gambia
First Int'l. Bank (F.I.B.) Ltd.	Zenith Bank Ltd.	Access Bank (G) Ltd.
2 Kairaba Avenue	Kairaba Avenue	34 Kairaba Avenue
Serrekunda	Serrekunda	Serrekunda
The Gambia	The Gambia	The Gambia

Bankers Contd.:

Eco Bank (Gambia) Ltd.	FBN (Gambia) Ltd.	BSIC Ltd.
42 Kairaba Avenue	Kairaba Avenue	52 Kairaba Avenue
Serrekunda	Serrekunda	Serrekunda
The Gambia	The Gambia	The Gambia

Financial Highlights

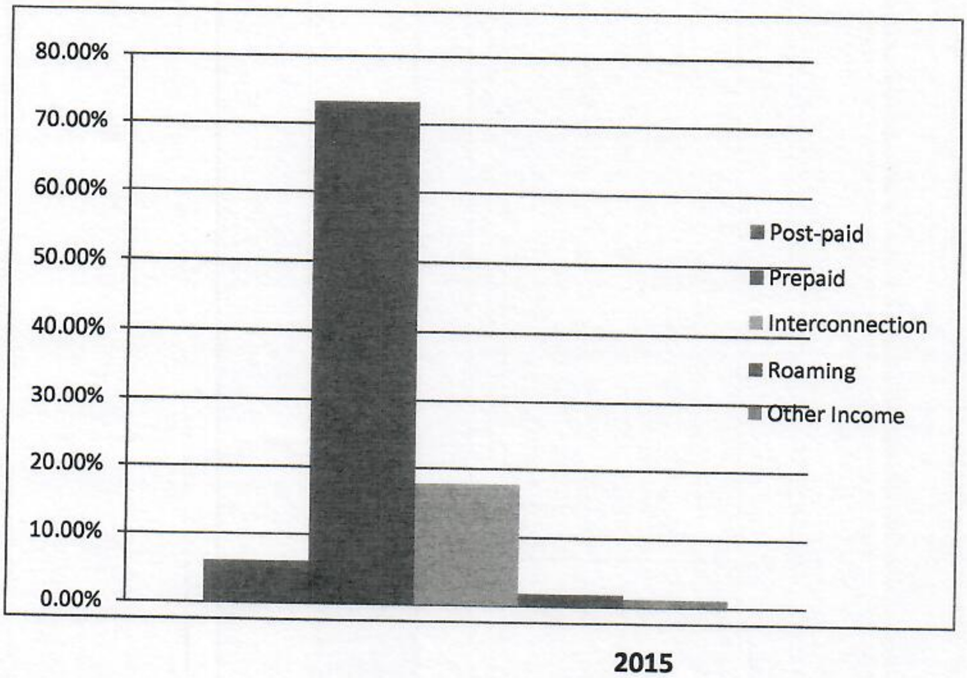
		2015	Net Change (%)	2014	Net Change (%)
Net Equity	(D'000)	(236,580)	97%	(119,993)	-501%
Revenue	(D'000)	492,235	-20%	612,743	-13%
Profit / (Loss)	(D'000)	(108,038)	29%	(151,408)	-38%
Total Assets	(D'000)	465,918	-12%	530,270	-22%

	2015	2014
Net Earned Contribution to Revenue	-20%	-23%
Net Profit to Contribution	-22%	-25%
Staff Cost to Contribution	-12%	-10%
Management Expenses to Contribution	-23%	-31%
Taxation to Contribution	1.50%	1.50%
Property, Plant & Equipm't to Total Assets	77%	77%
Receivables to Total Assets	16%	15%
Liquid Assets to Total Assets	-108%	-86%
Net Equity to Total Assets	-51%	-23%

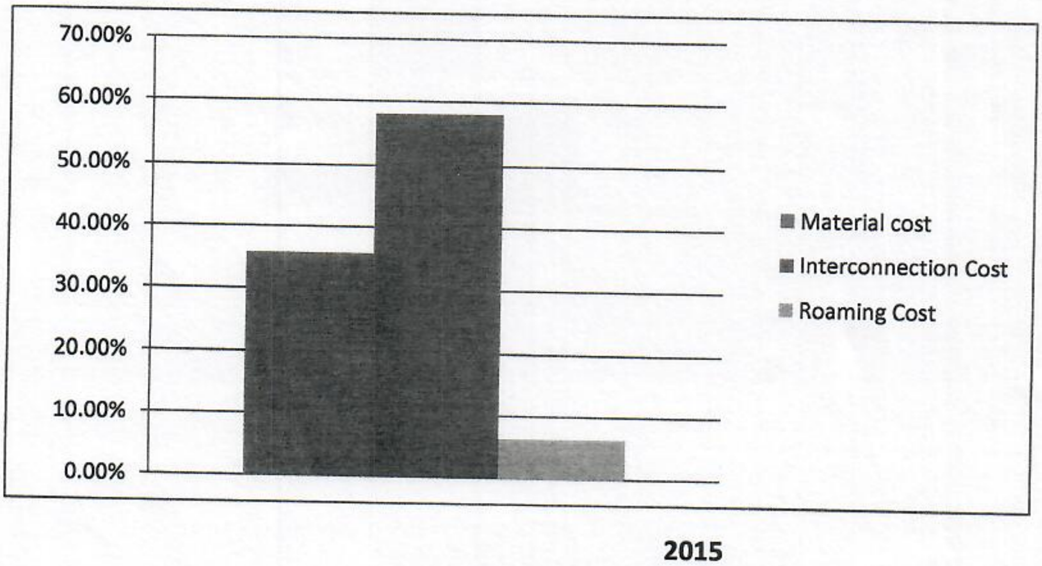
Revenue Analysis	**2015 D.000**	**%**	**2014 D.000**	**%**
Post-paid	37,149	6.40%	37,203	6.07%
Prepaid	449,207	77.33%	449,270	73.32%
Interconnection	72,049	12.40%	108,301	17.67%
Roaming	16,633	2.86%	11,044	1.80%
Other Income	5,867	1.01%	6,926	1.13%
	580,905	**100%**	**612,743**	**100%**

Cost of Sales Analysis	**2015 D.000**	**%**	**2014 D.000**	**%**
Material cost	86,030	31.22%	114,460	35.68%
Interconnection Cost	173,183	62.85%	186,219	58.05%
Roaming Cost	16,322	5.92%	20,111	6.27%
	275,535	**100%**	**320,790**	**100%**

Revenue Analysis



Cost of Sales Analysis



DIRECTORS' REPORT

The Directors present their report and audited financial statements of The Gambia Telecommunications Cellular Company (Gamcel) Limited for the year ended 31st December 2015.

Principal Activity of the Company

The principal activity of Company is to provide Global Systems Mobile (GSM) Services to customers.During the year under review the Company upgraded its systems **from 2G to 3G** .

The partnership between Gamtel (the parent company of Gamcel with 99% share holdings) and Spectrum International Co. Ltd. was formally terminated in October 2008 which led to the regularisation of the legal structure of the company in June 2014 after changes in the Board and top management of the company were made in April 2014. The 1% holding formally owned by Gamtel Managing Director's office (with no financial consideration) was subsequently allocated to Gambia Ports Authority (GPA) representing 60,000 shares @ D10.00 each and was fully paid.

Statement of Directors' responsibilities

The Company's Act 2013 requires the Directors to prepare the financial statements for each financial year, which give a true and fair view of the state of affairs of the Company and of its Profit and Loss for that period. In preparing the financial statements, the directors are required to:

a. select suitable accounting policies and then apply them consistently;

b. make judgements and estimates that are reasonable and prudent;

c. state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

d. Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting record,s which disclose with reasonable accuracy at any time, the financial position of the Company and to enable them to ensure that the financial statements comply with the Statement of Accounting Practices and The companies Act, 2013 and the Gamtel Act.

They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Fianancial Results	**2015**	**2014**
	GMD	**GMD**
	D'000	**D'000**
Net Profit /(Loss) for the financial period	**(108,038)**	**(151,408)**

Dividends

No dividend was paid during the financial period and the Directors do not recommend any dividend to be paid for the financial period under review.

Reserves and Provisions

There were no transfers to or from reserves other than the Net Loss reported during the year and taken to retained profit. Significant provisions for bad and doubtful debts and for obsolete stocks have been made during the financial period and disclosed in the financial statements with corresponding notes.

Share Capital

The **authorised share capital** of the Company is GMD 30,000,000 divided into 100,000 ordinary shares of GMD 300.00 each.

The **issued and paid up share capital** of the Company is GMD 30,000,000 divided into 100,000 ordinary shares of GMD 300.00 each. The company is a subsdiary of Gamtel and Gambia Ports Authority (GPA) owns one (1)% of the shares of the parent company,Gamtel.

Directors and Directors' Interest

The Directors in office as at the date of this report are as detailed on page 2. The 1% share holding previously held by the Managing Director of Gamtel in 2013 is now owned by Gambia Ports Authority (GPA) with effect from June 2014.

		NO. OF SHARES HELD		
		2015		**2014**
Gambia Ports Authority (GPA)	%	1	(MD's Off.- Gamtel)	1

(a) Before the financial statements of the Company were made the directors took reasonable steps:

(i) To ascertain that proper action had been taken in relation to the writing off bad debts and the making of provision for doubtful debts and have satisfied themselves that all known bad debts have been written off and that adequate provision had been made for doubtful debts;

(ii) To ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

(b) At the date of this report, the directors are not aware of any circumstances, which would make:-

(i) It necessary to write off any bad debts or the amount of the provision for doubtful debts in the financial statements inadequate to any substantial extents; and

(ii) The value attributed to current assets in the financial statements misleading.

(c) At the date of this report, the Directors were aware of the circumstances which have arisen and rendered the Landed properties for valuation. A valuation exercise was conducted independently by a qualified quantity surveyor but the report is yet to be considered by the Board of Directors for incorporation in the Financial Statements.

(d) At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Company which would render any amount stated in the financial statements misleading.

(e) As at the date of this report, there does not exist:

(i) any charge on the assets of the Company which has arisen since the end of the finanical period which secures the liabilities of any other person; or

(ii) Any contingent liability in respect of the Company which has arisen since the end of the financial period.

(f) In the opinion of the Directors:

(i) No contingent liabilities or other liabilities has become enforceable or are likely to become enforceable within the period of twelve months after the end of the financial period which, in the opinion of the directors, will or may substantially affect the ability of the Company to meet its obligation as and when they fall due; and

(ii) No item, transaction or event material and unusual nature has arisen in the interval between the end of the financial period and the date of this report which is likely to affect substantially the result of the operations of the Company for the financial period in which this report is made.

Auditors
The Auditors, Real Time Consulting Gambia Limited (RTC), having been appointed by the National Audit Office for a term of five (5) years with effect from the financial year ending 2014 have indicated their willingness to continue in office in accordance with Section 342 (2) of the Companies Act 2013.

By order of the Board of Directors

....	....
Chairman	**Secretary**
Date: 23/12/2016 **2016**	**Date:** 23/12/ **2016**

AUDITORS' REPORT

RTC
Real Time Consulting
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TO THE MEMBERS OF BOARD OF DIRECTORS

We have audited the financial statements on pages 10 to 25 which have been prepared under the historical cost convention.

Respective Responsibilities of Directors and Auditors

As described on pages 6-8 the Directors of the Company are responsible for the preparation of the financial statements. It is our responsibility as auditors to form an independent opinion, based on our audit, on those statements and to report our

Basis of opinion
We conducted our audit in accordance with the International Standards on Auditing. An audit includes examination, on a test basis, of evidence supporting the amounts and disclosures in the financial statements. It also includes an assessment of significant estimates and judgement made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the circumstances of the Company, consistently applied and adequately disclosed.

We planned and peformed our audit so as to obtain all the information and explainations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud, other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of the information in the financial statements.

Opinion
In our opinion the financial statements give a true and fair view of the state of affairs of Gambia Telecommunication Cellular Company as at 31st December 2015 which comprise the Balance Sheets, the statement of Profit and Loss, Statement of Changes in Equity and Cash Flow Statements of the Company for the period then ended, and have been prepared in accordance with locally general acceptable accounting principles (GAAP),the Companies Act, 2013, and the Gamcel Act.

Real Time Consulting

REAL TIME CONSULTING (GAMBIA) LIMITED
CERTIFIED CHARTERED ACCOUNTANTS
REGISTERED AUDITORS

Date: 23rd December 2016

INCOME STATEMENT

INCOME	Notes	2015 D'000	2014 D'000
Revenue	2	492,235	612,743
Less: Cost of sales	3	(275,535)	(320,790)
Gross Profit		**216,700**	**291,953**
Staff Cost	4	60,535	58,574
Adminitrative Expenses	5	115,564	191,171
Depreciation Charge	21	96,147	146,536
Loan Interest		22,682	20,675
Bank Charges		7,743	7,769
Increase in Prov. For Bad & Doubtful Debts	6	14,761	9,464
Bad Debts Written-Off		9	154
Total Operating Expenses		317,441	434,344
Net Operating Profit / (Loss)		**(100,741)**	**(142,391)**
Other Interest Receivable & Similar Income	7	86	174
Net Profit / (Loss) before Tax	8	**(100,655)**	**(142,217)**
Taxation	9	(7,384)	(9,191)
Net Profit / (Loss) After Tax		**(108,038)**	**(151,408)**
Basic Loss Per Share (bututs)		(1,080)	(1,514)
Dividend Per Share (bututs)		Nil	Nil

The notes on pages 14 to 25 form part of the financial statements

BALANCE SHEET

	Notes	2015	2014
NON-CURRENT ASSETS		D'000	D'000
Property, Plant and Equipment	21	357,178	410,599
		357,178	410,599
CURRENT ASSETS			
Trade Receivables	10	54,514	53,871
Other Receivables	10	463	1,111
Staff Loans	10	18,530	22,716
Taxation	9	0	4,442
Stocks Inventory	11	29,193	33,690
Cash and Bank Balances	12	4,170	3,081
Prepayments	13	1,870	762
Total Current Assets		108,740	119,671
TOTAL ASSETS		**465,918**	**530,270**
CURRENT LIABILITIES			
Trade Payables	14	425,090	380,147
Other Payables	15	96,506	107,963
Taxation	9	4,710	0
Accruals & Similar Payables	16	37,988	43,702
Deferred Liabilities -Pre-Paid Customers		42,780	31,541
Bank Overdraft		4,666	10,410
Total Current Liabilities		**611,740**	**573,763**
NON-CURRENT LIABILITIES			
Long -Term Loans	17	90,758	76,500
TOTAL LIABILITIES		**702,498**	**650,263**
EQUITY & RESERVES			
Share Capital	18	30,000	30,000
Share Premium	19	64,345	64,345
Retained Earnings	20	(330,925)	(214,338)
Total Equity & Reserves		**(236,580)**	**(119,993)**
TOTAL LIABILITIES , EQUITY & RESERVES		**465,918**	**530,270**

.... 23.12.16 DIRECTOR

.... DIRECTOR

The notes on pages 14 to 25 form part of the financial statements

CASH FLOW STATEMENT

	Notes	2015 D'000	2014 D'000
Cash flows from operating activities			
Surplus /(Deficit) from operations		(108,038)	(151,408)
		(108,038)	(151,408)
Adjustments for:-			
Depreciation:		96,147	146,536
Other Adjustments		1,370	0
Prior Year Adjustment (Net)		(8,548)	1,511
Bad Debts Written-off		9	0
Operating Profit/(Loss) before Working Capital Changes		(19,060)	(3,361)
Changes in Working Capital:			
(Increase) / Decrease in Inventories		4,497	(29,612)
(Increase) / Decrease in Trade Receivables		(643)	(7,103)
(Increase) / Decrease in Other Receivables		648	29,719
(Increase) / Decrease in Staff Loans		4,186	11,364
(Increase) / Decrease in Prepayments		(1,108)	(762)
Increase / (Decrease) in Trade Creditors		44,944	(58,604)
Increase / (Decrease) in Other Payables		(11,457)	48,919
Increase/(Decrease) in Taxation		4,710	0
Increase / (Decrease) in Accruals & Similar Payables		(5,715)	29,268
Increase / (Decrease) in Deferred Liabilities		11,239	31,086
Cash generated from operating activities		32,145	50,913
Interest Received		86	174
Interest Paid			
Tax Credit Recouped		4,442	9,191
Net Cash generated from operating activities		**36,673**	**60,278**
Cash flows from investing activities			
Purchase of Fixed Assets		(44,096)	(17,281)
Re-Couped / Purchase of Investments		0	0
Net cash used in investing activities		**(44,096)**	**(17,281)**
Cash flows from financing activities			
Increase / (Decrease) in Long-Term Borrowings		14,258	(56,174)
Net cash used in financing activities		**14,258**	**(56,174)**
Net Cash Inflows / (outflows)		**6,835**	**(13,176)**
Net increase/(decrease) in cash and cash equivalents		**6,834**	**(13,176)**
Net Cash and cash equivalents at beginning of period		(7,330)	5,846
Net Cash and cash equivalents at the end of period		(495)	(7,330)

The notes on pages 14 to 25 form part of the financial statements

STATEMENT OF CHANGES IN EQUITY

	Share Capital D'000	Share Premium D'000	Accumulated Profit/(Loss) D'000	Revaluation Reserve D'000	Total D'000
Balance As At 1st January 2014	30,000	64,345	(64,418)	0	**29,927**
Additions	0	0	0	0	**0**
Issuance of Share Capital	0	0	0	0	**0**
Net Profit/(Loss) for the period	0	0	(151,408)	0	**(151,408)**
Prior Year Adjustment	0	0	1,488	0	**1,488**
Balance As At 31st December 2014	**30,000**	**64,345**	**(214,338)**	**0**	**(119,993)**
Transfers	0	0	0	0	0
Balance Re-Stated As At 31/12/2014	**30,000**	**64,345**	**(214,338)**	**0**	**(119,993)**
Balance As At 1st January 2015	30,000	64,345	(214,338)	0	**(119,993)**
Net Profit/(Loss) for the period	0	0	(108,038)	0	**(108,038)**
Prior Year Adjustment	0	0	(8,548)	0	**(8,548)**
Prov. For Contingency Reserve	0	0	0	0	**-**
Balance As At 31st December 2015	**30,000**	**64,345**	**(330,925)**	**-**	**(236,580)**
Transfers	0	0	0	0	**0**
Balance Re-Stated As At 31/12/2015	**30,000**	**64,345**	**(330,925)**	**0**	**(236,580)**

The notes on pages 14 to 25 form part of the financial statements

Notes (forming part of the financial statements)

1a ACCOUNTING POLICIES

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

b ACCOUNTING CONVENTION

The financial statements have been prepared under the historical cost convention of accounting and in accordance with applicable International Accounting Standards and locally generally acceptable accounting principles. Provisions have been made for accruals and prepayments, where appropriate.

c DEPRECIATION

Property, Plant & Equipment is stated at cost, less accumulated depreciation and accumulated impairment in value. Such cost includes the cost of replacing part of such equipment when that cost is incurred if the recognition criteria are met. The cost of self-constructed assets includes the cost of materials and direct labour cost. The cost of property, Plant & Equipment acquired by the Company includes cost of acquisition together with any incidental expenses incurred in bringing the assets to its working condition for the intended use.

Depreciation of Fixed Assets is calculated and charged to the income statement on a simple straightline method **using** the annual rates shown below. Depreciation is charged with effect from the year of purchase unless stated otherwise and no depreciation is charged in the year of disposal. The annual depreciation rates applied are as follows:-

DEPRECIATION RATES

Land		0%
Buildings	20 YRS	5%
GSM Equipment	6.66 YRS	15%
Motor Vehicles / Motor Cycles	4 YRS	25%
Furniture,Fixtures & Office Equipment	6.66 YRS	15%
Generators	10 YRS	10%
Accounting Software	3 YRS	33.33%

d Employee Benefits

Obligation for contribution to the Social Security and Housing finance Corporation Administered National Provident Fund Scheme at the rate of 5% on employees' basic salaries are recognised as expenses in the Income and Expenditure Account. 10% of employees' basic salary is contributed by the employer. Obligations under the federated pension scheme at the rate of 19% of employees' basic salaries are contributed by the employer and also recognised as expenses in the Income and

Under the federated pension scheme, employees are entitled to lump sum payments in addition to a monthly pension upon attaining the retirement age of 60 and 55 for men and women respectively. Those under the provident fund scheme received only a one off payment.

e Share Capital

The Authorized Share Capital of the Company is GMD30,000,000 divided into 100,000 ordinary shares of GMD300.00 each.

The issued and paid up Share Capital of the Company is GMD30,000,000 divided into 100,000 ordinary shares of GMD300.00 each.

f Reserves and Provisions

There were no material transfers to or from reserves or provisions during the year other than those disclosed in the financial statements and its corresponding notes.

g Dividends

No dividend was paid during the financial period and the Directors do not recommend any dividend to be paid for the financial period under review..

h Conversion of Foreign Currencies

All foreign currency transactions are converted to Gambian Dalasi, which is the reporting currency, at the rate of exchange prevailing at the time the transactions were effected. Monetary assets and liabilities denominated in foreign currencies are translated to reporting currency at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities are translated using the exchange rate that existed when the values were determined. The resulting gains and/or losses are accounted for in the Income Statement. We use GMD 42.13/$1 as the reporting date exchange rate.

i Prepaid Expenditure

Expenditure which is deemed to have a benefit or relationship to more than one reporting period is classified as prepaid expenditure. Such expenditure is written off over the period, to which it relates, on a straight-line basis.

j Receivables

Trade receivables are stated at the amounts they are estimated to realise net of provision for impairment of bad and doubtful debts. The other receivables and dues from related parties are recognised and carried at cost less impairment losses on any uncollectible amount.

k Taxation

The corporation tax is based on the higher of 1.5% of revenue and 31% of Net profit after adjusting for depreciation, other unacceptable expenses and capital allowances. No deffered tax is recognised in the financial statements.

l Cash and Cash Equivalents

Cash and Cash Equivalents comprise of cash at bank and cash in hand. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

m Impairment of assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset recoverable amount is the higher of an asset's or cash-generating unit's fair value less selling cost and it's value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds it recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing the value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflect current market assessments of the time value of money and the risk specific to the asset. In determining the fair value less costs to sell, an appropriate valuation model is used.

n Maintenance Service contract Liabilities and Other Liabilities

Majntenance Services contract liabilities and other liabilities, which fall due for payment on demand or within one year from the closing date are also carried at cost.

o Events After the Reporting Date

All material events after the reporting date have been considered and where appropriate adjustments or discolsures have been made in the respective notes to the Financial Statements.

p **Capital Commitment and Contingencies**

Capital Commitment and Contingent liabilities of the Company are disclosed in the Financial Statements or specific notes are made as follows:-

Following the termination of the partnership contract between Spectrum and the Government of the Gambia in June 2014, the latter has decided that Gamcel pays for all its outstanding tax liabilities due to the Gambia Revenue Authority (GRA).

The reconciliation exercise between MOFEA and Gamtel/Gamcel which indicated a total amount of **D294,423,203** for various taxes such as corporation tax, VAT, Excise tax and the fixed line operators license and Spectrum fees including penalties and interest charges owed by Gamcel as at 31st December 2014 was finalised with outstanding balance of **D10,613,245.79** owed by Gamcel.This has been agreed to be paid over eight (8) equal quarterly installment effective quarter ending September 2016.

q **Post Balance Sheet Event**

Having completed the reconciliation of the in-debtedness between MOFEA and Gamtel/Gamcel it was later discovered that the net amount owed by Gamcel was **D195,102,518.79 and not D10,613,245.79** as reported earlier under point p above. However, this will be adjusted in the subsequent financial statements.

Notes (forming part of the financial statements)

	NOTES	2015	2014
2 REVENUE		**D'000**	**D'000**
Pre-paid Revenue		658,606	702,004
Less: Free Bonus Calls		(209,399)	(252,734)
Net Pre-paid Revenue		449,207	449,270
Post-paid Revenue		37,149	37,203
Interconnection Revenue		72,049	108,301
Roaming Revenue	2a	16,633	11,044
Miscellaneous Income	2b	5,867	6,926
		580,905	**612,743**
Less: VAT Payable		(62,056)	0
GRTS Levy		(8,799)	**0**
Excise Telecom Levy		(17,815)	**0**
		492,235	**612,743**

2a. Roaming Revenue

Inbound revenue derived from international roaming partners is accounted for under roaming revenue. This accounts for revenue from customers of international network operators roaming in the Gambia and calling through the Gamcel network.The collection of the roaming revenue which was outsourced to an international company,MACH, is now given to BIBLIS.

2b Miscellaneous Income

Miscellaneous Income comprises of revenue realized from other services provided such as replacement of SIM Cards,Sale of bidding documents,2G&3G USB Dongles,3G Routers,3G WiFi etc.

			2015	2014
3 COST OF SALES			**D'000**	**D'000**
Material Cost	See	3a below	86,030	114,460
Interconnection Cost	See	3b below	173,183	186,219
Roaming Cost	See	3c below	16,322	20,111
			275,535	**320,790**

	2015	2014
3a Material Cost	**D'000**	**D'000**
Material Refreshment	1,209	1,285
Material Scratch Cards	1,775	2,116
GSM Phone Sets	1,059	2,018
Material Sim Cards	5,758	7,888
Dealers Commission	26,793	71,952
GSM Licenses/spectrum Fees	46,531	26,297
Co.-Location Cost	2,904	2,904
	86,030	**114,460**

	2015	2014
3b Interconnection Cost	**D'000**	**D'000**
Interconnection Cost - Africell	9,241	9,772
Interconnection Cost - Comium	3,048	3,523
Interconnection Cost - QCell	3,246	2,893
Interconnection Cost - Gamtel	157,647	170,031
	173,183	**186,219**

	2015	2014
3c Roaming Cost	**D'000**	**D'000**
International - Outbound Roaming	9,462	11,639
International - Inbound Roaming	6,860	8,472
	16,322	**20,111**

4 STAFF COST

	2015	2014
	D'000	D'000
Basic Salaries (See Other Staff Cost below)	23,130	16,359
Casuals & Wages	1,901	1,921
SSHFC Pensions Contributions	6,308	6,404
Injury Contributions	68	63
Extra Duty Allowance	6,065	5,568
Responsibility Allowance	897	857
Telephone Allowance	385	365
Transport Allowance	4,139	3,497
Vehicle Allowance	1,945	2,166
Acting Allowance	332	332
Project Allowance	3,995	3,659
Mileage Allowance	818	1,037
Professional Allowance	1,369	1,249
Provincial Allowance	540	155
Residential Allowance	1,921	1,735
Staff Training Allowance - Local	477	353
Cashiers' Allowance	786	451
Staff Medical Expenses	4,866	3,449
Staff Loans' Subsidies	0	725
Other Staff Cost	313	7,278
Staff Drawback	282	950
	60,535	**58,574**

5 ADMINISTRATIVE EXPENSES

		2015	2014
		D'000	D'000
The breakdown is as follows:-			
Local Travelling		1,178	2,030
Overseas Travelling		-	-
Local Training		1,966	2,687
Overseas Training		4,420	6,353
Repairs & Maintenance	5a	16,693	50,081
3rd Party Obligatory Fees	5b	9,224	17,413
Electricity & Water		15,040	14,426
Insurance Expenses	5c	381	1,628
Freight Handling & Insurance		1,061	16,047
Rents & Rates		2,821	2,046
Conferences and Meetings		1,438	4,174
Printing and Stationary		917	1,893
Materials - Publications/Journals		269	186
Fuel & Lubricants		16,822	19,460
Materials - Uniforms		72	112
Board fees		8	21
Audit fees		546	654
Other fees (Tax Mngt., Acct. Software Lic., etc)		173	1,364
Professional / Consultancy fees		806	1,647
Marketing Expenses	5d	26,391	25,797
Donations and Sponsorship		11,701	20,809
Organisation Contributions		736	554
National Education Levy		50	--
Refreshment & Entertainment		647	524

CONT'D.

Tel.,Internet & Computer Expenses	1,217	165
Consumables & Cleansing Mats.	673	768
Postages	37	68
Assets below Capitalisation Amts.	107	110
Other Expenses	170	154
	115,564	**191,171**

5a Repairs & Maintenance Materials	**2015 D'000**	**2014 D'000**
- Small Tools	146	307
- Spares	74	149
- Vehicles	2,790	5,271
- Technical Equipment / IT	11,790	12,342
- GSM Cell Sites	555	31,047
- Buildings	824	241
- Generators	401	497
- Furniture & Office Equipment	114	226
- Others	-	-
	16,693	**50,081**

5b 3rd Party Obligatory Fees	**2015 D'000**	**2014 D'000**
PURA Regulatory Fees	7,721	15,242
Licenses	1,503	2,171
	9,224	**17,413**

5c Insurance Expenses	**2015 D'000**	**2014 D'000**
Buildings & Equipment	-	1,216
Vehicles	368	379
Staff Travel Insurance	13	33
	381	**1,628**

5d Marketing Expenses	**2015 D'000**	**2014 D'000**
Advertising	21,797	21,281
Promotions	4,595	4,515
	26,391	**25,797**

6 PROV. FOR BAD & DOUBTFUL DEBTS	**Basis**	**2015 D'000**	**2014 D'000**
GIA Loan	96.40%	12,299	12,762
Post paid	2/ 100%	139,510	89,206
Staff Loans	2% /Diff.	2,433	2,418
Other Debtors	100%	520	41
General Provision (Int. Connection Debtors)	0%	-	-
Dealers Debtors	100%	-	21,463
Roaming Receivables	0%	-	85,417
		154,762	**211,306**

Bad Debts for Roaming Receivables,Dealers' Debtors and Ex-Staff Loans (deceased) were written-off against the provisioning figure for Bad and Doubtful Debts. Hence, the net movement in the provisioning account is showed in the P&L A/C.

	2015	2014
7 INTEREST RECEIVABLE & SIMILAR INCOME	**D'000**	**D'000**
Bank Interest Receivables	64	138
Interest Received On Staff Loans	22	35
	86	**174**

8 PROFIT BEFORE TAXATION	**2015**	**2014**
Profit / (Loss) before taxation is derived after charging :-	**D'000**	**D'000**
Auditors' remuneration	546	654
Property, plant and equipment:		
- Depreciation	96,147	146,536
Rent & Rates of premises	2,821	2,046
Staff costs	60,535	58,574
	160,049	**207,810**

9 TAXATION	**2015**	**2014**
The tax charged in the financial statements is derived as follow:	**D'000**	**D'000**
Income Statement		
Provision for corporation tax is 1.5% on Turnover	7,384	9,191
Balance Sheet	**D'000**	**D'000**
Tax Credit Balance B/F	(4,442)	(13,633)
Less: GRA/GOVT./Gamcel Recon. Ex.	4,442	-
Re-instated Bal. B/F	-	(13,633)
Current Tax Charged	7,384	9,191
Payments Made	(2,674)	-
Tax Credit Balance C/F	**4,710**	**(4,442)**

10 RECEIVABLES		**2015**	**2014**
Trade Debtors		**D'000**	**D'000**
	- Post Paid Debtors	143,350	139,431
	- Net Of Interconnection - Africell	1,075	3,233
	- Net Of Interconnection - Qcell	444	413
	- Roaming Receivables	49,154	85,417
	- Dealers Debtors	-	21,463
Other Debtors	- GIA Loan	12,762	12,762
	- Hire Purchase Debtors	3	-
	- Gamtel/Gamcel Inter Co. A/C	-	1,119
	- Sundry Debtors	33	33
	-Gamtel/Gamcel Staff Assoc.	485	-
Staff Loans	-Building Loans	14,136	16,653
	-Car Loans	2,961	4,298
	-Personal Loans	1,241	1,537
	-Computer Loans	186	256
	-"1x6" Loans	383	439
	-Other Loans(Incl. dormant loans)	2,055	1,950
		228,269	**289,003**
Less: Prov. For Bad & Doubtful Debts		(154,762)	(211,306)
		73,506	**77,697**

Notes (forming part of the financial statements)

11 STOCKS INVENTORY

	Notes	2015 D'000	2014 D'000
Main Store Stock Items	11a	30,264	35,091
Stationary Items		330	0
		30,594	35,091
Less:- Provision for Obsolete Stock		(1,401)	(1,401)
		29,193	**33,690**

11a Inventories are stated at the lower of cost and net realisable value where cost is the purchase cost plus any related duty, freight and other directly attributable costs, on a first-in-first-out basis. The net realisable value is based on the estimated selling price less all cost to be incurred in marketing and selling the items.

12 CASH AND BANK BALANCES

	2015 D'000	2014 D'000
Trust Bank - Savings Account	82	1,188
MEGA BANK	10	102
F I Bank Ltd.	153	205
Guaranty Trust Bank-Current Account	1,247	-
Guaranty Trust Bank-Savings Account	18	17
FBN BANK	14	49
Access Bank - Current Account	399	452
Access Bank - Savings Account	0	0
ECO Bank	150	103
Arab Gambia Islamic Bank	653	203
BSIC (Sahelian Bank)	53	111
Dalasi - Dollar Control Account	-	2
Cash Control Account - Eco Bank	-	7
Zenith Bank Ltd.	1,392	633
Petty Cash - H/Office	-	3
Petty Cash - Abuko	-	4
	4,170	**3,081**

12a CASH AND BANK BALANCES O/DRAWN

	2015 D'000	2014 D'000
Trust Bank - Current Account	4,666	8,291
Guaranty Trust Bank-GMD	-	2,119
	4,666	**10,410**

13 PREPAYMENTS

	2015 D'000	2014 D'000
Rentals for H/Qtrs. and Other Cell Sites	1,870	762

These were renewals for some rental agreements which go beyond the year under review.

14 TRADE PAYABLES: Amounts Falling Due Within 1 Yr.

	2015 D'000	2014 D'000
Trade Creditors	117,800	134,406
Interconnection Payable - Comium	733	439
Interconnection Payable - Gamtel	254,532	200,138
Roaming Creditors	52,025	45,164
	425,090	**380,147**

15 OTHER PAYABLES	**2015 D'000**	**2014 D'000**
Gamtel/Gamcel Inter Co. A/C	19,024	-
GRTS Levy Tax	-	333
Subscribers' Deposits (IDD)	1,200	1,200
Roaming Deposit	408	408
Income Tax Control (PAYE)	-	(121)
Family Allotment	1	1
Staff Land Allocation	3	-
Loan Repayments Within 1 Yr.	75,870	106,142
	96,506	**107,963**

16 ACCRUALS AND SIMILAR PAYABLES	**2015 D'000**	**2014 D'000**
NRA -Billboards Rentals	245	350
PURA - Regulatory Fees (Sept. Bal., Oct., Nov. & Dec.)	2,174	3,341
GRA - VAT Payables (Dec.)	4,625	-
GRA - Excise Tax	1,434	-
GRA - Sales Tax	-	22,368
GRA - With-holding Tax	19,777	18,039
Nawec Bills	1,148	3,121
GSM (GRTS) Levy Tax (Dec.)	684	772
GRA/Government/Gamcel Recon. Bal.	10,613	-
SSHFC - Contrib. For Oct., Nov. & Dec.	1,491	474
GSM Lic./Spectrum Fees (Oct., Nov. & Dec.)	10,870	20,857
Audit Fees (2015 fees/2014 Suppl.)	546	50
SSHFC Loan Interest	10,049	-
Others	3,761	73
	67,417	**69,446**
Less: Sales Tax Credit	(29,430)	(25,743)
	37,988	**43,702**

17 LONG-TERM LOANS		**2015 D'000**	**2014 D'000**
Guarantee Trust Bank Loan (1)	**17a**	3	6,403
Trust Bank Loan	**17a**	31,019	57,819
SSHFC Loan	**17b**	91,667	93,446
Guarantee Trust Bank Loan (2)	**17c**	43,939	24,974
Total Loans		**166,628**	**182,642**
Less:- Amounts Due Within 1 Year		**(75,870)**	**(106,142)**
Amounts Due After 1 Year		**90,758**	**76,500**

17a Guarantee Trust Bank (1) and Trust Bank Loans

A syndicated medium term loan facility of D100 millon was obtained jointly from Guaranty Trust Bank and Trust Bank Limited, Guaranty Trust Bank being the lead bank to partly fiance the expansion of the company's GSM network. The facility is repayable over 60 months at a rate of interest of 17% p.a. with a monthly repayment of D1.3 million respectively. A moratorium was granted for the first 6 months with only interest payment with the balance including the principal payable over the remaining 54 months. The balance would be settled by 2016. The facility is secured by a corporate guarantee from Gambia Telecommunication Company Limited (Gamtel) with 11 properties valued at D141 million in total as collateral, and a letter of pledge and trust receipts on the GSM equipments financed.

17b SSHFC Loan

Gamcel obtained a D100 million loan from SSHFC (Social Security and Housing Finance Corporation) towards the funding of its 3G project. A contract was signed with Huawei International Pte. Limited on 16th March 2012 for the supply and installation of the 3G facilities. The SSHFC loan is repayable over five years at an interest rate of 15% per annum. The Project (first Phase) has now been completed and is fully operational.

17c Guarantee Trust Bank Loan (2)

Gamcel took a second loan of D50 Million in June 2014 to part-finance the purchase of 3G equipment worth US$ 5 Million from Huawei. The loan is to be repaid in 12 equal monthly installaments at an interest rate of 21% p.a. in addition to arrangment and legal fees of 0.75% of the facility amount. The loan was guaranteed by the parent company Gamtel with collaterals in the form of properties valued at D71.1 Million.

18 SHARE CAPITAL	**No. Of Shares**	**2015**	**2014**
		D'000	**D'000**
Authorised	100,000	**30,000**	**30,000**
Ordinary Shares @ D300 Each			
Issued and Fully Paid	**Cost Per Share**		
100,000 Ordinary Shares	D300	**30,000**	**30,000**

Gambia Telecommunication Company (Gamtel) Limited, the parent company, holds 99% of the paid up share capital and Gambia Ports Authority (GPA) holds the remaining 1%.

19 SHARE PREMIUM

The amount for share premium represents the excess of the price paid by the parent company over the nominal share value of D300.00 per share.

20 <u>RETAINED EARNINGS</u>		**2015**	**2014**
		D'000	**D'000**
Balance b/f		(214,338)	(64,418)
Prior year adjs.(Various items)	**10a**	**(8,548)**	**1,488**
Retained profit /(Loss) Re-instated		(222,886)	(62,930)
Profit/(Loss) for the year		(108,038)	(151,408)
Balance c/f		**(330,925)**	**(214,338)**

Notes (forming part of the financial statements)

PROPERTY, PLANT & EQUIPMENT

	LAND & BUILDINGS	GSM EQUIPMENT	M/VEHICLES & M/CYCLES	GENERATORS	FIX., FITT. & OFF. EQUIPM'T	ACCESS SOFTWARE	W.I.P.	TOTAL
	D'000	D'000	D'000	D'000	D'000	D'000	D'000	D'000
COST								
As At 1/1/2015	**23,100**	**1,471,552**	**48,244**	**13,381**	**71,706**	**6,249**	**68,243**	**1,702,474**
Additions	0	20,000	0	0	4,814	0	19,282	**44,096**
Adjustments		17,583					(17,583)	**0**
Disposals	0	0	(1,041)	0	0	0	0	**(1,041)**
As At 31/12/2015	**23,100**	**1,509,135**	**47,203**	**13,381**	**76,520**	**6,249**	**69,942**	**1,745,529**
DEPRECIATION								
As At 1/1/2015	**2,984**	**1,183,093**	**39,131**	**7,947**	**52,472**	**6,249**	**0**	**1,291,875**
Adjustments			1,370					**1,370**
Disposals			(1,041)					**(1,041)**
Charge for the year	1,155	84,426	4,197	1,209	5,159	0	0	**96,147**
As At 31/12/2015	**4,139**	**1,267,519**	**43,657**	**9,157**	**57,631**	**6,249**	**0**	**1,388,351**
NBV								
As At 31/12/2015	**18,961**	**241,615**	**3,546**	**4,225**	**18,890**	**0**	**69,942**	**357,178**
As At 31/12/2014	20,116	288,459	9,113	5,434	19,234	0	68,243	410,599
	5%	15%	25%	10%	33.33%	33.33%	0%	

The notes on pages 14 to 25 form part of the financial statements