GAMBIA TELECOMMUNICATIONS CELLULAR COMPANY LIMITED (GAMCEL)

Annual report and financial statements

for the year ended 31 December 2023

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General Information

Members of Gamcel Board of Directors from 1st Jan - 31st Dec 2023

Mr. Salieu A. Jack	Chairman
Mr. Baboucarr Khan	Vice Chairman
Ms. Isatou Ndaw	Member
Mr. Abdoulie Bah	Member
Mr. Pamodou Gassama	Member
Mr. Ousman Jobarteh	Member
Mr. Lamin A. Tunkara	Ex-officio
Mr. Fatou Fatty	Ex-officio
Mrs. Elizabeth Mendy Johnson	Ex-officio
Mr. Lamin Camara	Ex-officio
Mr. Abdoulie Jallow	Ex-officio

Board Secretary:

Mr. Momodou Jammeh

Bankers:

Guarantee Trust Bank Ltd.
56 Ecowas Avenue
Banjul,
The Gambia

Trust Bank Ltd.
3-4 Ecowas Avenue
Banjul,
The Gambia

Arab Gambia Islamic Bank Ltd.
7 Ecowas Avenue
Banjul,
The Gambia

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

Access Bank (G) Ltd.
34 Kairaba Avenue
Serrekunda
The Gambia

First Int'l. Bank (F.I.B.) Ltd.
2 Kairaba Avenue
Serrekunda
The Gambia

Zenith Bank Ltd.
Kairaba Avenue
Serrekunda
The Gambia

FBN (Gambia) Ltd.
Kairaba Avenue
Serrekunda
The Gambia

BSIC Ltd.
52 Kairaba Avenue
Serrekunda
The Gambia

External Auditors:

Accord Associates
Manjonka House
Kanifing Estate Block A6
Jimpex Road (Opp. NEA Office)
P.O Box 2124 Serrekunda
KMC. The Gambia

Solicitors:

Amie Bensouda & co
Kanifing
P.O. Box 907
Banjul, The Gambia

Attorney General Chambers
4 Marina Parade
Banjul, The Gambia

Registered Office:

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

Financial Highlights

Revenue	31-Dec-23 GMD.000	31-Dec-22 GMD.000
Prepaid	104,108	132,495
Post-paid	20,891	24,530
Interconnection	6,913	8,344
International Incoming	7,163	11,656
Roaming	245	2,459
Subscriptions Revenue	5,666	8,485
Other income	9,134	4,974
Total Revenue	**154,120**	**192,944**

Cost of sales	31-Dec-23 GMD.000	31-Dec-22 GMD.000
Material cost	68,534	68,055
Interconnection cost	8,055	8,971
Roaming cost		1,162
Co- Location Cost	732	1,080
Total cost of sales	**77,321**	**79,269**

Distribution of Total Assets	31-Dec-23 GMD.000	%	31-Dec-22 GMD.000	%
Property, plant and equipment	235,423	76%	273,500	66%
Trade and other receivables	107,895	18%	124,619	30%
Inventories	17,582	6%	18,162	4%
Cash and bank balances	254	0%	1,273	0%
	361,154	**100%**	**417,555**	**100%**

Distribution of Total Liabilities	31-Dec-23 D.000	%	31-Dec-22 GMD.000	%
Share capital	30,000	10%	30,000	7%
Share premium	64,345	21%	64,345	15%
Retained earnings	(1,189,606)	-403%	(1,063,481)	-254%
Revaluation Reserves	45,314	15%	45,314	11%
Long term debt	432,354	140%	516,353	124%
Trade payables	954,325	310%	811,654	194%
Taxation	10,861	3%	9,345	2%
Bank overdraft	13,561	4%	4,023.81	-
	361,154	**100%**	**417,555**	**100%**

Financial structure ratios

	31-Dec-23	31-Dec-22
Liquidity (%)	**7%**	17%
Debt to Asset ratio	**4.58**	3.21
Debt to Equity ratio	**(1.28)**	(1.45)
Gearing ratio	**-128%**	-145%
Return on Asset (ROA)	**-58%**	-29%
Return on Equity (ROE)	**-16%**	-13%
Operating Loss (D.000)	**(113,712)**	(106,413)
Loss after tax (D.000)	**(127,728)**	(121,380)

Directors' Report for the year ended 31st December 2023

The Directors of the company present their report and the audited financial statements of The Gambia Telecommunications Cellular Company (Gamcel) Limited for the year ended 31st December 2023.

State of Affairs

The results of the company are as detailed in the accompanying financial statements

Principal Activities

The principal activity of the Company is to provide Global Systems Mobile (GSM) Services to customers.

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:

- 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 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 companies Act, 2013.

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.

Dividends

The Directors do not recommend the payment of dividend for the year.

Property, plant and equipment

The company's property, plant and equipment are detailed in note 8 of the financial statements.

Directors and Directors' Interest

The Directors in office as at the date of this report are as detailed on page 3. The following director who held office had beneficial financial interest in the company's shares:

		No. shares held	
	Share holding	**31-Dec-23**	**31-Dec-22**
Managing Director of Gamtel	%	1	1

"Going Concern"

The financial statements were prepared on a going concern basis notwithstanding the significant risks or uncertainties regarding the financial and operational viability of the business as highlighted by the external auditors in their audit opinion and the intentions of the government of The Gambia to invite private sector participation in the ownership aimed at securing the long-term sustainability of the company.

Auditors

The Auditors, Accord Associates, were appointed by the National Audit Office for a term of five (5) years ended31 December 2023.

By order of the Board of Directors

....

Secretary

Date....02..APRIL..............2025

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Kanifing Estate Block A6
Jimpex Road (Opp. NEA Office)
P.O. Box 2124 Serrekunda
KMC, The Gambia

Tel: +220 4380961 / 7225706 / 9721228
info@accordassociatesgm.com
www.accordassociatesgm.com

Independent Auditors Report

Opinion

We have audited the financial statements of The Gambia Telecommunications Cellular Company (Gamcel) Limited, which comprise the statement of financial position as at 31st December 2023, the income statement, the statement of changes in equity and the statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We drew attention to the fact that the entity has been making losses consistently over the years. We also drew attention to the income statement and the statement of financial position together with note 16.

The current year's loss stands at D128 million and the cumulative losses as at 31 December 2023 stands at D1.1 billion. The total assets of the entity stands at D361 millions whiles the total liability stands at D1.4 billion. This means the liabilities are more than the assets by over D1.1 billion. There is also a negative equity of about D1.1 billion.

This situation indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern and therefore the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. Our opinion is not qualified in this respect.

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Key Audit Matters

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

Other Information

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

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

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

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

Responsibilities of the directors for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

AA Accord Associates

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

- Identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Concluded on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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.
- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

Accord Associates

Accord Associates

Accord Associates Certified Accountants Date: Sign:

Chartered Accountants
Registered Auditors
Banjul The Gambia

Date................................ 2025

Statement of Financial Position

As at 31 December 2023

Assets	Notes	2023 GMD'000	2022 GMD'000
Non-Current Assets			
Property, Plant and Equipment	8	219,610	257,687
Investment	18	15,813	15,813
		235,423	**273,500**
Current Assets			
Inventories	9	17,582	18,162
Trade and Other Receivables	10	107,895	124,619
Cash and Bank Balances	17	254	1,273
Total Current Assets		**125,731**	**144,054**
Total Assets		**361,154**	**417,554**
Equity and Liabilities			
Equity			
Share Capital	13	30,000	30,000
Share Premium	14	64,345	64,345
Retained Earnings	16	(1,189,606)	(1,063,481)
Revaluation Reserves	15	45,314	45,314
Total Equity		**(1,049,947)**	**(923,822)**
Non-Current Liabilities			
Long Term Debt	12	432,354	516,353
		432,354	**516,353**
Current Liabilities			
Trade Payables	11	954,325	811,654
Taxation	7	10,861	9,345
Bank Overdraft	17	13,561	4,024
Total Current Liabilities		**978,747**	**825,023**
Total Equity and Liabilities		**361,154**	**417,554**

The financial statements were approved by the Board of Directors on 03/04/2025 and signed on its behalf by:

.... Chairman

.... General Manager

Statement of profit or loss

For the year ended 31 December 2023

	Notes	2023 GMD'000	2022 GMD'000
Revenue	2	154,120	192,943
Cost of sales	3	(77,321)	(79,268)
Gross Profit		**76,799**	**113,675**
Administrative Cost	19	(59,622)	(94,431)
Personnel Cost	6	(89,015)	(95,833)
Depreciation & Amortization	8	(40,245)	(29,824)
Net Operating Expenses		**(188,882)**	**(220,088)**
Operating Loss		**(112,083)**	**(106,413)**
Other Operating Income	5	103	170
Loss before Interest Expense & Tax		**(111,980)**	**(106,243)**
Interest Expense & Similar Charges		(12,603)	(13,206)
Loss before Tax		**(124,583)**	**(119,449)**
Taxation	7	(1,542)	(1,931)
Loss for the Year		**(126,126)**	**(121,380)**

Statement of Changes in Equity

For the year ended 31 December 2023

	Share Capital GMD'000	Share Premium GMD'000	Retained Earnings GMD'000	Revaluation Reserve GMD'000	Total GMD'000
As At 1st January 2023	30,000	64,345	(1,063,481)	45,314	**(923,822)**
Loss for the year	-	-	(126,126)	-	**(126,126)**
Prior Year Adjustment					**-**
As At 31st December 2023	**30,000**	**64,345**	**(1,189,606)**	**45,314**	**1,049,948**
As At 1st January 2022	30,000	64,345	(958,127)	45,314	**(818,468)**
Prior Year Adjustment	-	-	16,026	-	**16,026**
As At 31st December 2022	**30,000**	**64,345**	**(1,063,481)**	**45,314**	**(923,822)**

Statement of Cash Flows

For the year ended 31 December 2023	2023 GMD'000	2022 GMD'000
Cash flows from operating activities		
Operating Loss before tax and interest	(112,083)	(106,413)
Adjustments for: -		
Depreciation:	40,245	29,824
Prior Year Adjustment (Net)	-	16,026
Operating Profit before Working Capital Changes	**(71,838)**	**(60,563)**
Increase / (Decrease) in Inventories	580	65
Increase / (Decrease) in Trade Receivables	16,724	11,280
Increase /(Decrease) in trade payables	142,644	180,068
Cash generated from operations	**88,111**	**130,850**
Interest Received	103	170
Interest Paid	(12,603)	(13,206)
Net Cash generated from operating activities	**75,611**	**117,813**
Cash flows from investing activities		
Purchase of property, plant & equipment	(2,168)	(16,516)
Net cash used by investing activities	**(2,168)**	**(16,516)**
Cash flows from financing activities		
(Increase) / Decrease in Long-Term Borrowings	(83,999)	13,955
Net cash used by financing activities	**(83,999)**	**13,955**
Net increase/(decrease) in cash and cash equivalents	**(10,556)**	**115,253**
Cash and cash equivalents at beginning of the year	(2,751)	(118,004)
Cash and cash equivalents at the end of the year	**(13,307)**	**(2,751)**

Your National GSM Operator

Notes - forming part of the financial statements

1. 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.

1.1 Accounting convention

The financial statements have been prepared under the historical cost convention in accordance with Generally Accepted Accounting Principles using an accruals basis of accounting and applicable provisions of the Companies Act 2013.

1.2 Revenue Recognition

Revenue represents the amount invoiced to post-paid customers, interconnection revenue, international incoming calls, sale of SIM cards and roaming revenue.

Prepaid revenue arising from the sale of airtime (Nopal & scratch cards) represents the actual minutes consumed by customers while the unutilized portion of the airtime are charged as deferred income.

Revenue is recognized net after deducting Value Added Tax of 15% (VAT Act 2012), Excise Tax of 5% GRA Regulation 2014), GRTS user fees of 2.25% and Sport Levy of 1% (Cabinet Decision) respectively.

1.3 Property, plant and equipment

Items of Property, Plant & Equipment are stated at cost less accumulated depreciation. Cost includes all cost 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 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 as follows:

Land	0%
Buildings	5%
GSM/Technical Equipment	15%
Motor Vehicles / Motor Cycles	25%
Furniture, Fixtures & Office Equipment	15%
Generators	10%
Computer hardware and software	33.33%

Subsequent expenditures

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

Development expenditure

Capitalized development expenditure is stated at cost less accumulated amortization and impairment loss

1.4 Inventories

Inventories are valued at the lower of cost and net realisable value where cost is the purchase cost together with the related duty, freight, insurance and commission charges on a first in first out basis. Net realisable value is based on estimated selling price less all cost to be incurred in marketing and selling.

1.5 Foreign Currencies

Monetary assets and liabilities denominated in foreign currency are converted to Dalasi at the period end exchange rate ruling on the Balance Sheet date. Transactions in foreign currencies are recorded at the rates ruling on the date of the transaction. All gains or losses arising are transferred t the income statement.

1.6 Pension scheme

The company is registered with the Social Security and Housing Finance Corporation under the Federated Pension Scheme (FPS) in which the company contributes 15% of the employees' basic salaries to the National Provident Fund (NPF) for staff and contractors respectively.

Under the scheme, employees are entitled to lump sum payments in addition to a monthly pension upon attaining the retirement age of 60.

1.7 Taxation

Tax charged in the income statement is calculated in accordance with the income tax laws of the Gambia. This is based on the higher of 1% of turnover or 27% of taxable profits. Current tax is the expected tax payable on the taxable income for the year and is recognised in the income statement

1.8 Impairments

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

1.9 Provisions

A provision is recognized in the balance sheet when the company has a legal or constructive obligation as a result of past event, and when it is probable that an outflow of economic benefits will be required to settle the obligation. A general provision of 2% is applied on receivables and inventory.

1.9.1 Contingent liability

Gamcel is a party to a lawsuit filed by Trust Bank Plc claiming for the remaining loan amount at D81,445,357 for defaulting on its monthly repayment obligation to a loan of D125,000,000 granted by the bank in July 2022.

2. Revenue

	Note	2023 GMD'000	2022 GMD'000
Pre-paid Revenue		123,609	158,153
Less: Free Bonus Calls	2.3	(19,501)	(25,658)
Net Pre-paid Revenue		104,108	132,495
Post-paid Revenue		20,891	24,530
Interconnection Revenue		6,913	8,344
International Incoming		7,163	11,656
Roaming Revenue	2.1	245	2,459
Subscription Revenue	2.4	5,666	8,485
Miscellaneous Income	2.2	9,134	4,974
		154,120	**192,943**

2.1 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. Roaming collection was outsourced to an international managing company called EDCH.

2.2 Miscellaneous Income

Miscellaneous Income comprises of revenue realized from other services provided such as replacement of SIM Cards, Sale of bidding documents, 3G Dongles,3G Routers,3G WiFi, CUG, co-location etc.

2.3 Free Bonus Calls

Free Bonus Calls represent the actual on-net minutes consumed by customers from Bonus airtime extended on the purchase of prepaid airtime (Nopal & Scratch cards). Bonus calls are accounted net of prepaid revenue. [FY2012: The full amount of bonus calls recognized both in revenue and cost of sales, having no effect on profit was reversed in 2013 due to the change in accounting policy]

2.4 Subscription Revenue

Subscription revenue accounts for revenues generated from the sales of prepaid data services

3. Cost of sales

	2023 GMD'000	2022 GMD'000
Material Cost	68,534	68,055
Interconnection Cost	8,055	8,971
Roaming Cost	-	1,162
Co- Location Cost	732	1,080
	77,321	**79,268**

Your National GSM Operator

4. **Profit before taxation is stated after charging:**

	Notes	2023 D'000	2022 D'000
Auditors' remuneration		564	538
Depreciation & Amortization	8	(40,245)	(29,824)

5. **Other operating income**

	2023 GMD'000	2022 GMD'000
Bank Interest Receivables	-	3
Interest Received On Staff Loans	103	167
	103	**170**

6. **Personnel cost**

The total number of persons (including executive directors) employed by the company during the period were as follows:

	2023	2022
Management	46	44
Staff	273	295
	319	**339**
Contractors	**145**	**139**

The total remuneration of the staff employed by the company is as detailed below:

	2023 GMD'000	2022 GMD'000
Basic Salaries	35,542	36,157
Casuals	11,006	11,113
SSHFC contributions	10,385	10,667
Staff allowances	29,193	30,794
Staff Medical Expenses	586	4,188
Other Staff Cost	2,303	2,914
	89,015	**95,833**

7. **Taxation**

	2023 GMD'000	2022 GMD'000
The tax charged in the financial statements is derived as follows: -		
Income Statement		
Provision for corporation tax is 1% on Turnover	1,516	1,931
Balance Sheet	**D'000**	**D'000**
Balance brought forward	9,345	7,414
Current Tax Charged	1,542	1,931
Tax paid during the year	-	-
Tax Liability at the end of the year	**10,887**	**9,345**

8. Property, Plant and Equipment

	Land & Building GMD'000	GSM Equipment GMD'000	Motor Vehicles & Cycles GMD'000	Generators GMD'000	Furniture Fittings and Office Equipment GMD'000	Access Accounting System GMD'000	W.I.P. GMD'000	Total GMD'000
Cost								
At 1st Jan 2023	68,169	1,627,115	29,383	15,157	121,418	6,249	179,083	2,046,575
Additions		-	-	-	554	-	1614	2,168
Disposals	-	-	(3,219)	-	-	-	-	(3,219)
Reclassification	2075	132145					-134,220	-
At 31st Dec 2023	**70,244**	**1,759,260**	**26,164**	**15,157**	**121,972**	**6,249**	**46,477**	**2,045,524**
Depreciation							46,477	
At 1st Jan 2023	18,331	1,615,513	26,290	12,186	110,319	6,249	0	1,788,888
Charge for the year	1,762	31,424	1,704	691	4,664	-	-	40,245
Disposals	-	-	(3,219)	-	-	-	-	(3,219)
At 31st Dec 2023	**20,093**	**1,646,937**	**24,775**	**12,877**	**114,982**	**6,249**	**-**	**1,825,914**
Net Book Value								
At 31st Dec 2023	**50,152**	**112,323**	**1,389**	**2,280**	**6,990**	**-**	**46,477**	**219,610**
At 31st Dec 2022	49,839	11,602	3,093	2,971	11,099	-	179,083	257,688

8.1 Work in Progress (W.I.P)

Work in progress includes ongoing projects such as, Installation of towers and Red 2010 network expansion for the prior year.

9. Inventories

	Notes	2023	2022
		GMD'000	GMD'000
Main Store (sim & scratch cards)		17,239	17,703
Stationery		702	830
		17,941	18,533
Less: - Provision for Obsolete Stock		(359)	(371)
		17,582	**18,162**

10. Trade and Other Receivables

	Notes	2023	2022
		GMD'000	GMD'000
Trade Receivables	10.1	118,091	129,023
Other Receivables	10.2	20,776	32,458
Less:			
Provision for doubtful debts	10.3	(30,972)	(36,863)
		107,895	**124,618**

10.1 Trade receivables

	Notes	2023	2022
		GMD'000	GMD'000
Post paid Debtors	10.1a	59,756	65,351
Roaming Receivables	2.1	54,857	54,857
International Receivables	10.1d	-	4,970
Gamtel/Gamcel inter company	10.1c	3,478	3,845
		118,091	**129,023**

10.2 Other receivables

	Notes	2023	2022
		GMD'000	GMD'000
Staff Loans		9,440	11,454
GIA Loan	10.2a	6,926	8,476
Recoveries		654	673
Input VAT		3,756	11,856
		20,776	**32,458**

10.1a post- paid debtors

Post- paid balances which are also included within the trade receivables are shown net of general provisions of 2% of the total balance excluding balances specifically provided for at the end of the year. Any increase or decrease in provision is accounted for through the income statement

10.1b interconnections

The interconnection receivables represent net movements between incoming terminating calls from other network operators and outgoing originating calls from Gamcel. Settlement is done after netting off as stated in the provisions of the interconnection agreement

10.1c Gamtel/Gamcel inter company

The intercompany balance relates to Gamtel prepaid & post- paid credit allocation and other recurring expenses.

10.1d International Receivables

International receivables relate to balance due from various international network carriers.

10.2a GIA Loan

In 2006, the ministry of Finance and Economic Affairs issued a directive to the company to grant a loan of D15M to the Gambia International Airlines (GIA) to purchase airport handling equipment. The terms and conditions of this loan was finalized in July 2012; However, the amount has been fully provided in 2006 as recovery remains doubtful

Following the SOEs cross arrears bilateral meeting at the PPP unit of the Ministry of Finance and Economic Affairs regarding the payment of the loan balance of D8,976,188 owed by GIA to Gamcel, an agreement was made for GIA to start settling the loan effective January 2020 by a monthly instalment of D250,000.

10.3 Provision for doubtful debts	**2023**	**2022**
	GMD'000	**GMD'000**
GIA Loan	138	8,476
Post paid	28,824	26,793
Staff Loans	2,010	1,594
	30,972	**36,863**

11. Trade and Other payables

	Notes	2023 GMD'000	2022 GMD'000
Trade Payables	**11.4**	126,212	118,686
Interconnection Payable - Comium	**10.1b**	1,486	3,144
Interconnection Payable - Africell	**10.1b**	3,075	2,261
Interconnection Payable - Qcell	**10.1b**	423	108
Roaming Creditors	**11.2**	88,173	88,173
Accruals and Other Payables	**11.1**	405,014	340,072
Deferred income from prepaid customers	**11.3**	14,281	11,622
GRA Taxes (VAT, Excise, PAYE etc.)		36,352	12,171
Credit Union		6,225	1,157
International Payables		252	-
Gamtel/Gamcel Staff Association		242	-
ELAC		49	
Amounts Due within one year	**12**	272,541	234,260
		954,325	**811,654**

11.1 Accruals and Other Payables

	Notes	2023 GMD'000	2022 GMD'000
GSM Licence & Spectrum Fees		318,747	274,015
PURA (Gateway Arrears & Regulatory & Numbering Fees		26,792	20,674
SSHFC Loan Interest		11,057	11,057
SSHFC FPS, NPS & ICF		18,119	8,155
NAWEC Bills		1,395	5,005
Area Councils		2,765	1,190
Data Clearing Service -Starhome Mach		3,817	3,817
Data Clearing Service -EDCH		4,361	4,361
Medical Bills		2,981	3,415
Gambia Submarine Cable (GSC)		6,223	5,794
Signalling Services - Orange France		557	997
Audit Fees		600	600
National Educational Levy		500	400
Others		7,100	592
		405,014	**340,072**

11.2 Roaming Creditors

This amount includes payments due to roaming partners.

11.3 Deferred Income

Deferred income represents the portion of air time (nopal & scratch cards) sold and activated but not fully utilized as at the balance sheet date.

12. Long term debt

	Notes	2023 GMD'000	2022 GMD'000
SSHFC Loan	**12.1**	49,293	49,293
Trust Bank Loan	**12.2**	72,099	101,066
GRA/Government/Gamcel Recon	**12.3**	189,000	189,000
Interconnection Payable - Gamtel	**12.4**	394,503	411,254
		704,895	750,613
SSHFC Loan		(49,293)	(49,293)
Trust Bank Loan		(22,248)	(28,967)
GRA/Government/Gamcel Recon		(189,000)	(144,000)
Interconnection Payable - Gamtel		(12,000)	(12,000)
Amounts Due Within one year		(272,541)	(234,260)
Amounts Due After one year		**432,354**	**516,353**

12.1 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 was repayable over five years at an interest rate of 15% per annum but due to some financial difficulties the loan was rescheduled the second time with effect from January 2018 to December 2022 with monthly Principal payment of D1,332,347.07. The Project (first Phase) has now been completed and is fully operational.

12.2 Trust Bank Loan

Gamcel secured a Loan of D125 Million in July 2021 to finance the expansion and upgrade of 50-3G sites access the country. The facility is repayable over 48 months at an interest rate of 11.5% per annum with a monthly repayment of D3.2 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 42Months effective February 2022. The facility is guaranteed by the parent company Gamtel with collaterals in the form of properties valued at D149 Million

12.3 Amount Due to GRA/Government

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 to Gambia Revenue Authority (GRA) from this relationship. The reconciliation exercise between MOFEA and Gamcel which indicated a total of D294,423,203 for various taxes such as corporation tax, VAT, Excise tax and GSM license & spectrum fees including penalties and interest charge owed by Gamcel as at 31st December 2014 was finalised with outstanding balance of D195,102,518.79. Having agreed to make a down payment of D102,518.79 and the balance to be paid in 8years by monthly instalment of 2Million with effect from January 2017.

	Notes	2023 GMD'000	2022 GMD'000
Corporation Tax		103,321	103,321
VAT		3,003	3,003
GSM Licence & Spectrum Fees		68,269	68,269
Excise Telecom		3,354	3,354
GSM Levy		11,053	11,053
		189,000	**189,000**

12.4 Interconnection Payable - Gamtel

Following the SOEs cross arrears bilateral meeting at the PPP unit of the Ministry of Finance and Economic Affairs regarding the payment of accumulated interconnection arrears of D394 million owed to Gamtel by Gamcel, an agreement was made for Gamcel to start settling the arrears effective January 2020 by a monthly instalment of D1Million through net-off against Gamtel monthly credit consumption. Hence the reason for splitting the debt between current and non-current liabilities

13. Share Capital

	2023 GMD'000	2022 GMD'000
Authorised	**30,000**	**30,000**
Ordinary Shares @ D300 Each		
Issued and Fully Paid		
100,000 Ordinary Shares	**30,000**	**30,000**

Gambia Telecommunication Company (Gamtel) Limited, the parent company, holds 99% of the paid-up share capital and the office of the Managing Director Gamtel 1%.

14. 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.

15. Revaluation Reserve

The company conducted an independent revaluation exercise of its Land and Buildings in 2015 and approved by its board in 2016. The net value increase for the Land and Buildings were D19,829,055 and D24,826,439 respectively resulting to a total net increase of D45,314,244 as shown in the accounts as at 31st December 2016.

16. Retained Earnings

-	Notes	2023 GMD'000	2022 GMD'000
Balance b/f		(1,063,481)	(958,127)
Prior Year Adjustments	**16.1**	-	16,026
Retained profit /(Loss) Re-instated		(1,063,481)	(942,101)
Profit/(Loss) for the year		(126,126)	(121,380)
Balance c/f		**(1,189,606)**	**(1,063,481)**

16.1 Prior Year Adjustment

Prior year adjustment relates to correction of Input VAT wrongly captured as recurrent expenditure

17. Cash and Bank balances

	2023 GMD'000	2022 GMD'000
Bank balances	254	1,273
Cash Balance	-	-
	254	1,273
Bank Overdraft	(13,561)	(4,024)
	(13,307)	**(2,750)**

18. Investments

	Note	2023 GMD'000	2022 GMD'000
GSC NVESTMENT (10%)	**18.1**	**15,813**	**15,813**

18.1 Africa Coast to Europe (ACE)

On 12 July 2011, a joint agreement was signed between The Government of the Gambia through the ministry of Finance and Economics Affairs with six companies namely: Africell, Gamtel/Gamcel, Comium, Qcell, Netpage and Unique Solution to establish a public - private partnership (PPP) financing agreement worth USD $25 Million. The purpose of the partnership was to jointly contribute towards the cost of financing the Africa coast to Europe submarine cable (ACE) landing station in The Gambia. The project was to provide a branch landing station for the country by connecting from submarine fibre cable laid from France through the coast of Africa to south Africa.

In the agreement, Gamtel and Gamcel are allocated 20% and 10% respectively of the capacity allocated to the Gambia representing the equivalent to their contribution to PPP financing agreement. Gamcel contributed $550,000 to the Ace Project Translating to D15,813,250. This was paid on the 13th of December 2020 and it's accounted for as Gamcel' s investment in GSC. Funds contributed through the PPP went towards the financing The Gambia submarine cable company limited (GSC Ltd) established to coordinate the activities of the landing station. The ACE landing station was completed and inaugurated in December 2012.

19. Administrative Costs

	2023 GMD'000	2022 GMD'000
MATERIALS UNIFORMS	-	36
NATIONAL TRAVEL	585	1,539
LOCAL TRAINING	1,206	2,405
TRAINING OVERSEAS	290	683
PURA REGULATORY FEE	4,312	4,168
FREIGHT, HANDLING & INSURANCE	531	974
MATERIALS BUILDING MAINTENANCE	164	405
MATERIALS FFOE MAINTENANCE	144	153
MATERIALS PUBLICATION/JOURNALS	22	34
ELECTRICITY & WATER	16,010	9,079
INSURANCE-Motor Vehicles	49	273
RENT/RATES	4,779	3,882

DIRECTORS FEE	-	104
CONFERENCE/MEETINGS	794	872
ENTERTAINMENT	520	788
ORGANISATION CONTRIBUTIONS	6,223	5,794
TELEPHONE, TELEX, FAX & INTERNET	6	16
STATIONERY	371	1,032
CONSUMABLES/CLEANING MATERIALS	39	544
SUNDRY EXPENSES	77	26
LICENCES	1,653	2,655
MATERIAL TOOLS	-	43
MATERIALS TECH.EQUIPMENT MAINTENANCE/IT TO	4,370	16,608
MATERIALS GENERATOR MAINTENANCE	438	355
MATERIALS VEHICLE MAINTENANCE	1,056	1,524
MATERIAL FUEL	9,169	6,984
MATERIAL GSM CELL SITE	122	1,253
EXPENSES BELOW CAPITALIZED THRESHOLD	27	98
INTERNET/COMPUTER EXPENSES	46	49
AUDIT FEES	619	713
POSTAGES	1	43
PROFEESIONAL FEES/CONSULTANCY	1077	257
LABOUR/WORKMANSHIP/TRANSPORTATION EXPENSES	178	249
MISCELLANEOUS	41	107
ADVERTISING	1,737	3,950
SPONSORSHIP	175	870
CORPORATE SOCIAL RESPONSIBILITY	987	2,295
PROMOTION	64	1,005
NATIONAL EDUCATIONAL LEVY	100	100
BANK CHARGES	-	1,113
INC/DEC PROVISIONS OBSOLETE STOCK	(12)	(1)
INC/DEC PROVISIONS DOUBTFUL DEBTS	(5,891)	3,648
GAIN/LOSS ON ASSET DISPOSAL	(101)	(264)
EXCHANGE GAIN/LOSS	(61)	9,878
WRITEOFF/WRITE BACK A/C		51
TELECOMMUNICATION EXPENSES	7,706	8,041
	59,622	**94,431**

Supplementary information

	2023	2022
Net revenue	**GMD'000**	**GMD'000**
Pre-paid Revenue	104,108	132,495
Post-paid Revenue	20,891	24,530
Interconnection Revenue	6,913	8,344
International Incoming	7,163	11,656
Roaming Revenue	245	2,459
Subscription Revenue	5,666	8,485
Miscellaneous Income	6,486	4,974
Total Revenue	**151,472**	**192,944**
Cost of sales		
Material Cost	68,534	68,055
Interconnection Cost	8,055	8,971
Roaming Cost	-	1,162
Co- Location Cost	732	1080
Total cost of sales	**77,321**	**79,268**
Pre-paid		
Prepaid Local calls	42,912	53,400
Prepaid international calls	6,581	9,244
Prepaid installation fees	200	167
Data traffic	52,957	68,619
SMS account	1,459	1,066
	104,108	**132,495**
Free Bonus Calls	**19,501**	**25,658**
Post-paid		
Postpaid local calls	16,058	18,839
Postpaid international calls	1,434	1,791
Postpaid line rental	3,399	3,901
	20,891	**24,530**
Interconnection		
Interconnection revenue - Africell	3,916	4,770
Interconnection revenue - Comium	108	62
Interconnection revenue- QCell	2,761	3,274
Interconnection revenue - Gamtel	128	238
	6,913	**8,344**

Gateway Revenue		
International Incoming		
	7,163	**11,656**
Roaming		
International - Outbound Roaming	245	1,993
International - Inbound Roaming	-	467
	245	**2,459**
Other income		
Miscellaneous Income		
	6,486	**4,974**
	2023	**2022**
	GMD'000	**GMD'000**
Material Cost		
Material Scratch Cards	676	319
GSM Phone Sets	153	989
Material Sim Cards	794	1,129
Dealers Discount	10,590	13,874
GSM Licenses/spectrum Fees	44,732	40,000
International Out-going	8,675	6,474
Government Share of the Gateway	2,914	5,272
	68,534	**68,055**
Interconnection Cost		
Interconnection Cost - Africell	4,730	5,366
Interconnection Cost - Comium	78	78
Interconnection Cost - QCell	3,076	3,371
Interconnection Cost - Gamtel	171	156
-	**8,055**	**8,971**
-		
Roaming Cost		
International - Outbound Roaming	-	1,018
International - Inbound Roaming	-	144
	-	**1,162**
Co- Location Cost		
	-	-

Personnel Cost	2023 GMD'000	2022 GMD'000
Staff basic salaries	35,542	36,157
Staff cost casuals/wages	11,006	11,113
SSHFC pensions contribution	10,330	10,613
Staff cost injury contribution	55	54
Staff cost extra duty allowance	8,134	8,751
Staff cost responsibility allowance	1,063	1,069
Staff cost telephone allowance	453	450
Staff cost transport allowance	3,920	4,388
Staff cost vehicle allowance	3,118	3,100
Staff cost acting allowance	371	235
Project allowance	3,672	3,819
Mileage allowance	1,200	1,221
Professional allowance	2,288	2,442
Provincial allowance	340	362
Residential allowance	3,630	3,950
Staff training allowance - local	13	34
other staff cost	2,303	2,789
Cashier allowance	571	639
Longevity allowance	189	247
Staff drawback	231	88
Staff Medical Expenses	586	4,188
Staff loan subsidies	-	125
	89,015	**95,833**