

GAMBIA TELECOMMUNICATIONS CELLULAR COMPANY LTD
(GAMCEL)

FINAL

Audit Report & Financial Statements

For the year ended

31st December 2016

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

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Registered Office

Board of Directors

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

Mrs. Elizabeth Mendy- Johnson

Gamcel GM

Solicitors:

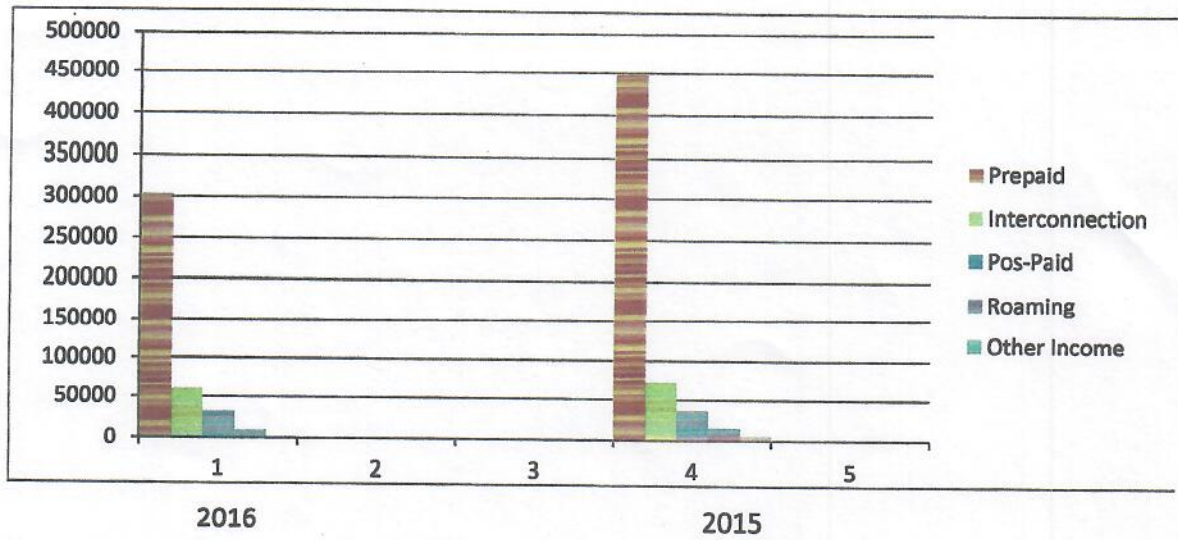
1 Amie Bensouda & Co. Ltd.
Kanifing Institutional Area
P.O.Box 907
Banjul, The Gambia

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

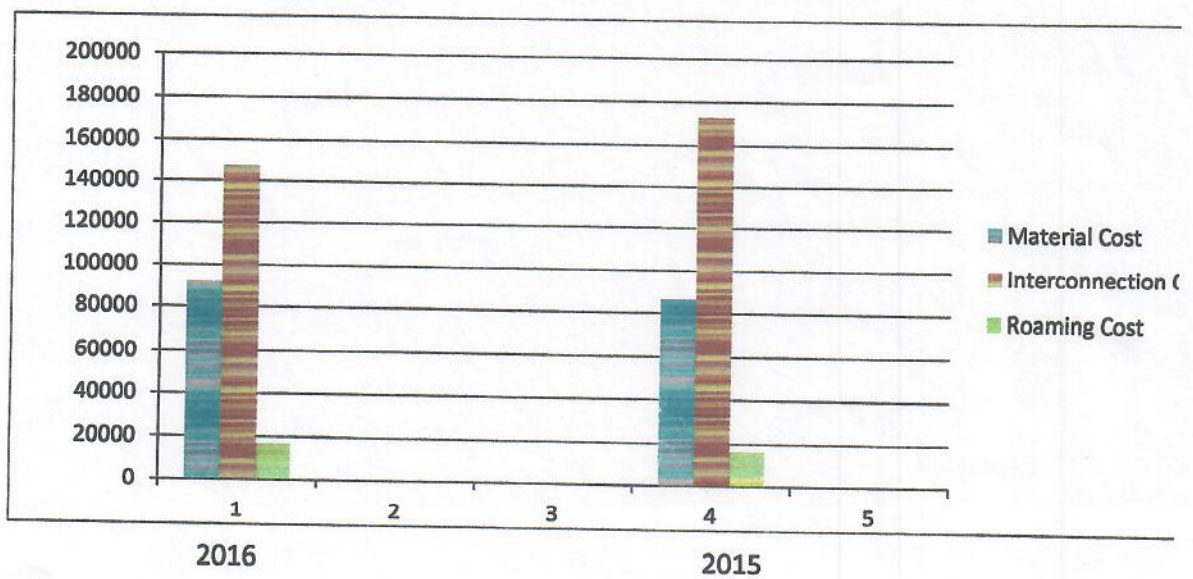
Arab Gambia Islamic Bank	Guarantee Trust Bank Ltd.	Trust Bank Ltd.
7 Ecowas Avenue	56 Ecowas Avenue	3-4 Ecowas Avenue
Banjul,	Banjul,	Banjul,
The Gambia	The Gambia	The Gambia

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

REVENUE ANALYSIS



COST OF SALES ANALYSIS



Financial Statements For The Year Ended 31st December 2016

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 2016.

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 some of its sites from 2G to 3G as part of the global expansion programme.

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 records 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.

Gambia Telecommunications Cellular Company Ltd.
Financial Statements For The Year Ended 31st December 2016

Financial Results	2016	2015
	GMD	GMD
	D'000	D'000
Net Profit /(Loss) for the financial period	(69,955)	(108,038)

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 subsidiary 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			
	2016		2015
Gambia Ports Authority (GPA) %	1	%	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; and

(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.

Financial Statements For The Year Ended 31st December 2016

(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 and the report is now incorporated 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 financial 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

Date: 20 March 2018 2017

Secretary

Date: 20 March 2018 2017

INCOME STATEMENT

<u>INCOME</u>	<u>Notes</u>	<u>2016</u> <u>D'000</u>	<u>2015</u> <u>D'000</u>
Revenue	2	407,438	492,235
Less: Cost of sales	3	(256,701)	(275,535)
Gross Profit		150,737	216,700
Staff Cost	4	57,527	60,535
Administrative Expenses	5	105,397	115,564
Depreciation Charge	22	96,738	96,147
Loan Interest		20,353	22,682
Bank Charges		6,946	7,743
(Dec.) / Incr. in Prov. For Bad & Doubtful Debts	6	(71,924)	14,761
Bad Debts Written-Off		204	9
Total Operating Expenses		215,241	317,441
Net Operating Profit / (Loss)		(64,504)	(100,741)
Other Interest Receivable & Similar Income	7	662	86
Exchange Gain/(Loss)		(1)	0
Net Profit / (Loss) before Tax	8	(63,843)	(100,654)
Taxation	9	(6,112)	(7,384)
Net Profit / (Loss) After Tax		(69,955)	(108,038)
Basic Loss Per Share (bututs)		(700)	(1,080)
Dividend Per Share (bututs)		Nil	Nil

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

BALANCE SHEET

	Notes	2016 D'000	2015 D'000
NON-CURRENT ASSETS			
Property, Plant and Equipment	22	478,695	357,178
		478,695	357,178
CURRENT ASSETS			
Trade Receivables	10	86,302	54,514
Other Receivables	10	177	463
Staff Loans	10	16,080	18,530
Taxation	9	0	0
Stocks Inventory	11	24,820	29,193
Cash and Bank Balances	12	11,920	4,170
Prepayments	13	1,588	1,870
Total Current Assets		140,887	108,740
TOTAL ASSETS		619,582	465,918
CURRENT LIABILITIES			
Trade Payables	14	552,590	425,090
Other Payables	15	90,068	96,506
Taxation	9	2,456	4,710
Accruals & Similar Payables	16	49,107	37,988
Deferred Liabilities -Pre-Paid Customers		77,158	42,780
Bank Overdraft	12a	7,512	4,666
Total Current Liabilities		778,890	611,740
NON-CURRENT LIABILITIES			
Long -Term Loans	17	102,556	90,758
TOTAL LIABILITIES		881,446	702,498
EQUITY & RESERVES			
Share Capital	18	30,000	30,000
Share Premium	19	64,345	64,345
Revaluation Reserves	20	44,655	0
Retained Earnings	21	(400,864)	(330,925)
Total Equity & Reserves		(261,864)	(236,580)
TOTAL LIABILITIES, EQUITY & RESERVES		619,582	465,918

..... DIRECTOR
 DIRECTOR

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

CASH FLOW STATEMENT

	<u>Notes</u>	<u>2016</u> <u>D'000</u>	<u>2015</u> <u>D'000</u>
Cash flows from operating activities			
Surplus /(Deficit) from operations		(69,955)	(108,038)
		(69,955)	(108,038)
Adjustments for:-			
Depreciation:			
Other Adjustments (Exchange (Gain)/Loss)		96,738	96,147
Prior Year Adjustment (Net)		1	1,370
Bad Debts Written-off		16	(8,548)
Operating Profit/(Loss) before Working Capital Changes		204	9
		27,004	(19,060)
Changes in Working Capital:			
(Increase) / Decrease in Inventories		4,373	4,497
(Increase) / Decrease in Trade Receivables		(31,789)	(643)
(Increase) / Decrease in Other Receivables		287	648
(Increase) / Decrease in Staff Loans		2,449	4,186
(Increase) / Decrease in Prepayments		282	(1,108)
Increase / (Decrease) in Trade Creditors		127,500	44,944
Increase / (Decrease) in Other Payables		(6,438)	(11,457)
Increase/(Decrease) in Taxation		(3,123)	4,614
Increase / (Decrease) in Accruals & Similar Payables		11,119	(5,715)
Increase / (Decrease) in Deferred Liabilities		34,378	11,239
Cash generated from operating activities		166,042	32,145
Interest Received			
Interest Paid		662	86
Tax Credit Recouped			4,442
Net Cash generated from operating activities		166,704	36,673
Cash flows from investing activities			
Purchase of Fixed Assets		(173,599)	(44,096)
Re-Couped / Purchase of Investments		0	0
Net cash used in investing activities		(173,599)	(44,096)
Cash flows from financing activities			
Increase / (Decrease) in Long-Term Borrowings		11,798	14,258
Net cash used in financing activities		11,798	14,258
Net Cash Inflows / (outflows)		4,903	6,834
Net increase/(decrease) in cash and cash equivalents		4,903	6,834
Net Cash and cash equivalents at beginning of period		(495)	(7,330)
Net Cash and cash equivalents at the end of period		4,408	(495)
The notes on pages 14 to 25 form part of the financial statements			

Gambia Telecommunications Cellular Company Ltd.
Financial Statements For The Year Ended 31st December 2016

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 2015	30,000	64,345	(214,338)	0	(119,993)
Additions	0	0	0	0	0
Issuance of Share Capital	0	0	0	0	0
Net Profit/(Loss) for the period	0	0	(108,038)	0	0
Prior Year Adjustment	0	0	(8,548)	0	(8,548)
Balance As At 31st December 2015	30,000	64,345	(330,925)	0	(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)
Balance As At 1st January 2016	30,000	64,345	(330,925)	0	(236,580)
Net Profit/(Loss) for the period	0	0	(69,955)	44,655	(25,299)
Prior Year Adjustment	0	0	16	0	16
Prov. For Contingency Reserve	0	0	0	0	0
Balance As At 31st December 2016	30,000	64,345	(400,864)	44,655	(261,863)
Transfers	0	0	0	0	0
Balance Re-Stated As At 31/12/2016	30,000	64,345	(400,864)	44,655	(261,863)

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 43.97/\$1 and GMD46.04/1 Euro as the reporting date exchange rates.

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 30% of Net profit after adjusting for depreciation, other unacceptable expenses and capital allowances. No deferred 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 its 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 its 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

Maintenance 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 disclosures 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		2016	2015
2 REVENUE				D'000	D'000
Pre-paid Revenue				475,454	658,606
Less: Free Bonus Calls				(171,703)	(209,399)
Net Pre-paid Revenue				303,751	449,207
Post-paid Revenue				32,589	37,149
Interconnection Revenue				59,980	72,049
Roaming Revenue	2a			9,943	16,633
Miscellaneous Income	2b			1,174	5,867
				407,438	580,905
Less: VAT Payable				0	(62,056)
GRTS Levy				0	(8,799)
Excise Telecom Levy				0	(17,815)
				407,438	492,235

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.

3 COST OF SALES

		2016	2015
		D'000	D'000
Material Cost	See 3a below	91,964	86,030
Interconnection Cost	See 3b below	147,778	173,183
Roaming Cost	See 3c below	16,959	16,322
		256,701	275,535

3a Material Cost

	2016	2015
	D'000	D'000
Material Refreshment	1,183	1,209
Material Scratch Cards	2,147	1,775
GSM Phone Sets	1,146	1,059
Material Sim Cards	6,767	5,758
Dealers Commission	38,081	26,793
GSM Licenses/spectrum Fees	40,396	46,531
Co.-Location Cost	2,244	2,904
	91,964	86,030

3b Interconnection Cost

	2016	2015
	D'000	D'000
Interconnection Cost - Africell	8,465	9,241
Interconnection Cost - Comium	2,439	3,048
Interconnection Cost - QCell	3,646	3,246
Interconnection Cost - Gamtel	133,228	157,647
	147,778	173,183

3c Roaming Cost

	2016	2015
	D'000	D'000
International - Outbound Roaming	11,928	9,462
International - Inbound Roaming	5,031	6,860
	16,959	16,322

4 STAFF COST

	2016	2015
	D'000	D'000
Basic Salaries (See Other Staff Cost below)	19,013	23,130
Casuals & Wages	3,008	1,901
SSHFC Pensions Contributions	6,006	6,308
Injury Contributions	107	68
Extra Duty Allowance	6,038	6,065
Responsibility Allowance	1,008	897
Telephone Allowance	428	385
Transport Allowance	4,097	4,139
Vehicle Allowance	1,880	1,945
Acting Allowance	394	332
Project Allowance	4,063	3,995
Mileage Allowance	734	818
Professional Allowance	1,426	1,369
Provincial Allowance	448	540
Residential Allowance	1,875	1,921
Staff Training Allowance - Local	295	477
Cashiers' Allowance	770	786
Staff Medical Expenses	4,653	4,866
Staff Loans' Subsidies	280	0
Other Staff Cost	859	313
Staff Drawback	145	282
	57,527	60,535

5 ADMINISTRATIVE EXPENSES

	2016	2015
	D'000	D'000
The breakdown is as follows:-		
National /Local Travelling	1,147	1,178
Overseas Travelling	-	-
Local Training	3,136	1,966
Overseas Training	3,514	4,420
Repairs & Maintenance	13,269	16,693
3rd Party Obligatory Fees	8,877	9,224
Electricity & Water	16,745	15,040
Insurance Expenses	3,023	381
Freight Handling & Insurance	5,282	1,061
Rents & Rates	5,678	2,821
O/Seas Travelling, Conferences and Meetings	1,020	1,438
Printing and Stationery	1,452	917
Materials - Publications/Journals	89	269
Fuel & Lubricants	12,519	16,822
Materials - Uniforms	69	72
Board fees	-	8
Audit fees	510	546
Other fees (Tax Mngt., Acct. Software Lic., etc)	-	173
Professional / Consultancy fees	270	806
Marketing Expenses	17,013	26,391
Donations and Sponsorship	8,472	11,701
Organisation Contributions	-	736
National Education Levy	50	50
Refreshment & Entertainment	606	647

Bad Debts for Roaming Receivables and Ex-Staff Loans (deceased) were written-off against the provisioning figure for Bad and Doubtful Debts. Hence, no movement is shown in the P&L A/C.

7 INTEREST RECEIVABLE & SIMILAR INCOME

	2016 D'000	2015 D'000
Bank Interest Receivables	627	64
Interest Received On Staff Loans	35	22
	662	86

8 PROFIT BEFORE TAXATION

Profit / (Loss) before taxation is derived after charging :-

	2016 D'000	2015 D'000
Auditors' remuneration	510	546
Property, plant and equipment: - Depreciation	96,738	96,147
Rent & Rates of premises	5,678	2,821
Staff costs	57,527	60,535
	160,454	160,049

9 TAXATION

The tax charge in the financial statements is derived as follows:

	2016 D'000	2015 D'000
Income Statement		
Provision for corporation tax is 1.5% on Turnover	6,112	7,384
Balance Sheet		
Tax (Credit)/ Balance B/F	D'000	D'000
Add/(Less): GRA/GOVT./Gamcel Recon. Ex.Net Bal.	4,710	(4,442)
Re-instated Bal. B/F	-	4,442
Current Tax Charge	4,710	-
Payments Made	6,112	7,384
Tax Credit Balance C/F	(8,366)	(2,674)
	2,456	4,710

10 RECEIVABLES

	2016 D'000	2015 D'000
Trade Debtors		
- Post Paid Debtors	54,903	143,350
- Net Of Interconnection - Africell	(0)	1,075
- Net Of Interconnection - Qcell	213	444
- Roaming Receivables	53,361	49,154
- Dealers Debtors	-	-
Other Debtors		
- GIA Loan	12,298	12,762
- Hire Purchase Debtors	3	3
- Gamtel/Gamcel Inter Co. A/C	64	-
- Sundry Debtors	146	33
-Gamtel/Gamcel Staff Assoc.	486	485
Staff Loans		
-Building Loans	12,849	14,136
-Car Loans	2,374	2,961
-Personal Loans	606	1,241
-Computer Loans	246	186
-"1x6" Loans	273	383
-Other Loans(Incl. dormant loans)	2,274	2,055
	140,095	228,269
Less: Prov. For Bad & Doubtful Debts	(37,535)	(154,762)
	102,558	73,506

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

Notes (forming part of the financial statements)

11 STOCKS INVENTORY

	<u>Notes</u>	2016 D'000	2015 D'000
Main Store Stock Items	11a	25,165	30,264
Stationary Items		1,056	330
		<u>26,221</u>	<u>30,594</u>
Less:- Provision for Obsolete Stock		(1,401)	(1,401)
		<u>24,820</u>	<u>29,193</u>

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

	2016 D'000	2015 D'000
Trust Bank - Savings Account	9,687	82
MEGA BANK	-	10
F I Bank Ltd.	71	153
Guaranty Trust Bank-Current Account	989	1,247
Guaranty Trust Bank-Savings Account	18	18
FBN BANK	131	14
Access Bank - Current Account	446	399
Access Bank - Dep./Savings Accounts	0	0
ECO Bank	400	150
Arab Gambia Islamic Bank	-	653
BSIC (Sahelian Bank)	22	53
Dalasi - Dollar Control Account	-	-
Cash Control Account - Eco Bank	-	-
Zenith Bank Ltd.	155	1,392
Petty Cash - H/Office	-	-
Petty Cash - Abuko	-	-
	<u>11,920</u>	<u>4,170</u>

12a CASH AND BANK BALANCES O/DRAWN

	2016 D'000	2015 D'000
Trust Bank - Current Account	7,491	4,666
AGIB Bank Ltd.	2	-
ICB Ltd.	19	-
	<u>7,512</u>	<u>4,666</u>

13 PREPAYMENTS

	2016 D'000	2015 D'000
Rentals for H/Qtrs. and Other Cell Sites	1,588	1,870
These were renewals for some rental agreements which go beyond the year under review.		

14 TRADE PAYABLES: Amounts Falling Due Within 1 Yr.

	2016 D'000	2015 D'000
Trade Creditors ***	175,634	117,800
Interconnection Payable - Comium	1,457	733
Interconnection Payable - Gamtel	318,444	254,532
Roaming Creditors	57,055	52,025
	<u>552,590</u>	<u>425,090</u>

***Note :

This includes D88,642,600 for Phase 2 of the 3G Network Expansion but subject to availability of funds.

15 OTHER PAYABLES		2016	2015
		D'000	D'000
Gamtel/Gamcel Inter Co. A/C		-	19,024
GRTS Levy Tax		0	-
Subscribers' Deposits (IDD)		1,200	1,200
Roaming Deposit		408	408
"Goods Received" Not Invoiced		6,693	-
Family Allotment		-	1
Staff Land Allocation		2	3
Loan Repayments Within 1 Yr.		81,766	75,870
		90,068	96,506
16 ACCRUALS AND SIMILAR PAYABLES		2016	2015
		D'000	D'000
NRA -Billboards Rentals		45	245
PURA - Regulatory Fees (August to Dec.)		2,808	2,174
GRA - VAT Payables		-	4,625
GRA - Excise Tax		3,919	1,434
GRA - National Education Levy Bal.		34	-
GRA - With-holding Tax		-	19,777
Nawec Bills		3,870	1,148
GSM (GRTS) Levy Tax (Dec.)		2,474	684
GRA/Government/Gamcel Recon. Bal.		10,511	10,613
SSHFC - Contrib. For Oct., Nov. & Dec.		-	1,491
GSM Lic./Spectrum Fees (April to Dec.)		30,122	10,870
Audit Fees		546	546
SSHFC Loan Interest		(929)	10,049
Others (GTMI,Promotions,Medical)		1,751	3,761
		55,150	67,417
Less: Sales Tax Credit		(6,043)	(29,430)
		49,107	37,988
17 LONG-TERM LOANS		2016	2015
		D'000	D'000
Guarantee Trust Bank Loan (1)	17a	-	3
Trust Bank Loan	17a	71,897	31,019
SSHFC Loan	17b	86,667	91,667
Guarantee Trust Bank Loan (2)	17c	25,758	43,939
Total Loans		184,321	166,628
Less:- Amounts Due Within 1 Year		(81,766)	(75,870)
Amounts Due After 1 Year		102,556	90,758

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

A syndicated medium term loan facility of D100 million was obtained jointly from Guaranty Trust Bank and Trust Bank Limited, Guaranty Trust Bank being the lead bank to partly finance 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 Loan has now been fully settled in 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.

Gambia Telecommunications Cellular Company Ltd.
Financial Statements For The Year Ended 31st December 2016

Notes (forming part of the financial statements)
22 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 1/1/2016	23,100	1,509,135	47,203	13,381	76,520	6,249	69,941	1,745,52
Additions	0	1,983	162	185	3,969	0	167,300	173,59
Adjs./ Revaluation	44,655							
Disposals	0	0						44,65
As At 31/12/2016	67,755	1,511,118	47,365	13,566	80,489	6,249	237,242	1,963,78
DEPRECIATION								
As At 1/1/2016	4,139	1,267,519	43,657	9,157	57,631	6,249	0	1,388,35
Adjustments								
Disposals								
Charge for the year	2,396	84,563	3,114	1,357	5,308	0	0	96,73
As At 31/12/2016	6,535	1,352,082	46,771	10,513	62,939	6,249	0	1,485,08
NBV								
As At 31/12/2016	61,220	159,036	593	3,053	17,550	0	237,242	478,69
As At 31/12/2015	18,961	241,615	3,546	4,225	18,890	0	69,941	357,17
	5%	15%	25%	10%	33.33%	33.33%	0%	

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

