



# State-owned Enterprise Operational & Financial Report

Fiscal Year 2022

**Ministry of Finance & Economic Affairs**  
**Directorate of State-owned Enterprises**

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## ACRONYMS AND ABBREVIATIONS

AGM: Annual General Meeting

AMRC: Assets Management and Recovery Corporation

BIA: Banjul International Airport

CEO: Chief Executive Officer

DG Director-General

DSOE: Directorate of State-owned Enterprises

EBIT: Earnings Before Interest and Tax

EBITDA: Earnings Before Interest, Tax, Depreciation and Amortization

FY: Financial Year

GAMCEL: Gambia Cellular Company Limited

GCDB: Gambia Commercial and Development Bank

GAMPOST: Gambia Post Company Limited

GAMTEL: Gambia Telecommunications Company Limited

GCAA: Gambia Civil Aviation Authority

GDP: Gross Domestic Product

GIA: Gambia International Airline

GNPC Gambia National Petroleum Corporation

GoTG: Government of The Gambia

GPA: Gambia Ports Authority

GPPC: Gambia Printing and Publishing Corporation

GBA: Greater Banjul Area

GRTS: Gambia Radio and Television Services

HSS: Home Subscriber Service

IFRS: International Financial Reporting Standards

ILS: Instrument Landing System

IPP: Independent Power Producer

ITU: International Telecommunications Union

MDAs: Ministries, Departments and Agencies

MoFEA: Ministry of Finance & Economic Affairs

MSME: Micro, Small and Medium-Scale Enterprise

MT: Metric Tons

NAWEC: National Water and Electricity Company Limited

NFSPMC/GGC: National Food Security Processing and Marketing Corporation

ROA: Return on Assets

SOEs: State Owned Enterprises

SSHFC: Social Security Housing Finance Corporation

UNIDO: United Nations Industrial Development Organization

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## Introduction

The 2022 State-owned Enterprises (SOEs) Financial and Operational Report provides a comprehensive overview of the financial performance and operational activities of the thirteen commercial SOEs during the 2022 financial year. The report provides an assessment of how these enterprises performed against established goals, and provides an overview of its current operations.

The information presented in this report is based on the Management Accounts (Balance sheet and Income Statement) and operational activities submitted by the SOEs, and the report does provide a review and analysis of their performance.

## II. Overview of the SOE Sector

The Gambia government is the sole shareholder of the thirteen State-owned Enterprises (SOEs) that are responsible for managing and providing services in five key sectors, namely: Agriculture, Energy and Water, Services, Telecommunications, and Transportation. Currently, the Directorate of SOE at the Ministry of Finance & Economic Affairs (MOFEA) is providing oversight functions on these SOEs.

Table 1 - SOE key sectors

Transportation	Telecommunication & media:	Energy and Water	Services:	Agriculture
Gambia Civil Aviation Authority (GCAA)	Gambia Telecommunications Company Limited (GAMTEL)	NAWEC	Assets Management and Recovery Corporation (AMRC)	National Food Security Processing and Marketing Corporation (NFSPMC)
Gambia International Airlines (GIA)	Gambia Cellular Company Ltd (GAMCEL)	Gambia National Petroleum Company (GNPC)	Social Security and Housing Finance Corporation (SSHFC)	
Gambia Ports Authority (GPA)	Gambia Postal Services Corporation (GamPost)			
	Gambia Printing and Publishing Corporation (GPPC)			
	Gambia Radio and Television Services (GRTS)			

**Agriculture Sector:** The National Food Security Processing and Marketing Corporation (NFSPMC) is responsible for the marketing and processing of agricultural products, mainly groundnuts. NFSPMC/GGC also provides inputs to farmers such as seeds and fertilizers.

**Energy and Water Sector:** The National Water and Electricity Company (NAWEC) is the primary provider of electricity and water services, and thereby responsible for the production, transmission, and distribution of electricity and the production, treatment, and distribution of water to the general public.

The Gambia National Petroleum Company (GNPC) is responsible for the importation, storage, and distribution of petroleum products, including gasoline, diesel, and other petroleum products. The company is also engaged in upstream activities relating to the exploration of oil and gas within our shores.

The government, through the Public Utilities Regulatory Authority (PURA), regulates water and energy services to provide affordable and reliable access to the public. However, the SOEs in this critical sector have faced challenges such as control tariff regime, inefficiencies, and inadequate infrastructure, which have limited their ability to provide adequate services to the public.

**Services Sector:** The Services sector includes the Assets Management and Recovery Corporation (AMRC) and the Social Security and Housing Finance Corporation (SSHFC).

The AMRC was initially setup to manage and recover non-performing loans and assets of the defunct Gambia Commercial & Development Bank (GCDB). However, over the years they have ventured into various other commercial activities such as the selling of commodities (rice, sugar etc), selling of land, and the renting of properties.

The SSHFC manages the National Provident Fund, Pension Fund, and Industrial Injuries Compensation Fund, as well as manage various housing states across the country.

**Telecommunication and Media Sector:** The Gambia Telecommunications Company Limited (GAMTEL) is the SOE responsible for providing telecommunication services in The Gambia. GAMTEL provides a range of services including fixed-line, mobile, and internet services.

Meanwhile, the Gambia Cellular Company Ltd (GAMCEL) is a mobile telecommunications provider, and its services includes voice, data, and other value-added services. GAMCEL is a subsidiary of GAMTEL.

Gambia Postal Services Corporation (GamPost) is the country's national postal service provider, responsible for providing domestic and international postal services. It also offers financial services such as money transfers, payments, and savings.

Gambia Printing and Publishing Corporation (GPPC) is responsible for the production of books, and other printed materials.

Gambia Radio and Television Services (GRTS) is the government-owned television broadcaster responsible for providing news, information, and entertainment.

**Transportation Sector:** The Gambia's transportation sector comprises of three major SOEs, namely: the Gambia Civil Aviation Authority (GCAA), Gambia International Airlines (GIA) and the Gambia Ports Authority (GPA).

The GCAA is responsible for regulating civil aviation within the country, ensuring compliance with international aviation standards, conducting inspections and audits of aviation service providers, managing air traffic control services, and promoting the development of the country's aviation industry.

GIA is the national airline and operates cargo air services within the country. GIA also provides Travel agency, and Ground Handling operations.

Meanwhile, the GPA is responsible for managing and developing the port of The Gambia. The Authority plays a vital role in the economy of the country, as it facilitates import and export activities.

Collectively, these enterprises play an important role in providing public services to the Gambian people, and in contributing to the nation's economic growth and development.

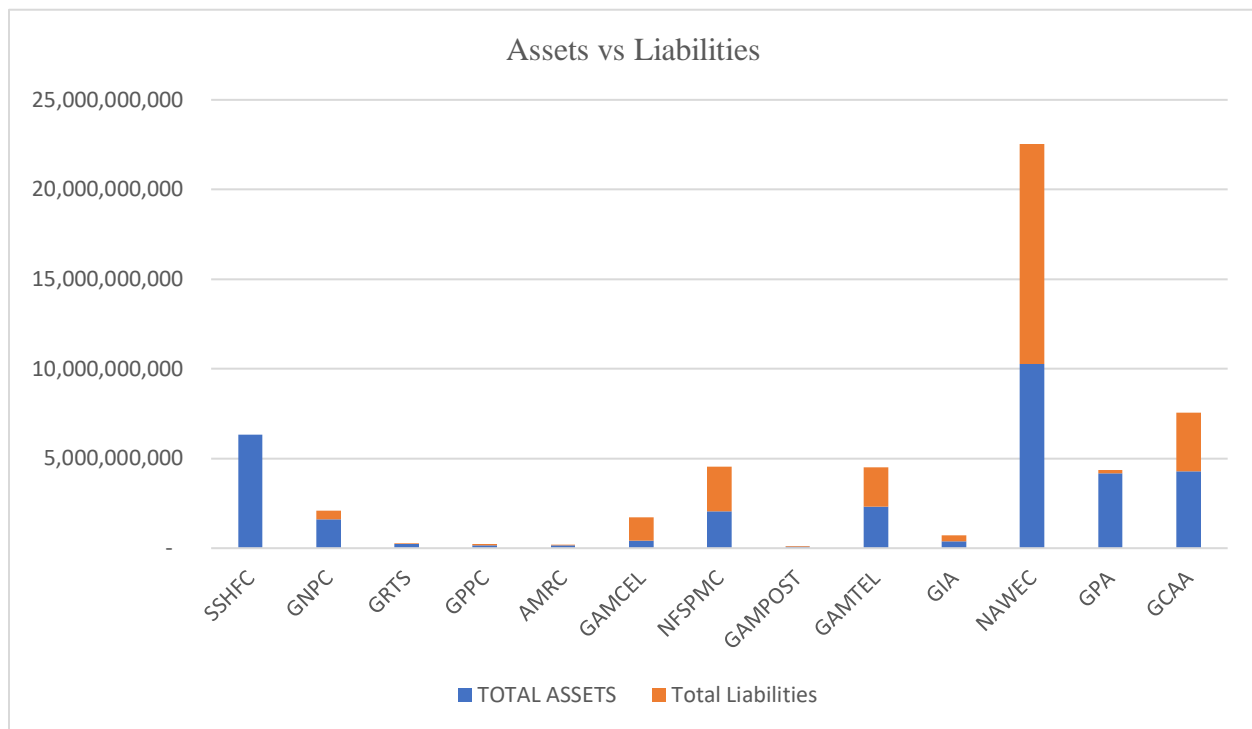
## Overview of Aggregate SOE Balance Sheet

As at 31st December 2022, SOE Aggregate Assets was approximately GMD 32.528 billion, whilst aggregate liabilities stood at GMD22.631 billion. In comparison to 2021, the asset base grew by 2 percent whilst liabilities rose by 21 percent. Non-current assets accounted for approximately 66 percent of total assets.

Table 2 - SOE Consolidated Balance Sheet 2022 - 2021

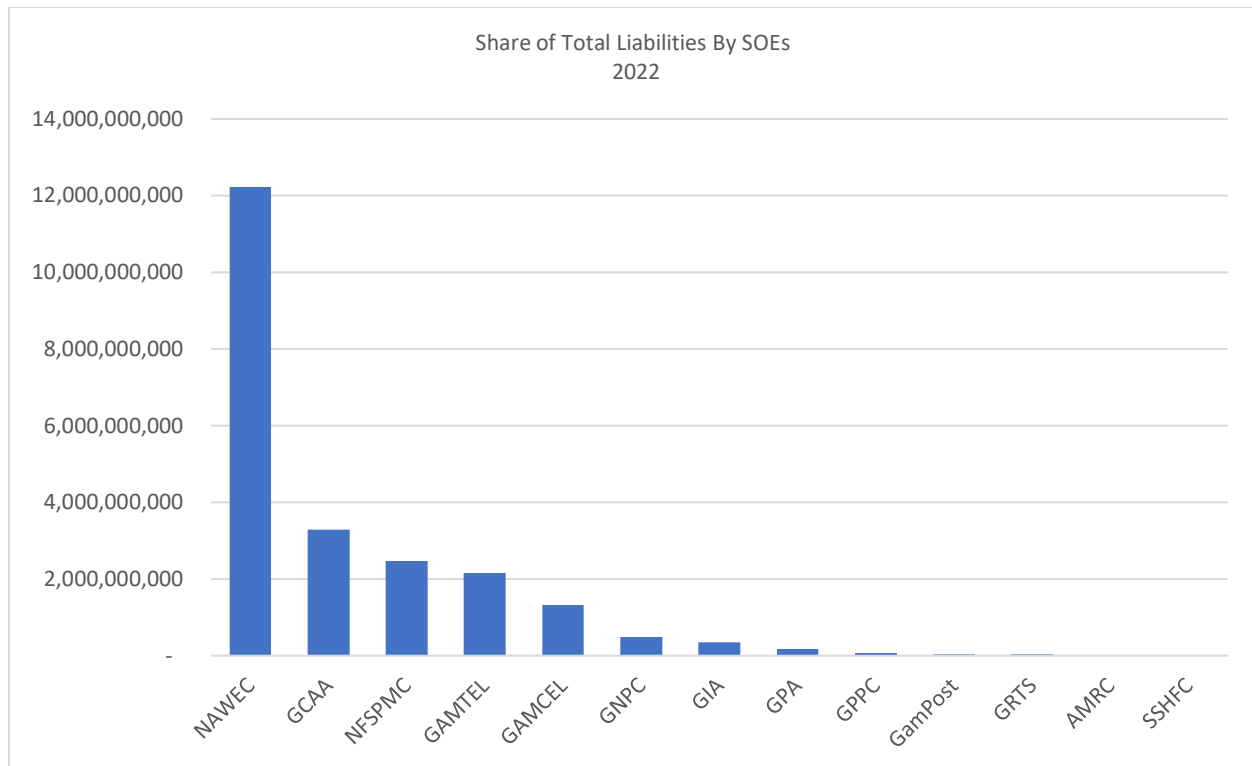
	2022	2021	Variance	Variance %
<b>SOE Consolidated Balance Sheet</b>				
<b>Assets</b>				
Non-Current Assets				
Property, plant and equipment	17,404,139,381	17,158,468,366	245,671,015	1.4%
Investments	3,728,669,184	3,728,707,396	(38,212)	0.0%
Long Term Receivable	496,957,000	393,894,000	103,063,000	26.2%
			-	
<b>Total Non-Current Assets</b>	<b>21,629,765,565</b>	<b>21,281,069,761</b>	<b>348,695,803</b>	<b>1.6%</b>
			-	
Other Current Assets			-	
Inventory	1,789,779,204	1,020,148,292	769,630,912	75.4%
Trade and other Receivables	4,378,812,924	4,410,205,360	(31,392,436)	-0.7%
Cash & Cash Equivalents	4,730,557,643	4,846,844,854	(116,287,211)	-2.4%
			-	
<b>Total Current Assets</b>	<b>10,899,149,771</b>	<b>10,629,547,123</b>	<b>269,602,648</b>	<b>2.5%</b>
<b>TOTAL ASSETS</b>	<b>32,528,914,335</b>	<b>31,910,617,883</b>	<b>618,296,452</b>	<b>1.9%</b>
			-	
<b>Equity &amp; Liabilities</b>			-	
<b>Equity</b>			-	
Share Capital	10,681,444,575	10,109,656,918	571,787,657	5.7%
Revaluation reserve	6,443,351,885	6,678,287,240	(234,935,355)	-3.5%
General reserve	8,647,286,993	3,855,588,878	4,791,698,115	124.3%
Retained earnings	(11,693,383,935)	(3,158,908,456)	(8,534,475,479)	270.2%
<b>Total Equity</b>	<b>14,078,699,518</b>	<b>17,484,624,580</b>	<b>(3,405,925,062)</b>	<b>-19.5%</b>
			-	
<b>Non-Current Liabilities</b>			-	
<b>Borrowings due after one year</b>	<b>12,016,626,204</b>	<b>8,931,543,621</b>	<b>3,085,082,582</b>	<b>34.5%</b>
			-	
Current Liabilities			-	
Borrowings within one year	4,228,961,603	4,866,679,183	(637,717,580)	-13.1%
Trade and other payables	6,107,606,954	4,592,420,289	1,515,186,665	33.0%
Taxation	277,830,375	260,018,804	17,811,571	6.9%
			-	
<b>Total Current Liabilities</b>	<b>10,614,398,932</b>	<b>9,719,118,276</b>	<b>895,280,656</b>	<b>9.2%</b>
<b>Total Liabilities</b>	<b>22,631,025,136</b>	<b>18,650,661,898</b>	<b>3,980,363,238</b>	<b>21.3%</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>36,709,724,687</b>	<b>36,135,286,475</b>	<b>574,438,212</b>	<b>1.6%</b>
* GCAA & SSHFC Accounts provided did not balance				

For total liabilities, 47 percent was accounted for by short-term liabilities. Aggregate equity of the SOE portfolio went down by 19 percent from GMD17.484 billion in 2021 to GMD14.078 billion in 2022.



The non-current liabilities for SOEs increased by approximately 34% in 2022 compared to 2021, and current liabilities increased by 9% from GMD9.719 billion to GMD10.614 billion, which indicates that SOEs have taken additional short-term debt over the past year. NAWEC (GMD 12.232 billion) and GCAA (GMD3.278 billion) absorbed the highest SOE total liabilities in 2022.





Average SOE Receivables/Debtor Turnover Days is high at 121 days, meaning that the speed with which SOEs are paid by its customers is slow, and this could lead to continuous liquidity challenges. Trade Receivables/Debtors for GAMTEL is over one billion Dalasis, mainly from Postpaid Debtors and Roaming Receivables. Meanwhile, NAWEC Trade Receivables is GMD771.086 million, mostly owed by Government.

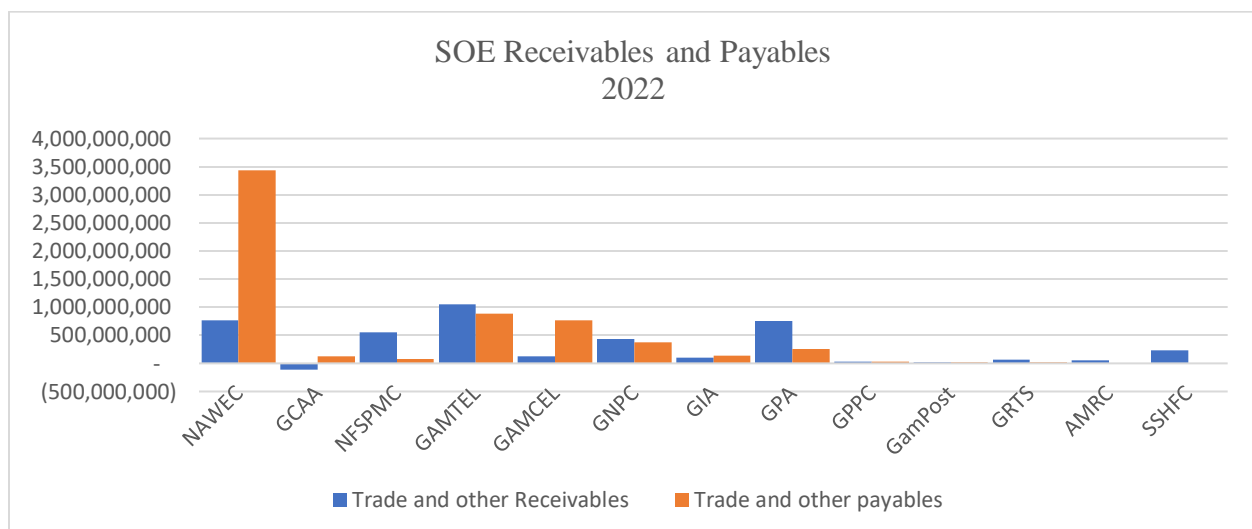


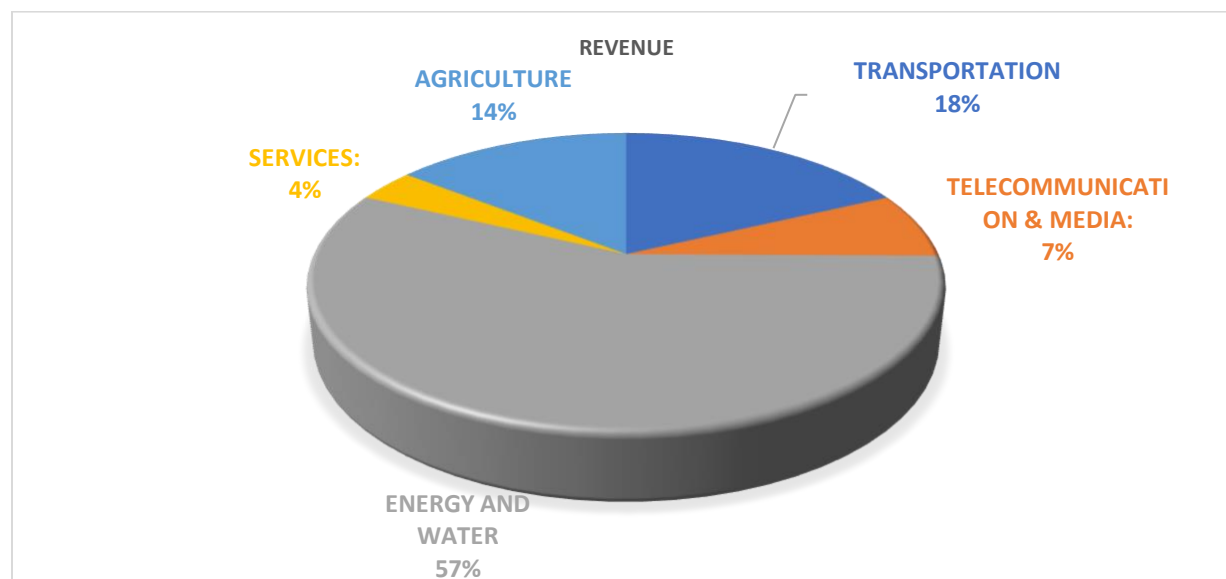
Table 3. Total Assets and Total Liabilities by Sector

	Total Assets				Total Liabilities			
	2022	2021	Variance	%	2022	2021	Variance	%
<b>TRANSPORTATION</b>	8,851,177,546	9,096,474,550	(245,297,004)	-3%	3,803,485,870	4,491,840,680	(688,354,810)	-15%
Gambia Civil Aviation Authority (GCAA)	4,286,568,546	3,972,888,551	313,679,995	8%	3,278,657,870	3,281,819,680	(3,161,810)	0%
Gambia International Airlines (GIA)	385,372,000	352,559,999	32,812,001	9%	346,211,000	329,985,000	16,226,000	5%
Gambia Ports Authority (GPA)	4,179,237,000	4,771,026,000	(591,789,000)	-12%	178,617,000	880,036,000	(701,419,000)	-80%
	-	-	-	-	-	-	-	-
<b>TELECOMMUNICATION &amp; MEDIA:</b>	3,227,068,195	3,372,840,727	(145,772,532)	-4%	3,624,088,334	3,485,693,965	138,394,369	4%
Gambia Telecommunications Company Limited (GAMTEL)	2,328,631,001	2,443,555,000	(114,923,999)	-5%	2,162,494,001	2,087,342,000	75,152,001	4%
Gambia Cellular Company Ltd (GAMCEL)	412,220,000	438,636,000	(26,416,000)	-6%	1,319,451,000	1,241,580,000	77,871,000	6%
Gambia Postal Services Corporation (GamPost)	89,242,635	98,621,727	(9,379,092)	-10%	43,750,787	43,315,071	435,716	1%
Gambia Printing and Publishing Corporation (GPPC)	158,571,092	145,694,517	12,876,575	9%	61,999,595	63,871,646	(1,872,051)	-3%
Gambia Radio and Television Services (GRTS)	238,403,466	246,333,483	(7,930,016)	-3%	36,392,952	49,585,249	(13,192,297)	-27%
	-	-	-	-	-	-	-	-
<b>ENERGY AND WATER</b>	11,903,385,403	11,871,436,184	31,949,219	0%	12,713,572,523	9,443,354,000	3,270,218,523	35%
National Water and Electricity Company (NAWEC)	10,288,470,774	9,903,670,000	384,800,774	4%	12,232,179,271	8,456,322,000	3,775,857,271	45%
Gambia National Petroleum Company (GNPC)	1,614,914,629	1,967,766,184	(352,851,555)	-18%	481,393,252	987,032,000	(505,638,748)	-51%
	-	-	-	-	-	-	-	-
<b>SERVICES:</b>	6,478,652,579	6,131,191,121	347,461,458	6%	18,388,139	19,902,605	(1,514,466)	-8%
Assets Management and Recovery Corporation (AMRC)	158,234,579	153,224,121	5,010,458	3%	18,388,139	19,902,605	(1,514,466)	-8%
Social Security and Housing Finance Corporation (SSHFC)	6,320,418,000	5,977,967,000	342,451,000	6%	-	-	-	-
	-	-	-	-	-	-	-	-
<b>AGRICULTURE</b>	2,068,630,613	1,086,326,683	982,303,930	90%	2,471,490,270	1,209,870,648	1,261,619,622	104%
National Food Security Processing and Marketing Corporation (NFSPMC)	2,068,630,613	1,086,326,683	982,303,930	90%	2,471,490,270	1,209,870,648	1,261,619,622	104%
	-	-	-	-	-	-	-	-
<b>Total /Aggregate</b>	32,528,914,336	31,558,269,266	970,645,070	3%	22,631,025,136	18,650,661,898	3,980,363,238	21%

## Overview of Income Statement

The aggregate SOE revenue for the 2022 fiscal year is GMD12.316 billion, which shows a growth of about 9 % from the previous year's revenue of GMD11. 331 billion.

Energy and Water sector generated the highest revenue totaling GMD6.906 billion, 9% more than the previous year's revenue of GMD6.351 billion. NAWEC generated the most revenue amongst the SOEs, generating GMD5.235 billion as revenue for FY2022 compared to GMD4.419 in 2021. The improved performance is mainly attributed to additional power generated and sold to the public.



Revenue	Net Profit/Loss	Total Assets	Total Liabilities	Total Equity
<b>12,316,679,778</b>	(2,016,180,176)	32,528,914,336	22,631,025,136	14,078,699,518

FY 2022 SOE Financial Summary (GMD)

The Transportation sector had the second-highest revenue amounting to GMD2.355 billion, a slight reduction from last year's revenue figure of GMD2.468 billion (Absorption Rate of 101%, excluding GIA). The Gambia Ports Authority (GPA) contributed the most within the Transport sector, generating GMD1.553 billion of revenue in FY2022 compared to GMD1.971 billion in 2021, and a budget of GMD1.887 billion. In the reviewed year, the Transportation Sector experienced a decline of 5% in revenue performance primarily caused by a reduction of 12% in GPA's revenue.

Table 4 – Revenue and Net Profit by Sector

	Revenue				Net Profit/Loss			
	2022	2022 Budget	Variance	2021	2022	2022 Budget	Variance	2021
TRANSPORTATION	2,355,324,819	2,099,543,500	12%	2,468,707,601	1,275,820,024	299,667,500	326%	1,045,625,440
Gambia Civil Aviation Authority (GCAA)	573,885,689	211,793,500	171%	348,525,601	1,111,897,671	66,214,500	1579%	645,847,440
Gambia International Airlines (GIA)	227,871,130	-	-	148,533,000	23,862,352	-	-	1,148,000
Gambia Ports Authority (GPA)	1,553,568,000	1,887,750,000	-18%	1,971,649,000	140,060,000	233,453,000	-40%	398,630,000
TELECOMMUNICATION & MEDIA:	869,113,503	1,423,190,808	-39%	895,215,612	(481,741,293)	(97,408,111)	395%	(358,599,972)
Gambia Telecommunications Company Limited (GAMTEL)	400,192,000	569,743,000	-30%	386,316,000	(430,179,000)	(214,028,000)	101%	(358,060,000)
Gambia Cellular Company Ltd (GAMCEL)	190,638,000	482,133,000	-60%	246,413,000	(120,312,000)	6,754,000	-1881%	(78,165,000)
Gambia Postal Services Corporation (GamPost)	21,808,942	25,623,808	-15%	25,293,068	295,365	290,247	2%	2,595,761
Gambia Printing and Publishing Corporation (GPPC)	51,799,531	60,000,000	-14%	39,713,544	18,426,324	8,413,642	119%	(1,723,733)
Gambia Radio and Television Services (GRTS)	204,675,030	285,691,000	-28%	197,480,000	50,028,018	101,162,000	-51%	76,753,000
ENERGY AND WATER	6,906,888,573	7,281,937,082	-5%	6,351,161,000	(2,971,040,619)	663,740,075	-548%	(804,615,000)
National Water and Electricity Company (NAWEC)	5,235,323,969	5,820,280,969	-10%	4,419,839,000	(2,993,095,794)	530,410,066	-664%	(863,317,000)
Gambia National Petroleum Company (GNPC)	1,671,564,604	1,461,656,113	14%	1,931,322,000	22,055,175	133,330,009	-83%	58,702,000
SERVICES:	431,910,715	623,608,943	-31%	598,389,129	160,179,923	284,646,711	-44%	387,078,425
Assets Management and Recovery Corporation (AMRC)	28,021,715	37,310,000	-25%	61,516,129	6,524,923	4,559,485	43%	37,932,425
Social Security and Housing Finance Corporation (SSHFC)	403,889,000	586,298,943	-31%	536,873,000	153,655,000	280,087,226	-45%	349,146,000
AGRICULTURE	1,753,442,168	3,212,564,705	-45%	1,017,832,923	601,589	15,293,541	-96%	30,031,451
National Food Security Processing and Marketing Corporation (NFSPMC)	1,753,442,168	3,212,564,705	-45%	1,017,832,923	601,589	15,293,541	-96%	30,031,451
Total /Aggregate	12,316,679,778	14,640,845,037	-16%	11,331,306,265	(2,016,180,376)	1,165,939,717	-273%	299,520,345

The Agriculture Sector generated a total revenue of GMD1.753 billion in FY 2022, compared to GMD1.017 billion in 2021, 72% more than what was generated last year. The improved performance is because NFSMPMC was the only player (buyer) in the market last year and had no competitor. However, if compared with the 2022 budget, the absorption rate was merely 55%.

The Telecommunication & Media sector generated GMD869.113 million in FY 2022, which slightly decreased from the previous year's revenue of GMD895.215 million (Absorption Rate 61%). The Gambia Telecommunications Company Limited (GAMTEL) contributed the most, D400.192 million, in this sector. The sector, GAMTEL and GAMCEL in particular, continue to face serious liquidity challenges coupled with deficient infrastructure and a worrying inability to compete with the private sector.

In FY2022, the Services sector's revenue fell significantly to GMD431.910 million from last year's GMD598.389 million. The SSHFC was responsible for generating almost 94% of the reported revenue, which amounted to GMD403.889 million. Despite the sector's efforts, there was a shortfall of GMD191.698 million in its performance, and an abortion rate of 69% when compared with the sector's 2022 budget. The main factors contributing to this were lower income from AMRC (GMD33.494 million) and underperformance by SSHFC on Dividend Income and Other Income, which accounted for GMD132.984 million of the total shortfall.

Net Profit for the Transportation Sector reached GMD133.491 million (excluding GCAA's purported profit of GMD1.111 billion), whilst that of the Service and Agriculture Sectors reached GMD160.179 million (GMD387 million in 2021) and GMD601.589 million (GMD30.031 million

in 2021) respectively. Meanwhile, the Net Loss for the Energy and Water sector totaled GMD2.971 billion (GMD804 million in 2021), whilst GMD 481.741 million (loss of GMD358.599 million in 2021) was recorded for the Telecommunication and Media sector.

The sectors that contributed the most to total revenue in FY 2022 were, Energy & Water, Transportation, and Agriculture.

The overall financial performance of State-Owned Enterprises (SOEs) for the year ended 31<sup>st</sup> December 2022 indicates an Operating loss of GMD1.293 billion, with an aggregate Net loss of approximately GMD 2.016 billion, compared to a net profit of GMD299.520 million in 2021. The reported (average) losses were associated with three SOEs; NAWEC (GMD2.993 billion in 2022 vs GMD863 million in 2021), GAMTEL (GMD430 million in 2022 vs GMD387 million in 2021), and GAMCEL (GMD120 million in 2022 vs GMD78 million in 2021).

Table 5. SOE Consolidated Income Statement 2022 – 2021 & 2022 Budget Execution

	SOE Consolidated Income Statement			Budget Execution
	2022	2021	2022 Budget	%
<b>REVENUE</b>	<b>12,316,679,778</b>	<b>11,331,306,265</b>	<b>14,640,845,037</b>	<b>84%</b>
Cost of Sales	9,546,382,191	7,257,896,885	9,443,851,445	101%
<b>Gross Profit</b>	<b>2,770,297,586</b>	<b>4,073,410,380</b>	<b>5,196,993,592</b>	<b>53%</b>
<b>Operating Expenses:</b>			-	
Admin and staff expenses	3,270,709,863	3,335,544,249	2,234,178,902	146%
Depreciation charge	1,024,910,279	793,312,285	879,558,615	117%
Other Operating Expense	67,303,341	80,282,232	305,617,321	22%
Other Operating Income	273,343,540	179,407,572	148,659,605	184%
<b>Net Operating Expenses</b>	<b>3,991,316,468</b>	<b>3,924,157,511</b>	<b>3,152,899,455</b>	<b>127%</b>
<b>Operating profit</b>	<b>(1,293,726,883)</b>	<b>149,252,868</b>	<b>1,669,146,936</b>	<b>-78%</b>
Interest receivable & similar income	(804,274,118)	(640,521,371)	210,000	
Interest payable & similar charges	375,084,390	221,869,089	251,181,504	149%
Foreign currency translation	1,102,664,897	123,010,219	2,830,401	
Impairment	-	250,000	127,606,000	0%
<b>Profit before Tax</b>	<b>(1,937,821,560)</b>	<b>488,041,370</b>	<b>1,287,739,031</b>	<b>-150%</b>
Tax charged for the year	74,265,316	179,965,025	118,689,314	63%
<b>NET PROFIT/(LOSS)</b>	<b>(2,016,180,376)</b>	<b>299,520,345</b>	<b>1,165,939,717</b>	<b>-173%</b>

The Consolidated FY2022 SOE revenue was GMD12.316 billion, accounting for 84% of the budgeted revenue of GMD14.640 billion. The cost of sales of GMD9.546 billion, was slightly over the budgeted amount of GMD9.443 billion (101% execution).

The gross profit for the year was GMD2.770 billion, which was 53% of the budgeted amount of GMD5.196 billion, indicating that the SOEs had lower revenue and higher cost compared to the 2022 consolidated budget.

Net operating expenses were GMD3.991 billion compared to GMD3.152 billion budgeted, this was 127% of the budgeted amount in 2022, indicating that the SOEs overspent on operating expenses, particularly on admin and staff expenses and depreciation charges.

The FY2022 Operating Profit resulted in a loss of GMD1.293 billion compared to the budgeted amount of GMD1.669 billion. The SOEs also incurred higher than anticipated interest payable and similar charges (NFSPMC), and foreign currency translation (NAWEC over one billion Dalasis, and GNPC), which further lowered their profit before tax. The SOE net loss was GMD2.016 billion, which was 173% below the budgeted net profit of GMD1.165 billion.

The SOEs faced financial and operational challenges in executing their 2022 budget, which resulted in lower revenue, higher operating expenses, and a significant net loss.

## Overview of Admin & Staff Cost

SOEs Staff and Administrative Expenses as a percentage of revenue has been consistently increasing, with an average ratio of about 53%. Several PEs, including AMRC, GAMCEL, GAMPOST, GPA and GAMTEL, exhibited high administrative and staff expenses that represented a sizable portion of their revenue in 2022.

Table 6 - Admin & Staff Cost to Revenue 2022 -2021

	2022			2021			Adm & Staff Variance 22/21
	Revenue 2022	Adm & Staff 2022	% of Revenue	Revenue 2021	Adm & Staff 2021	% of Revenue	
SSHFC	403,889,000	241,539,000	59.80%	536,873,000	177,924,000	33.14%	63,615,000
GNPC	1,671,564,604	133,917,178	8.01%	1,931,322,000	146,370,000	7.58%	-12,452,822
GRTS	204,675,030	125,551,763	61.34%	197,480,000	77,163,000	39.07%	48,388,763
GPPC	51,799,531	25,841,710	49.89%	39,713,544	27,342,235	68.85%	-1,500,525
AMRC	28,021,715	19,756,295	70.50%	61,516,129	21,934,375	35.66%	-2,178,080
GAMCEL	190,638,000	179,172,000	93.99%	246,413,000	184,655,000	74.94%	-5,483,000
NFSPMC	1,753,442,168	94,622,312	5.40%	1,017,832,923	57,800,805	5.68%	36,821,508
GAMPOST	21,808,942	18,902,216	86.67%	25,293,068	10,995,932	43.47%	7,906,284
GAMTEL	400,192,000	475,997,000	118.94%	386,316,000	434,586,000	112.49%	41,411,000
GIA	227,871,130	126,195,743	55.38%	148,533,000	85,398,000	57.49%	40,797,743
NAWEC	5,235,323,969	537,465,808	10.27%	4,419,839,000	898,356,000	20.33%	-360,890,192
GPA	1,553,568,000	1,000,642,000	64.41%	1,971,649,000	858,004,000	43.52%	142,638,000
GCCA	573,885,689	291,106,837	50.73%	348,525,601	355,014,902	101.86%	-63,908,065

\*NAWEC – explanation for the decrease in Admin & Staff Expenses was not provided by NAWEC.

In 2022 (112% in 2021), GAMTEL had a high ratio of administrative and staff expenses consuming almost 119% of their revenue. Their administrative and staff expenses increased by 10% from the previous year, primarily due to higher staff costs which rose by GMD32.127 million or 19%. This was mainly due to salary and benefits increments for the employees, while admin costs saw a marginal increase of 4%, amounting to GMD9,285 million from 2021 to 2022.

In 2022, GNPC's administrative costs amounted to GMD58.255 million, which is lower compared to the previous year's cost of GMD65.126 million. This variance could be attributed to stock losses of about GMD5.288 million and higher internet expenses incurred in 2021. On the other hand, staff cost was GMD75.662 million in 2022, a decrease from last year's cost of GMD81.244 million. The reason for this difference is the GMD6.445 million charge as Upstream Allowance in 2021, which is not included in the 2022 Management Accounts.

The rise in GRTS' admin and staff expenses can be attributed to increased staff costs such as salaries, Contract and Casual Pension costs, as well as greater expenditures on office expenses, satellite service fees, staff training, and travel expenses.

GPA's Admin and staff expenses increased by 17% from the previous year, and made up 64% of the revenue, up from 44% in 2021. This increase in expenses amounted to an additional GMD142.638 million, primarily due to the increased cost in traveling (GMD39.762 million in 2022), medical expenses, consultancy, and rent.

In 2022, GCCA's Administrative and Staff Expenses amounted to GMD291.106 million, accounting for 50.73% of their total revenue. This marks a significant decrease of GMD63.908 million from the previous year's expenses of GMD355.014 million. The decrease is mainly attributed to the classification of Depreciation Charges, which amounted to GMD107.432 million in 2021, under Administrative Expenses. Additionally, expenses for Corporate Tax and Maintenance-NPTB Equip (including CBelt and X-Ray) incurred in 2021 were not charged in the 2022 accounts. Staff Costs Training and overseas audit fees were also lower by approximately GMD4 million.

NFSPMC's Administration and staff expenses rose to GMD94.622 million, an increase from the previous year's GMD57.800 million. The increase of GMD36.821 million was mainly due to the corporation's procurement and processing of 42,300 Metric Tonnes of groundnut in 2022, which was only 7,300 MT in 2021. Consequently, the corporation had to employ additional seasonal workers and incur corresponding admin expenses to manage their processing of the large amount of farmers' stock. Continuous employment was also necessary to handle the extensive quantities of produce.

To improve profitability, it is important for State-Owned Enterprises (SOEs) to focus on increasing revenue while keeping expenses to a minimum.

## **Overview of SOE Risk Ratings**

**Profitability:**

*Cost Recovery:* Measures ability to generate adequate revenue to cover operating expenses. Ratio less than 1 indicates entity is unable to maintain its assets and operate sustainability in the absences of supplementary funding.

NAWEC, NFSPMC, and GNPC with ratios less than 1.5 are not recovering their costs in a timely manner and are not generating enough revenue in both 2022 and 2021 to cover their expenses or are inefficient in their operations.

GCAA, GPA, GPPC, GRTS, SSHFC, and AMRC with high ratios of more than 5 are recovering costs very effectively and have a good potential for long-term profitability.

Table 7 – SOE Risk Rating (Profitability, Liquidity, and Solvency)

	Profitability				Liquidity				Solvency			
	Cost Recovery		Return on Equity		Current Ratio		Debtor Turnover Days		Debt to Assets		Debt to EBITDA	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
NAWEC	0.86	1.12	1.54	(0.60)	0.34	0.55	53.76	41.27	1.19	0.85	(5.30)	(18.34)
GCAA	8.52	5.55	0.52	0.27	0.12	0.03	113.05	105.96	0.76	0.83	2.95	5.08
GAMTEL	2.76	4.58	(2.59)	(1.01)	1.22	1.64	957.62	944.17	0.93	0.85	(11.07)	(19.08)
GAMCEL	2.32	2.67	0.13	0.10	0.19	0.21	247.13	200.68	3.20	2.83	(18.74)	(40.75)
GPA	4.98	7.10	0.04	0.10	7.38	3.87	178.22	178.43	0.04	0.18	0.56	1.24
NFSPMC	1.21	1.18	(0.00)	(0.24)	12.29	2.93	114.77	205.18	1.19	1.11	10.76	7.94
GNPC	1.13	1.11	0.02	0.06	1.98	1.13	95.30	126.10	0.30	0.50	6.76	9.98
GIA	4.25	2.80	0.61	0.05	0.82	0.66	154.39	199.42	0.90	0.94	7.20	11.27
GPPC	6.88	4.67	0.19	(0.02)	0.78	0.59	254.18	236.46	0.39	0.44	3.36	16.55
GRTS	48.84	9.01	0.25	0.39	3.39	2.05	126.13	130.83	0.15	0.20	0.51	0.55
GAMPOST	-	2.76	0.01	0.05	2.53	3.00	355.77	262.89	0.49	0.44	15.05	8.42
SSHFC	46.45	54.77	0.02	0.04			209.09	157.30	-	-	-	-
AMRC	33.40	120.16	0.05	0.28	10.98	9.83	635.57	260.81	0.12	0.13	2.48	0.51
Key	Very High Risk											
Low Risk	High Risk											
Very Low Risk	Moderate Risk											

*Return on Equity:* Measure of efficiency of asset use for profit generation. For loss making SOEs, indicator of how quickly the government's equity is being eroded. To be commercially sustainable, a SOE's ROE should equal government's cost of borrowing plus a risk premium.

Only a few SOEs were able to generate positive returns in 2022. However, NAWEC GAMTEL, GPPC, GAMPOST, and SSHFC showed low or negative ROE ratios for both years, indicating that they generate losses from shareholder investments. GAMTEL had a particularly low negative ROE ratio of (1.37) in 2022 and (1.01) in 2021.

NAWEC had a significant improvement in its profitability as it posted a positive Return on Equity of 1.54 in 2022 compared to a negative 0.60 in 2021. GCAA also had a slight improvement in its profitability as its Return on Equity increased to 0.52 in 2022 from 0.27 in 2021.

Liquidity:

*Current Ratio:* Measures an SOE's ability to meet short-term liabilities (those falling due within 12 months) from selling short-term assets.

GPA and NFSPMC have significant increases in their current ratio in 2022 compared to the previous year, indicating better liquidity. They have high current ratios, which indicate efficient management of current assets and liabilities, ensuring that they can meet short-term obligations.

GRTS and GAMPOST have relatively good current ratios, indicating that they have sufficient current assets to meet their obligations.

SOEs in the Service Sector (SSHFC and AMRC) have minimal or no current liabilities, suggesting that it is in a strong liquidity position and can meet its obligations without difficulty.

The current ratios of most of the SOEs have improved or remained stable in 2022 compared to the previous year. However, NAWEC, GCAA, GAMCEL, GIA, and GPPC still have relatively low current ratios.

*Debt Turnover:* Measures the speed with which a company is paid by its customers. A high ratio could indicate that the SOE may face increasing liquidity challenges. A lower debtor turnover days ratio indicates that the company is able to quickly collect payment from its customers.

From the Risk Rating Table above, apart from NAWEC, all other SOEs' debtor turnover days ratio is high (Very High-Risk) indicating potential issues with collecting payments. The average aggregate SOE debtor turnover days ratio is about 255 days in FY2022, and 218 days in FY2021, highlighting a deteriorating situation.

GAMTEL's turnover days ratio for 2022 has increased to 957, compared to 944 in 2021. The high ratio suggests that the company is facing challenges in the collection of payments from customers, taking a considerable amount of time. GAMTEL's outstanding receivables stem mainly from the government, interconnection accounts for GAMCEL, and GRTS receivables. The rest of the companies have turnover days ratios ranging from 95.3 to 355.77.

Solvency Ratio:

*Debt to Assets:* Indicates whether the company is solvent. This ratio helps to assess the debt burden on the entity as well as its ability to pay off debt in the future.

NAWEC, GCAA, NFSPMC, and GIA have increased their debt to assets ratio from 2021 to 2022. This suggests that these SOEs have taken on more debt relative to their assets, which could indicate increased financial risk.



GPA has significantly reduced its debt to assets ratio from 2021 to 2022. This indicates that the Authority has been able to pay off its debt or increase its assets, which is a positive sign.

GCAA, GNPC, GPPC, GRTS, and GAMPOST have slightly decreased their debt to assets ratio from 2021 to 2022. This suggests that these SOEs have been able to manage their debt and assets relatively well.

GAMCEL and GAMTEL have significantly increased their debt to assets ratio from 2021 to 2022, indicating that it has taken on a lot more debt relative to its assets. This could be a concern as it increases their financial risk.

*Debt to EBITDA:* Indicates whether the company is solvent. This ratio helps to assess the debt burden on the entity as well as its ability to pay off debt in the future. A lower number is generally considered to be a positive sign, indicating that a company has less debt relative to its earnings.

The debt to EBITDA ratios for most of these SOEs improved from 2021 to 2022. In 2021, several SOEs had negative ratios, indicating high levels of debt relative to earnings. However, in 2022, most of those PEs have turned their ratios into positive territory, indicating lower levels of debt relative to earnings.

NAWEC and GAMTEL have significantly high ratios, indicating that these SOEs have large amounts of debt relative to their earnings.

**Employment:** The SOEs (excluding GAMTEL, who did not provide employment details) provided total employment of 5,884 as at 31<sup>st</sup> December 2022, of which 1409 were women, representing 24 percent of total number employed.

Table 8 – SOE Total employment

	AMRC	GAMPOST	GAMCEL	GCCA	GIA	GNPC	GPA	GPPC	GRTS	NAWEC	NFSPMC	SSHFC	Total
Employed	46	108	319	753	415	300	1256	130	224	1682	290	361	5884
Women	18	57	111	200	127	101	181	43	98	264	40	169	1409
% women	39	53	35	27	30	34	14	33	44	16	14	47	24%

### III. OWNERSHIP POLICY

**Performance Contract:** The GPA, SSHFC, and GNPC performance contracts were signed in early 2023. Works are ongoing to sign two additional contracts before the end of the second quarter in 2023. Moving forward, the plan is to sign Performance Contracts with all 13 SOEs in a gradual and phased approach.

**Cross Arrears Bilateral Implementation Status:** Between 2019 and 2020, most of the SOEs entered into bilateral agreements to settle cross arrears between them, and between Government & SOEs. It can be reported that out of GMD2.268 billion in SOE Cross Arrears, GMD212.232 million or 9% has been settled and the balance

outstanding as at 31<sup>st</sup> December 2022 is GMD2.10 billion (Please see Annex 1- SOE Cross Arrears).

### **Migration to International Financial Reporting Standards (IFRS)**

The DSOE, with support from the World Bank, organized a group training on International Financial Reporting Standards (IFRS) for the SOEs, and the Directorate has been following up with SOEs to comply with IFRS when submitting financial statements. Most SOEs indicated that they are partially IFRS compliant but will require additional training to fully implement the standards.

**Dividend payments:** A dividend payment of GMD95 million was paid by the GPA to Government during the year under review, being FY2020 dividend declared by the GPA Board of Directors. GPA also paid GMD170 million as interim dividend for 2021, based on their Management Accounts. Meanwhile, GNPC paid GMD9 million as dividend payments based on their audited 2020 financial statements.

**Review Financial Situation of NAWEC:** The current financial situation and challenges confronting the Gambia National Water and Electricity Company (NAWEC), coupled with the potential fiscal risks it poses to the government, has compelled the Minister of Finance and Economic Affairs to establish a Task Force to review the prevailing financial situation of the Company. The objective of the assignment is to review the financial conditions of NAWEC from 2018 – 2022, evaluate the systems and controls put in place, provide a situation report, and recommend ways to improve the financial viability of the institution. The taskforce is on the verge of completing the draft report, which they intend to share with MOFEA management shortly.

**State-Owned Enterprise Bill 2022** - The State-Owned Enterprises Act, 2023 was adopted and approved, and the PE Act 1990 repealed by the National Assembly in early 2023. The Act shall come into operation on such date as is published in the Gazette. One of the objectives of the Act is the establishment of a SOE Regulatory Commission. The functions of the Commission are to monitor and provide oversight of the SOEs and promote the efficient governance of State-owned Enterprises.

### **Performance Audit - SSHFC**

The National Audit Office (NAO) carried out a performance audit on the way SSHFC manages the Federated Pension Scheme and the National Provident Fund. The objective of the audit was to assess whether SSHFC ensured growth in the social security funds to maximize benefits to members and that the benefits were timely and accurately paid.

According to the SSHFC 2017 Activity Report, the Corporation's interest payments to members were on a decline. In the years 2016-17, no interests were paid out to members. Benefit claims processing took an average of two and a half months, but there were inconsistencies in accurately calculating benefits. Additionally, there were issues with timely collection of contributions from employers. The Corporation only paid interest to members in 2020 for the period 2018-20.

### **Performance Audit - NAWEC**

The National Audit Office (NAO) also conducted performance audit of NAWEC. The purpose of the audit was to examine the recurring water outages, quality of water supplied by NAWEC, and the restricted water coverage.

As per the report, NAWEC should make it a priority to update the Water masterplan to reflect the existing situation and put measures in place to generate sufficient amount of water that matches the rising population demand.

### **Performance Audit - Gambia Ports Authorities:**

The GPA Performance Audit focused on the years spanning from 2016 through 2020. During this period, it was discovered that vessels were typically taking between 10 to 15 days to dock and unload, while computerized cargo shipments required an average of 2 to 3 days for bulk cargo, sometimes even up to 7 days depending on the tonnage/weight. This was largely due to a lack of available berths and outdated unloading equipment. Terminal congestion was also found to be caused by lengthy administrative procedures in the container and cargo clearing process.

To address these issues, the audit made several recommendations, including expanding the berthing capacity, revising the GPA Act of 1970, and expanding the terminal to accommodate the increase in cargo throughput.

### **Transfers from Central Government:**

Government provided a total of GMD524, 835,332.00 as transfers to SOEs, specifically, D524 million to NFSPMC and D835,332 to the GRTS. The subsidy to GRTS was to cover their expenses for providing free social educational programs, whilst that of the NFSPMC/GGC was to subsidise the price of fertilisers distributed to farmers and to maintain the price of groundnuts at the farm gate.

Table 9. Transfers from Central Government in 2022

<b>Name of SOEs</b>	<b>Amount in GDM</b>
NFSPMC (formerly GGC)	524,000,000
GRTS	835,332
<b>TOTAL</b>	<b>524,835,332</b>

### **Publication of SOE Financial Statements:**

To enhance transparency in SOE operations, their annual audited Financial Statements are made publicly available and easy-to-access through the Ministry of Finance's website, which is regularly updated to ensure timely information. Currently, the 2021 audited Financial Statements are uploaded on the MOFEA website.

## **Overview of Financial Performance**

The financial indicators used to assess the financial health of the public enterprises includes return on equity, ratio of current assets to current liabilities, inventory turnover, debtor turnover days, , asset turnover, debt to equity, and the equity to total asset ratio.

### **IV. PERFORMANCE OF INDIVIDUAL SOES**

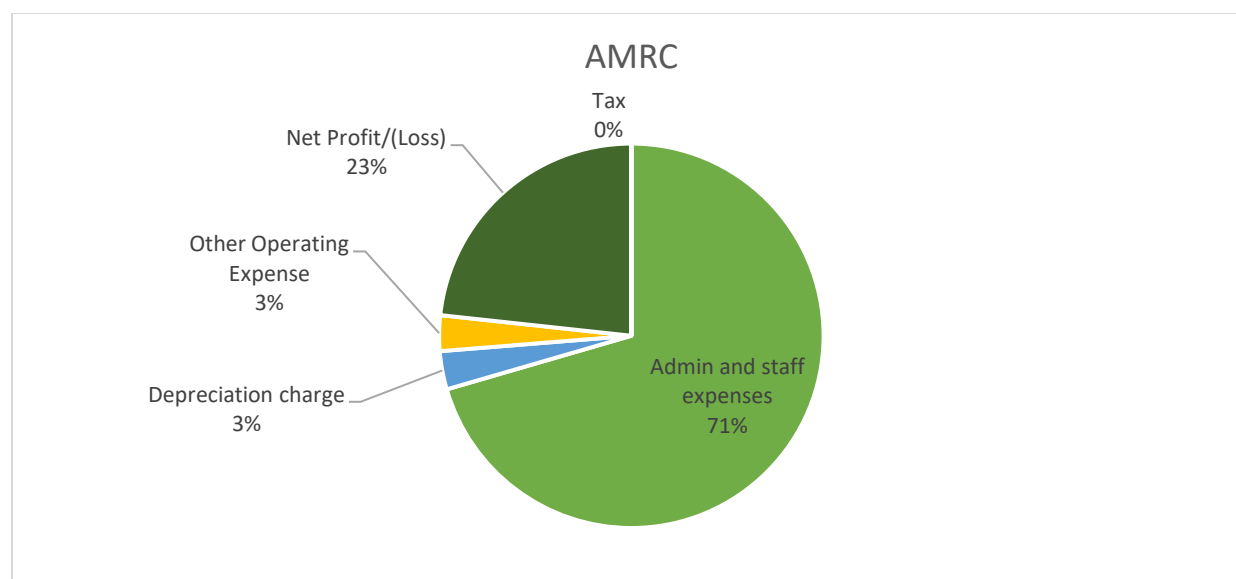
This section presents the individual performance of SOEs comprising a summary of their operations, abridged financial statements, and indicators of financial performance for the current and previous year.

#### **ASSET MANAGEMENT AND RECOVERY CORPORATION (AMRC)**

The AMRC was established by an Act of Parliament (AMRC Act 1992 (Amended by Decree No. 35 of 1995)). The primary activity of the Corporation is to recover all assets and liabilities from the defunct Gambia Commercial and Development Bank (GCDB). The AMRC was to further take over the management and recovery of any Government assets that MOFEA may assign the Corporation from time to time.

AMRC revenue in 2022 declined by GMD33.494 million (54%) compared to 2021, from GMD61.516 million in 2021 to GMD28.021 million in 2022. This is due to the lower income generated from recoveries of the GCDB loan portfolio.

Operating profit went from GMD37.932 million in 2021 to GMD6.524 million in 2022. This is due to the percentage increasement in operating expenses (77 percent of total income), such as admin and staff expenses, and depreciation charges. Net profit also dropped in 2022 compared to 2021, from GMD37.932 million in 2021 to GMD6.524 million in 2022, mainly due to the inability of the institution to collect loans given out by the defunct GCDB. Admin and staff expenses were about 71 percent of AMRC's revenue in FY 2022.



Although AMRC's 2022 profit was lower than the previous year, the corporation has shown some growth in its assets and equity from last year.

	Risk Rating	
	2022	2021
Profitability:		
Cost Recovery	33.40	120.16
Return on Equity	0.05	0.28
Liquidity:		
Current ratio	10.98	9.83
Debtor Turnover Days	635.57	260.81
Solvency ratio:		
Debt to Assets	0.12	0.13
Debt to EBITDA	2.48	0.51

Current liabilities saw a reduction from GMD15.110 million in 2021 to GMD13.596 million in 2022, due to the company settling some of its liabilities in 2022. The company's Current Assets ratio is 10.98 to 1, whilst having an Acid Test Ratio of 4.93:1. AMRC has a very low risk of not being able to meet its short-term obligations from selling short-term assets.

The return on equity has decreased from 28% in 2021 to 5% in 2022, which is a concern, indicating lower profitability.

The debt to assets ratio has slightly decreased while the debt to EBITDA ratio has significantly increased, indicating a higher level of debt in relation to earnings.

AMRC seems to be in decent financial health. However, the increasing debt level may be a potential risk.

***Key Achievements:***

- AMRC undertook major renovations for (2) two of its properties namely, Farafenni Guest House and AMRC main Office (Head Quarters) in Banjul.
- The following HR Policies were introduced:
  - Training Policy
  - Performance Management and Appraisal System- work in progress
  - Preparation of job description for staff - work in progress
- Constraints:
  - Long delays in the dispensation of justice by the Courts.
  - Inability of the Corporation to Execute Judgment orders due to appeals or absence of Judgment of debtors' assets upon which to levy execution.

***Conclusion***

The Corporation is facing challenges in terms of revenue generation and loan recovery and has now recovered about 81% of the outstanding loans of the GCDB with minimal prospect for additional recoveries within its loan portfolio.

AMRC's Revenue in 2022 amounted to GMD28.021 million, down by 54% from GMD61.516 million in 2021, yet Operating Expenses continue to increase, reaching 71% of the revenue generated in 2022.

***Recommendation***

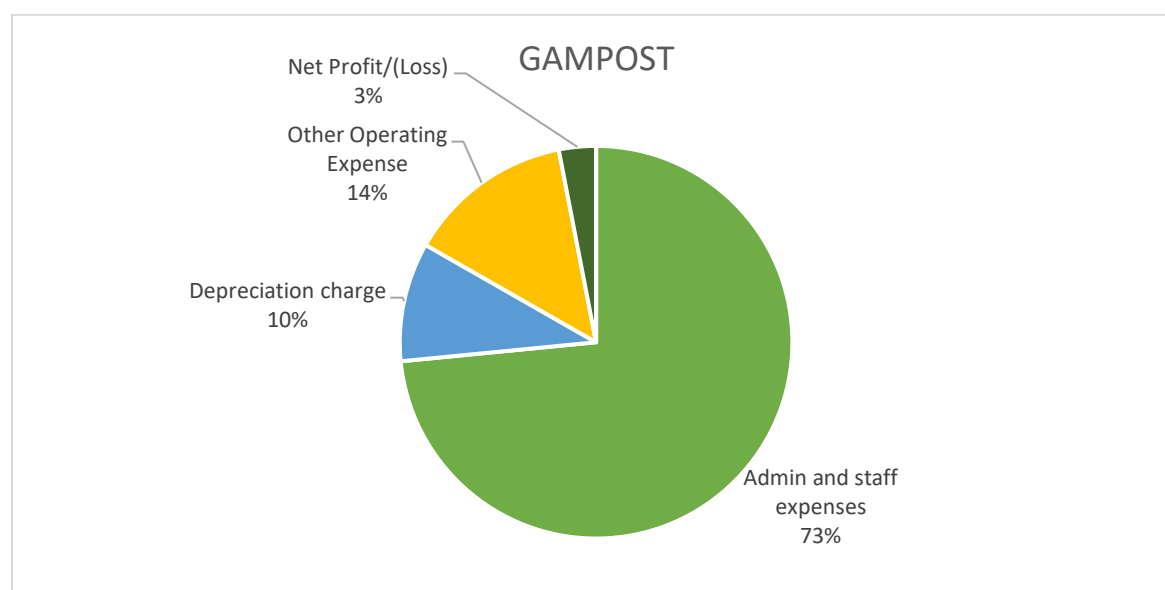
To establish the operational viability of the corporation, it is imperative to evaluate the inventory of assets available for sale (properties) and the outstanding loans that can be recovered. Additionally, reducing operating costs should be a priority to improve financial stability. As it stands, almost 70% of the revenue generated is being spent on Admin and Staff costs. If it is determined that the AMRC has outlived its mandate and cannot sustain its operations, the government should consider liquidating it.

**GAMBIA POSTAL SERVICES CORPORATION (GAMPOST)**

GAMPOST was established by an Act of Parliament in 2005 to provide postal service within and outside the country. GAMPOST also provides financial services such as Savings accounts, the sale and encasing of postal orders, domestic money transfer and western union.

Revenue: Revenue went from GMD25.293 million in 2021 down to GMD21.808 million in 2022, a reduction of about 12%, due mainly to lower revenue proceeds from Commission Received, and Sale of Stamps for Letters and Parcels.

In 2022, GAMPOST experienced a significant decline in net profit, falling from GMD2.595 million in the previous year to GMD295,365. This was mainly due to a 14% decrease in revenue, which dropped from GMD25.293 million in 2021 to GMD21.808 million in 2022. Additionally, the admin and staff costs accounted for a high percentage of revenue for both years, with 87% and 80% in 2022 and 2021 respectively.



Current ratio is at 2.53:1, which indicates a very low risk of not having the ability to meet its short-term liabilities falling due within 12 months. Debt-to-Assets ratio is at 0.49, which is considered as a Moderate Risk. GAMPOST's financial position has therefore slightly weakened, mainly due to a reduction in current assets and retained earnings.

	Risk Rating	
	2022	2021
Profitability:		
Cost Recovery	-	2.76
Return on Equity	0.01	0.05
Liquidity:		
Current ratio	2.53	3.00
Debtor Turnover Days	355.77	262.89
Solvency ratio:		
Debt to Assets	0.49	0.44
Debt to EBITDA	15.05	8.42

GAMPOST's profitability has decreased in 2022 as compared to 2021 as indicated by a lower Return on Equity.

Indebtedness has increased, as inferred from the higher Debt-to-Assets and Debt-to-EBITDA ratios. This indicates that the GAMPOST is relying more on debt to fund its operations. This may lead to a greater risk of default if they are unable to generate enough cash flows to meet their debt obligations.

GAMPOST has an increasing Debt to EBITDA ratio from the previous year, indicating a reduction in earnings.

***Key Achievements:***

- GAMPOST has introduced a state-of-the-art software called Report of the Universal Postal Union of the United Nations. The software helps to ensure physical distribution of items (letters, parcels, and e-commerce) mails, posts use in electronic network that interconnects various operators and enables all the players to exchange electronic data in real-time. The complimentary between the physical and electronic dimensions will make GAMPOST a key player in the e-commerce value chain by expanding its distribution network to cover the entire country.

***Constraints:***

- High taxation on inbound parcels leads to higher number of customers failing to collect their parcels.
- Post code and addressing system - Proper addressing guarantees speed and efficiency in the processing of postal items; improve the processing of international letter-post items, postal parcels, and financial services. The lack of proper addressing system is therefore hindering their operations.

***Recommendation:***

GAMPOST is facing some challenges in terms of profitability and liquidity, while its solvency risks are also increasing. GAMPOST will need to focus on improving its efficiency in collecting receivables and reducing their debt to improve its financial position.

The Universal Postal Union dues, a Long-term liability of GMD 22 million, represents the subscription arrears payable by the Corporation to Universal Postal Union from early 1980's to date. It would be ideal to have a clean balance sheet, whereby the debt is converted to equity enabling the corporation to operate like any other commercial entity, and to benefit from the services provided by the Union. The other option is to have discussions with the Ministry of Finance for the settlement of the arrears owed to the various international organizations.

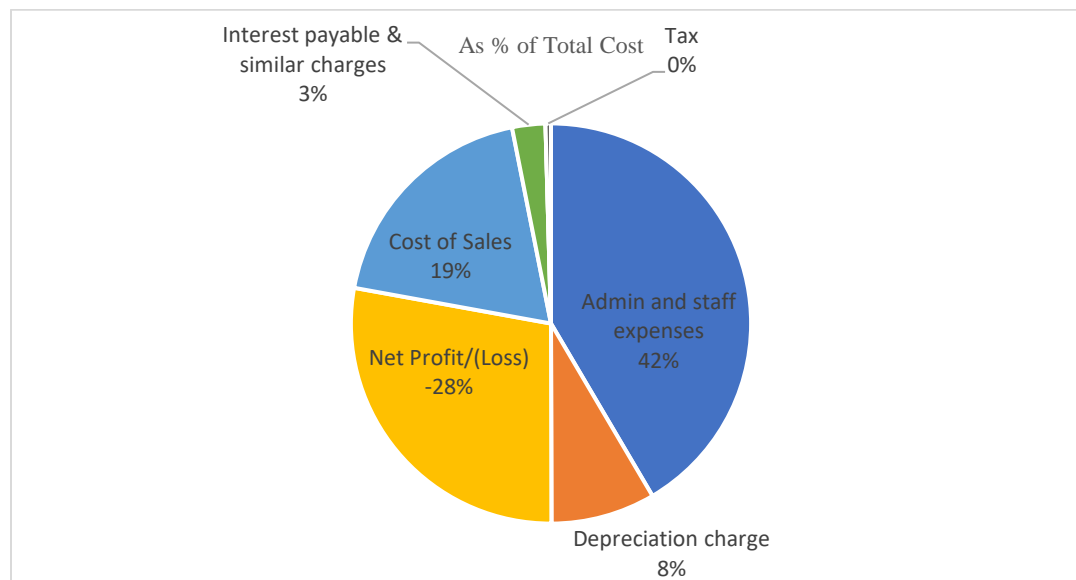


### GAMBIA CELLULAR COMPANY LTD (GAMCEL)

GAMCEL was established in 2001 as a subsidiary of Gambia Telecommunications Company (GAMTEL) and was incorporated in 2001 under the Companies Act of 1955 as a limited liability Company. GAMCEL services are delivered in two segments - Prepaid and Postpaid services. Prepaid services accounts for 80% of the company's revenue and includes services such as Airtime voice and data services (NOPAL).

Revenue: GAMCEL's revenue contracted by GMD56 million, from GMD246.413 million in 2021 to GMD190.638 million in 2022, against a budget of GMD482.133 million. The drop in revenue was from Prepaid nopal & scratch card sales. As a result, gross profit went from GMD154 million in 2021 to GMD108.600 in 2022.

Meanwhile, Cost of sales registered a drop of GMD 10 million, from GMD92.411 million in 2021 to GMD82.038 million in 2022. Operating expenses remained almost the same, with admin and staff expenses at GMD179.172 million in 2022 and GMD184.655 million in 2021. Worryingly, admin and staff expenses consumed almost 94% of their revenue proceeds during the year.



Net Profit (Loss): GAMCEL incurred operating losses of GMD106.990 million, compared to a loss of GMD67.350 million in 2021, a 54 percent hike. The company recorded a net loss of GMD120.312 million in 2022 compared to GMD78.165 million in 2021, highlighting a weakening financial position.

The negative profit variance can be attributed to multiple factors. First, there was a reduction in revenue amounting to GMD55.775 million (23 %) due to delays in upgrading fifty (50) 3G sites

and replacing the Business Support System. These delays caused lower-than-expected revenue receipts. Additionally, there was an increase in the Cost of Sales from 38% in 2021 to 43% in 2022 which also contributed to lower profits.

	Risk Rating	
Profitability:	2022	2021
Cost Recovery	2.32	2.67
Return on Equity	0.13	0.10
Current ratio	0.19	0.21
Debtor Turnover Days	247.13	200.68
Solvency ratio:		
Debt to Assets	3.20	2.83
Debt to EBITDA	(11.07)	(40.75)

Current Ratio is 0.19 in 2022 compared to 0.21 in 2021, indicating a very high risk in both years of not being able to service its short-term debt obligations.

The debtor turnover days is at 247 Days (200 days in 2021), which is also quite high and poses serious liquidity challenges. Meanwhile, Trade Receivables is GMD129.073 million against GMD135.483 million during the previous year.

The negative return on assets and cost recovery ratio signifies that the company's assets are not generating enough profit, and they may face challenges to recover cost.

The debt to assets ratio is 3.20 (2.83 in 2021) indicating that the company's assets are financed by debt. Additionally, the negative debt to EBITDA ratio indicates that the company has a negative cash flow and may find it difficult to settle its debts.

Operational Activity Report: The company did not report on its key achievements and constraints for FY2022.

### ***Key Achievements:***

- The company's key activities in 2022 was the 3G network expansion project of fifty (50) cell sites (44 sites were commissioned & New software versions were also purchased), which included the replacement of 24 obsolete Alcatel sites in the provinces to increase Network coverage across the country.
- The company has offered training opportunities to twenty-nine staff personnel in 2022 to pursue relevant short and long-term training courses in the local tertiary institutions including the University of The Gambia.
- Approved Board Charter, and Service Rules were developed and approved by the Board.

***Constraint:***

- GAMCEL's pending six (6) 3G cell sites could not be completed as planned due to funding (Cash Flow) and logistic challenges during the year. Also pending is the need to upgrade the Home Subscriber Server (HSS) due to a faulty board.
- The need to get approval from the GPPA on all procurements is causing major delays in the procurement of goods for the company, and negatively impacting its competitive edge.
- Lack of digitising the company's processes, which leads to lengthy manual paperwork.
- Debtors/Receivables Constraints:
  - Delays in producing customer bills on time due to obsolete billing system.
  - Delays in collecting overdue receivables resulting in cash flow challenges.
  - Access to foreign currency. The lack of forex has been a challenge to settle overseas suppliers.
  - The upsurge in foreign exchange rates leads to exchange rate losses, thus impacting company's financial performance.

***Recommendation:***

Receivables/Debtor Turnover Days ratio is at 247 days, an area GAMCEL needs to improve upon and must take urgent action to replace its billing system. GAMCEL is facing financial difficulties and may require financial restructuring, such as reducing operating expenses (Admin and staff expenses is 94% of revenue in 2022), improving revenue, or mobilize additional financing.

## **GAMBIA TELECOMMUNICATIONS COMPANY LIMITED (GAMTEL)**

GAMTEL is a state-owned limited liability company. The Government of The Gambia owns 99% of the equity while the Gambia Ports Authority (GPA) owns the remaining 1%.

Assets: Non-current assets saw a reduction of GMD113 million, from GMD1.356 billion in 2021 to GMD1.243 billion in 2022, primarily due to the depreciation in property, plant, and equipment (Depreciation and disposal of assets). Current assets also remained relatively consistent from the prior year-end date, with a slight drop from GMD1.087 billion in 2021 to GMD1.085 billion. It should be noted that GMD1.049 billion or 97% of GAMTEL's current assets is in Trade and other Receivables (mainly Post-paid Receivables).

Total liabilities surged from GMD2.087 billion to GMD2.162 billion because of the growth in Trade and other payables.

Meanwhile, Equity saw a significant reduction from GMD356.213 million 2021 to GMD166.138 million in 2022, largely due to a reduction in retained earnings.

GAMTEL's revenue went up by 4% from GMD386.316 million in 2021 to GMD400.192 million in 2022, against a budget of GMD569.743 million. This is as a result of boosting its Fibre (Retails)

and Internet lease line revenue. Cost of sales also recorded significant increment from GMD84.309 million in 2021 to GMD145.072 in 2022, a 72% increase.

The company's Gross profit saw a reduction of GMD47 million, from GMD302.00 million in 2021 to GMD255.120 million in 2022, because of the high cost of sales. GAMTEL experienced a rise in operating expenses in 2022, specifically in admin and staff expenses. The amount increased from GMD434.58 million in 2021 to GMD475.998 million, reflecting a 10% increase from the previous year. This was primarily driven by higher staff costs in 2022, which was up by GMD32.127 million or 19% from the previous year, mainly due to salary and benefits increments for the employees. In comparison, the admin cost saw a marginal increase of 4%, amounting to GMD9,285 million from 2021 to 2022.

GAMTEL reported a net loss of GMD227.414 million for the period under review. However, Staff cost of GMD202.766 million was not considered, and if included would increase the company's loss in 2022 to GMD430.176 million. This represents a 20% deterioration in profitability compared to a net loss of GMD358.060 million in 2021, and a budgeted loss of GMD214.028 million.

	Risk Rating	
Profitability:	2022	2021
Cost Recovery	2.76	4.58
Return on Equity	(2.59)	(1.01)
Liquidity:		
Current ratio	1.22	1.64
Debtor Turnover Days	957.62	944.17
Solvency ratio:		
Debt to Assets	0.93	0.85
Debt to EBITDA	(11.07)	(19.08)

The cost recovery ratio went from 4.58 in 2021 to 2.76 in 2022. This indicates that GAMTEL is not recovering costs effectively, which could be a result of several factors, such as low efficiency or increased competition.

The return on equity (ROE) ratio is negative, indicating that the company is not generating profits for its shareholders. Additionally, the ROE decreased from -1.01 in 2021 to -2.59 in 2022, highlighting a worsening situation.

The current ratio decreased from 1.64 in 2021 to 1.22 in 2022, indicating liquidity challenges. A low current ratio could signal that the company may not be able to pay its short-term debt obligations.

The debtor turnover days is also not ideal, moving from 944.17 in 2021 to 957.62 in 2022, which indicates that it is taking the company about 32 months to collect payments from customers.

The debt to assets ratio increased from 0.85 in 2021 to 0.93 in 2022, indicating that the company has become more leveraged, which could make GAMTEL more vulnerable given the competitive nature of the telecommunications sector in The Gambia.

The debt to EBITDA ratio improved to (11.07) in 2022 compared to 2021, which suggests that the company's EBITDA improved. In 2021, the ratio was (19.08), which indicates that the company had more debt relative to its earnings before interest, taxes, depreciation, and amortization.

**Key Achievements:**

- CG2 fiber and the DWDMs equipments were installed and now carrying traffic including the Janjanbureh to Laminkoto FIBER loop (The first occasion when GAMTEL's in-house team independently laid an undersea fiber cable).
- Commercialization of the data center: 80% of the plant installed for hosting cloud service for banks and similar institutions.
- Ten (10) new areas covered in the year 2022 (in the GBA, Jarra, and URR area).
- For the year under review, new customers acquired for GFiber and Fiber lease line are 1813, and 99 respectively.

**Conclusion:**

GAMTEL appears to be struggling financially with high operating expenses and decreasing gross profit, resulting in a net loss of GMD227.414 million in 2022 compared to a net loss of GMD358.965 million in 2021. The company's financial position appears to have weakened from 2021 to 2022, with a reduction in equity and an increasing liability.

**Recommendations:**

It is recommended that the GAMTEL undertake initiatives to address its solvency and profitability challenges:

- Leverage on their Infrastructure (GFiber and Fiber lease line) to diversify its revenue streams by expanding its products and services offering or developing strategic partnerships to regain its market share in the telecommunications sector.
- GAMTEL has over one billion Dalasis in Trade and other Receivables that they need to urgently strategize and recover. They must also take serious steps to update and upgrade its billing system and recover outstanding debts owed to them (Debtor turnover days at 957 days), thus improve their financial position.
- GAMTEL also needs to examine the company's expenses and consider cost-cutting measures to reduce their operating expenses. This could involve reevaluating staffing levels, and renegotiating contracts.

- GAMTEL could further explore external financial support such as seeking funding from investors or securing loans to help manage cash flow and build a stronger financial position.

## GAMBIA CIVIL AVIATION AUTHORITY (GCAA)

The primary responsibility of the GCAA is the operation and management of the Banjul International Airport. These responsibilities include managing the passenger terminal, providing aviation services, and exercising safety oversight responsibility in the regulation of air transport in The Gambia.

GCAA's revenue for 2022 was GMD573.885 million, compared to GMD348.525 million in 2021, a positive variance of GMD225.360 million (65%). This is as a result of the return to normal aviation traffic after the COVID 19 pandemic. The Authority recorded revenue improvements in Landing, Lighting, Passenger Service Charge, and Airport Development Fees).

Cost of sales/Direct costs incurred in FY2022 was GMD67.341 million, resulting in a gross profit of GMD506.544 million or a Gross Profit margin of 88 percent. GCAA had other operating income of GMD73.88 million, but also incurred Administrative and Staff Expenses for that totaled GMD291.106 million, representing 50.73% of their overall revenue. This is a variance of GMD43.524 million from the previous year, where expenses totaled GMD247.582 million. The increase is primarily due to higher Allowances of GMD14.583 million, with the remaining increases resulting from; Medical Insurance Expenses of GMD6.498 million, and Other Expenses such as contracts of GMD9.378 million, Travel and Subsistence of GMD18.576 million, and a Local Contribution to AIP of GMD1.969 million.

Accrued interest of (D822,576,118) has been charged to the accounts which resulted from the servicing of Foreign and Local loans. GMD1.111 billion was indicated as Net Profit compared to GMD645.847 million in 2021. There was a Revaluation Gain of GMD1.891 billion reported in the accounts. Depreciation charges were not considered prior to deriving the profit, and this could affect the net profit recorded.

Profitability:	2022	2021
Cost Recovery	8.52	5.55
Return on Equity	0.52	0.27
Liquidity:		
Current ratio	0.12	0.03
Debtor Turnover Days	113.05	(114.95)
Solvency ratio:		
Debt to Assets	0.76	0.83
Debt to EBITDA	2.95	5.08

GCAA has experienced significant improvements in profitability from 2021 to 2022, with the cost recovery ratio increasing from 5.55 to 8.52. This suggests that the company is effectively

converting sales into profits. Additionally, the return on equity indicates that the Authority is generating more income for its shareholders in 2022 as compared to 2021.

Meanwhile, liquidity and solvency ratios raise concerns about the company's financial health. The current ratio of 0.12 in 2022 and 0.03 in 2021 indicates that GCAA has insufficient current assets to cover its current liabilities. The debt to assets ratio of 0.76 in 2022 and 0.83 in 2021 suggest that the Authority has a higher risk of insolvency or inability to pay its debts.

### ***Achievements:***

- GCCA reported handling 359,909 passengers at Banjul International Airport in 2022, which depicts an improvement of 44.3% compared to the previous year.
- Other achievements reported during the year were installation of baggage x-ray equipment in the terminal building and the installation of an Instrument Landing System (ILS) at Banjul International Airport. An ILS is a Ground Based Navigational Equipment that helps pilots with precision vertical as well as horizontal navigation guidance information during approach and landing of aircraft.
- The Authority also installed an Aeronautical Message Handling System (AMHS) to replace the Aeronautical Fixed Telecommunication Network (AFTN), which is an industry requirement.
- Electrical and water upgrades at the Airport: Due to increased power demand in the terminal building there was a need to upgrade the Water Treatment Plant to improve water supply at the airport.
- Replacement of DVOR: The Doppler VHF Omnidirectional Range (DVOR) at Banjul International Airport is obsolete and has outlived its useful lifespan. Currently, the DVOR is not functioning, and this has the potential to affect aircraft operations at the airport. Plans are therefore underway to replace the system.

### ***Constraints:***

- Airport Buffer: The airport is witnessing encroachment at an alarming rate. Therefore, there is the urgent need to establish a buffer around the airport. The Ministry of Transport, Works & Infrastructure and the Ministry of Lands should assist at resolving the issue urgently.
- SOE Cross Arrears: The Gambia International Airlines owes GCAA GMD39 million relating to tenancy and concession fees at Banjul International Airport. Despite repeated attempts, the GIA has not fulfilled its financial obligations, and this continues to have a negative impact on the liquidity position of the Authority.

***Recommendations:***

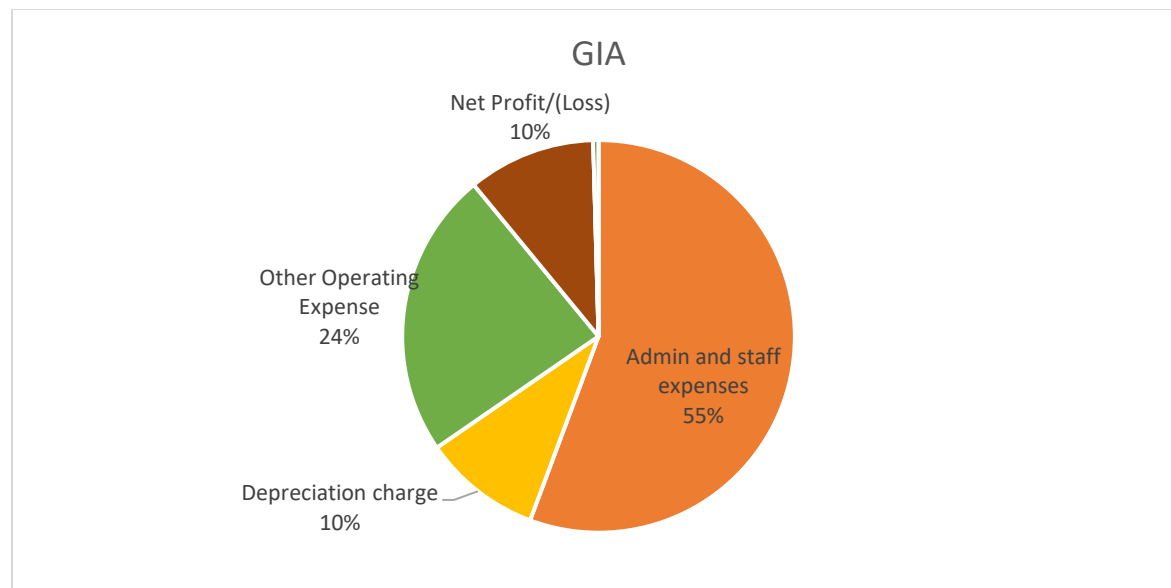
GCAA's debt levels remain high, as indicated by the debt to assets and debt to EBITDA ratios and should focus on improving its liquidity and solvency position by reducing its debt levels. Long-term airport development loans and their impact on the Authority's books remains an issue. The debt-equity ratio of GCAA is 1.5 times, therefore the longstanding recommendation to convert majority of the airport development loans to equity needs to be accelerated.

**GAMBIA INTERNATIONAL AIRLINE (GIA)**

Gambia International Airline (GIA) Limited is a limited liability Company, 99% owned by the Gambia Government and 1% by Gambia Telecommunication Company (GAMTEL) Limited. GIA is mandated to provide domestic and international flights, mail, and cargo air services. In addition to Flight Operations, the company also provides Travel agency, Ground Handling, Cargo, and Catering services. The company's main source of revenue is Ground Handling services, with seasonal Hajj operations and Travel Agency services the second income generating activity, followed by Air Cargo.

GIA reported a total revenue of GMD227.871 million in 2022, a growth of 53 percent compared to the GMD148.533 million recorded in 2021, which is mainly attributable to additional ground handling revenue.

The operating expenses have also recorded a growth in 2022, particularly in the areas of admin & staff expenses and depreciation charges, which was 55% of revenue in 2022 and 57% in 2021.



In terms of profitability, GIA has improved its performances, with an operating profit of GMD26.027 million in 2022 compared to GMD11.042 million in 2021. The year under review ended with a profit of GMD23.862 million compared to GMD1.148 million the previous year.



This was due to additional revenue from ground handling, and lower Interest payable & similar charges (GMD9.564 million in 2021 compared to GMD984,000 in 2022).

	Risk Rating	
	2022	2021
Profitability:		
Cost Recovery	4.25	2.80
Return on Equity	0.61	0.05
Liquidity:		
Current ratio	0.82	0.66
Debtor Turnover Days	154.39	199.42
Solvency ratio:		
Debt to Assets	0.90	0.94
Debt to EBITDA	7.20	11.27

The return on assets (ROA) for the current year is 12%, indicating that the company earns 12 cents in profit for every dollar of asset it owns. This is an improvement compared to the previous year's ROA of 0.08.

Current ratio in 2022 was 0.82:1, which is higher than the previous year's current ratio of 0.66. This suggests that the company may have difficulty meeting its short and long-term debt obligations (debt to assets ratio is 0.90).

#### ***Achievements:***

- GIA revisited its strategic plan and came up with a new corporate strategic document that stipulates the direction the Board wants to take the company in the next five (5) years.
- Capacity Building: GIA trained 219 operational staff in 2022: 147 males and 72 females.

#### ***Constraints:***

- Inability to source financing from banks to fund the airline's projects/programs, due to restrictions imposed by government on PE borrowings.

#### ***Conclusion:***

GIA has long-term liabilities of about GMD175 million that are unlikely to be repaid and a high level of staff and admin costs that is 55% of its revenue proceeds. There are also trade and other receivables totaling GMD96 million in 2022 and a bank overdraft of about GMD18 million.

***Recommendation:***

GIA has made some improvements in terms of profitability and liquidity, but there are still some areas of concern. It may be beneficial for GIA to focus on improving its ability to collect payments from customers and to reduce its level of debt. They may benefit from a review of its cost structure to identify opportunities to reduce costs and improve profitability.

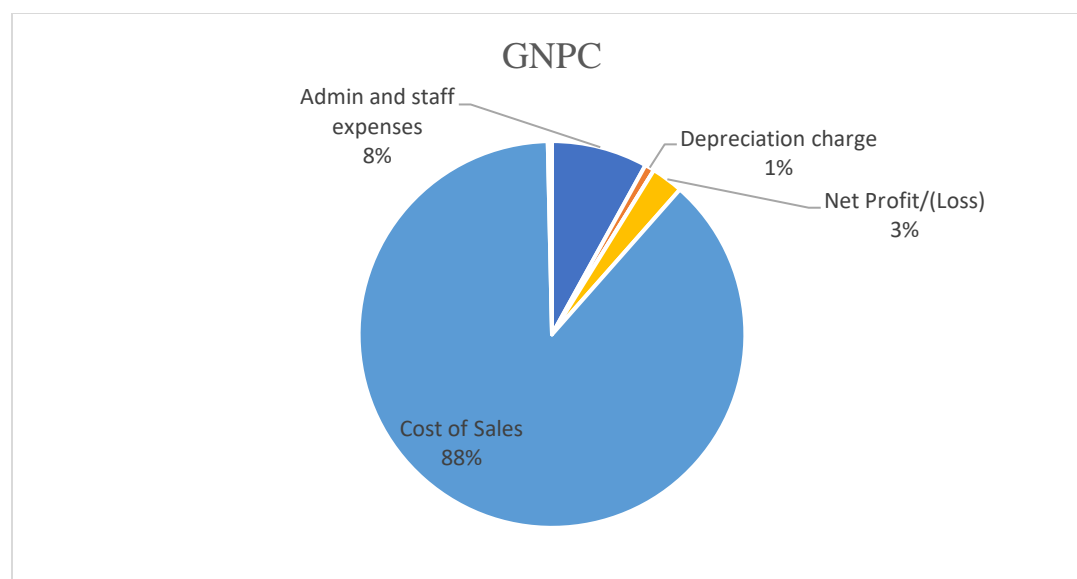
- GIA should prioritize addressing the long-term liabilities by exploring options to write them off or have government convert them to equity.
- The company must try to reduce their staff and admin costs to a sustainable level and reduce the trade and other receivables.
- They should consider addressing their bank overdraft to improve liquidity.

**GAMBIA NATIONAL PETROLEUM CORPORATION (GNPC)**

GNPC was founded in 2003 as the National Oil Company to develop the petroleum industry in The Gambia. The corporation is engaged in both upstream and downstream activities. For upstream, the company is involved in the exploration of oil and gas within Gambia's territorial waters. For downstream activities, the corporation operates a network of eleven petrol service stations.

GNPC's revenue for the year 2021 stood at GMD1.931 billion compared to GMD1.671 billion in 2022, a 13% drop, with petrol and diesel sales accounting for 63% and 37% of total revenue respectively. In 2021, the Cost of Sales amounted to GMD1.741 billion, which accounted for 90% of Sales. However, in 2022, the Cost of Sales decreased to GMD1.479 billion, representing 88.5% of Sales. The reason for this drop was that the company did not engage in the trading of Heavy Fuel oil (HFO) as they did in 2021, where sales from HFO alone amounted to over GMD400 million.

The company's Gross Profit for the year was GMD 191.127 million compared to GMD189.620 million in 2021. The improvement was partly attributed to lower Cost of Sales. However, Net Operating expenses reached GMD106.754 million in 2021 compared to GMD126.655 million in 2022, due to the decrease in Other Operating Income compared to last year's. Admin and staff expenses was about 8 percent of the FY2022 Revenue.



Net Profit: Net Profit for the year was GMD22.055 million compared to a profit of GMD58.702 million in 2021. The Interest Payable & Similar charges recorded GMD4.857 million in 2022, one million less than 2021, confirming that GNPC mostly used internally generated funds to finance its operations when compared to the previous year.

	Risk Rating	
	2022	2021
Profitability:		
Cost Recovery	1.13	1.11
Return on Equity	0.02	0.06
Liquidity:		
Current ratio	1.98	1.13
Debtor Turnover Days	95.30	126.10
Solvency ratio:		
Debt to Assets	0.30	0.50
Debt to EBITDA	6.76	9.98

Profitability ratios indicate that GNPC has experienced an improvement in cost recovery from 1.11 in 2021 to 1.13 in 2022. This indicates that the corporation is managing its costs and generating more income as a result. Return on equity decreased from 0.06 in 2021 to 0.02 in 2022 as GNPC made less profit than last year.

GNPC's current ratio has also improved from 1.13 to 1.98, indicating that GNPC should be able to meet its short-term financial obligations when they become due for payment. The debtor turnover days has decreased from 126.10 in 2021 to 95.30 days in 2022, indicating that the company is improving on its debt collection.

The solvency ratios indicate that GNPC has reduced its debt-to-assets ratio from 0.50 in 2021 to 0.30 in 2022, indicating that the company's assets are more financed by equity than debt. The debt-to-EBITDA ratio has decreased from 9.98 in 2021 to 6.76 in 2022.

***Achievements:***

- GNPC, in collaboration with the United Nations Industrial Development Organization (UNIDO), signed a contract for the solarization of its headquarters (Petroleum House) and 11 of its petrol stations. The project has been completed, connected to the national grid, and operational. The main goal of this project is to minimize the Corporation's consumption of NAWEC electricity supply through renewable energy, thereby promoting energy efficiency.
- Implementation of a Wet-stock Management System: A wet stock management system comprising an Automatic Tank Gauge System has been successfully installed and is operational at five (Brusubi, Abuko, Bundung, Banjul, and Brikama) of its Service Stations. The goal is to ensure efficient fuel stock management to avert losses that will negatively impact the Corporation's revenue.
- Staff Attachment/Secondment: A total of ten (10) staff were sent to GNPC-Ghana on secondment; 8 non-technical staff were sent for a period of two (2) weeks and 2 technical staff from the Exploration and Production department went for six (6) weeks.
- MOUs: In September and November of 2022, Memorandum of Understandings were signed with the Petroleum Directorate of Sierra Leone and Societe de Mauritanie Hydrocarbon respectively. These MOUs aim to promote and manage petroleum information and data jointly; oil and gas exploration; oil and gas development and exploitation, and support/training in Oil and Gas activities.
- In addition, an MoU for including the Gambia as a beneficiary state of the Nigeria-Morocco Gas Pipeline Project was signed.
- Joint Venture with PETRONOR: In November 2022, GNPC signed a JV with PETRONOR and the purpose of this is to explore the A4 Block jointly.

***Constraint:***

- Upstream activities funding: Unclear funding line for upstream activities which are capital intensive and cannot be sustained from the downstream revenues meant for the retail business.

***Conclusion:***

- In FY2022, the GNPC experienced a 13% reduction in revenue when compared to the previous year. The net profit for the FY2022 also decreased from GMD58.702 million in

2021 to GMD21.210 million in 2022. Additionally, the company's solvency ratios suggest possible concerns regarding its level of debt, with a debt to EBITDA ratio of 6.84.

**Recommendations:**

- GNPC is operating in a very competitive market and is experiencing a decline in revenue and net profit as a result of competition and increase in operating costs. GNPC should be exploring more cost-effective ways of sourcing their fuel stock and negotiating for better payment terms with suppliers.
- Another recommendation is to further diversify its current product mix, exploring new revenue streams or products to increase revenue.
- Focusing on effective credit management to reduce debtor turnover days, which would improve cash flow in the short term.

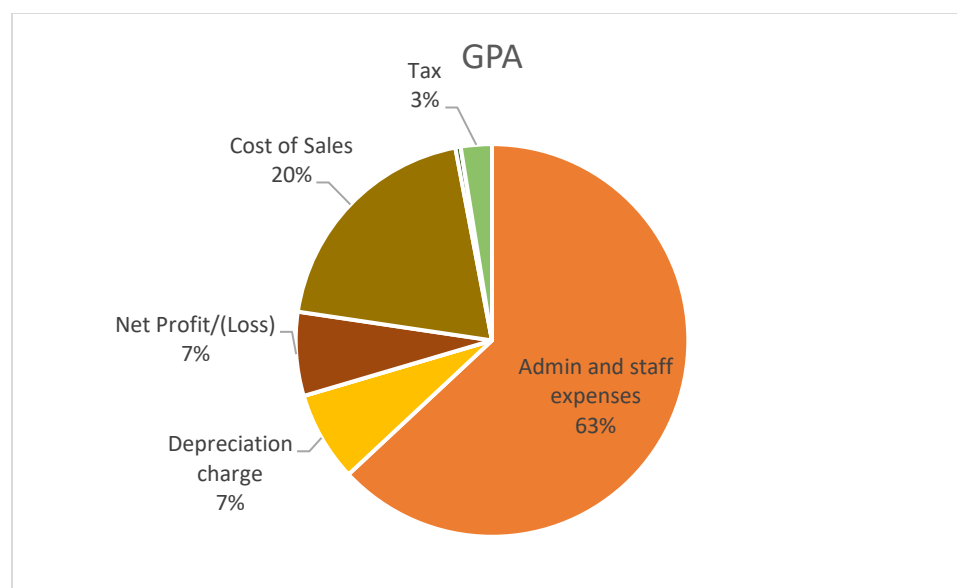
**GAMBIA PORTS AUTHORITY (GPA)**

Gambia Ports Authority (GPA) was established in 1972 to be the managing body of the port of The Gambia. The GPA's principal facilities include the Banjul Wharf, the Banjul Jetty Extension, and the container terminal.

The company's total liabilities registered a significant reduction of GMD 702 million, from GMD880.03 million to GMD178.61 million (393%). This is as a result of reducing borrowings due after one year from GMD204.52 to (GMD71.49 million) in 2021. Thus, GPA improved its financial position between 2021 and 2022 by paying off some of its liabilities.

Revenue: The 2022 Income Statement depicts GPA's operating revenue at GMD1.553 billion, a contraction of GMD417.08 million compared to last year's total revenue of GMD1.971 billion, a reduction of 21 percent. This was due to a drop in revenue from stevedoring, shore-handling, harbour dues, and gear hire. Other Income amounted to GMD33.618 million.

Cost of Sales was at 20% of revenue compared to 21% last year. GPA's Net Operating Expenses rose by 6%, reaching GMD1.060 billion, largely due to an increase in admin and staff expenses. As a result, the Operating Profit for 2022 was GMD181,213 million, a considerable decrease from the Operating Profit of GMD549.917 million in 2021. Admin and staff expenses increased by 17% from the previous year, and made up 64% of the revenue, up from 44% in 2021. This increase in expenses amounted to an additional GMD142.638 million, primarily due to the increased in Admin Expenses: traveling (GMD39.762 million in 2022), medical expenses, consultancy, and rent.



There was a Profit before Tax of GMD191.863 million, with a Tax charge of GMD51.803 million (GMD147.438 million in 2021), resulting in a Net Profit of GMD140.060 million (GMD398.630 million in 2021), a significant drop compared to 2021.

	Risk Rating	
	2022	2021
Profitability:		
Cost Recovery	4.98	4.70
Return on Equity	0.04	0.10
Liquidity:		
Current ratio	7.38	3.87
Debtor Turnover Days	178.22	178.43
Solvency ratio:		
Debt to Assets	0.04	0.18
Debt to EBITDA	0.56	1.24

In 2022, despite a decrease in profitability compared to the previous year, the Authority's cost recovery ratio was high at 4.98 (compared to 4.70 in 2021) due to the inclusion of Other Operating Income totaling GMD57.666 million. The return on equity (ROE) ratio is low, 4% compared to 10% in 2021, indicating that the Authority is not efficiently using its shareholders' investments to generate earnings.

The liquidity and solvency position of the Authority are healthy. The current ratio shows that there are sufficient current assets to cover its liabilities. However, the debtor turnover days are high (178 days for both 2022 and 2021), indicating that GPA is having challenges collecting payments from its customers.

## **Operational Activity Report:**

### ***Key Achievement:***

Proposed port project & Expansion of the jetty on PPP concession: Evaluation of proposals completed, and report sent to the executive for decision making.

### ***Recommendations:***

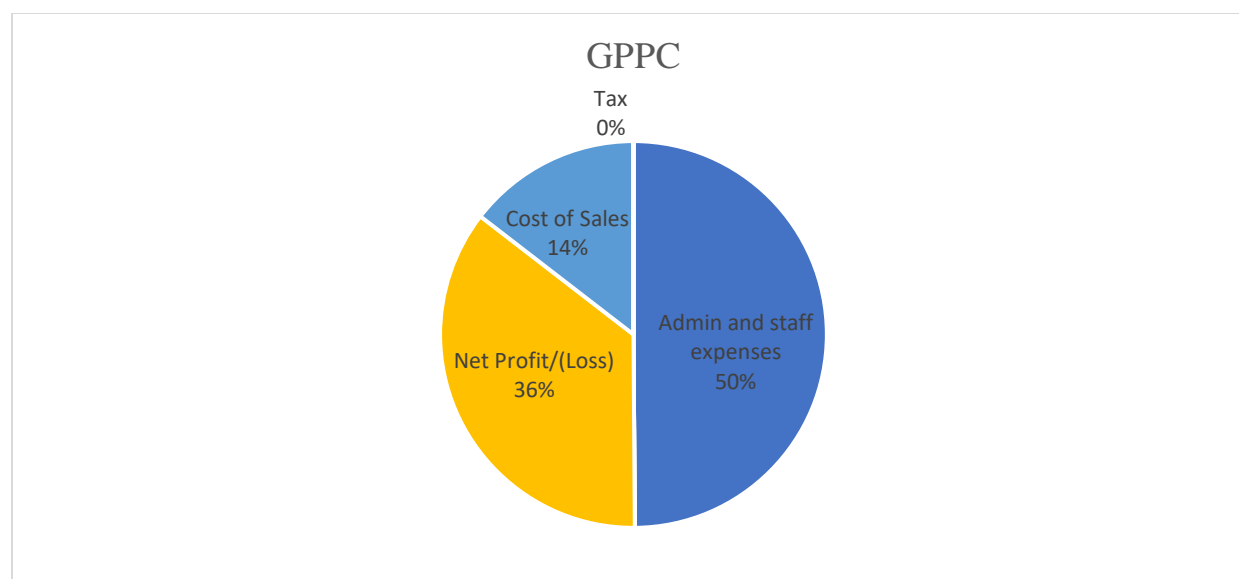
- GPA faced significant challenges in 2022 due to a drop in revenue and an increase in operating expenses. The Authority should explore strategies to increase revenue, including diversification of services and to consider implementing cost-cutting measures to reduce operating expenses, and ways to optimize the use of technology to improve productivity and reduce costs.
- The high debtor turnover days need to be addressed by implementing more efficient payment collection systems or decreasing its payment terms to its customers.
- GPA should conduct a thorough study on the amount of market share they are losing to neighboring countries and come up with specific recommendations.
- The company should also investigate possible leakages emanating from importers bringing their goods via Senegal by road.

## **GAMBIA PRINTING AND PUBLISHING CORPORATION (GPPC)**

The principal activity of the GPPC is to provide printing and publishing services to the Government and private sector. The Corporation also distributes textbooks and other materials to schools throughout the country.

Revenue: For the year under review, GPPC's revenue went from GMD39.713 million to GMD51.799, an increment of 30 percent. The cost of sales reduced slightly from GMD8.512 million to GMD7.531 million resulting in a Gross profit of GMD44.268 million or Gross margin of 85 percent in 2022 as compared to GMD31.200 million in 2021.

Admin and staff expenses remained almost the same at GMD27.342 million in 2021 and GMD25.841 million in 2022. Admin and staff expenses is equivalent to roughly 50 percent of the total revenue generated in 2022.



The corporation incurred a loss of GMD1.326 million in 2021, wherein a profit of GMD18.426 million was made in 2022. This was due the high turnover and low cost of sales at 14.54% of turnover. However, depreciation and taxation for 2022 were not charged against profit.

	Risk Rating	
	2022	2021
Profitability:		
Cost Recovery	6.88	4.67
Return on Equity	0.19	(0.02)
Liquidity:		
Current ratio	0.78	0.59
Debtor Turnover Days	254.18	236.46
Solvency ratio:		
Debt to Assets	0.39	0.44
Debt to EBITDA	3.36	16.55

Profitability for the company has increased from 2021 to 2022, with a Cost Recovery ratio of 6.88 and a Return on Equity ratio of 0.19. However, the Return on Equity is still relatively low and could be improved upon.

GPPC Current Ratio has improved slightly from 0.59 in 2021 to 0.78 in 2022, but it is still less than 1.5:1, which indicates a potential struggle to pay off short-term debts. The Debtor Turnover Days have increased from 236.46 days in 2021 to 254.18 days in 2022, indicating that GPPA is taking longer to collect outstanding debts, which could cause cash flow problems.

The Debt to Assets ratio has also improved from 0.44 in 2021 compared to 0.39 in 2022, and a Debt to EBITDA ratio of 3.36 in 2022 compared to 16.55 in 2021. This indicates that the company's debt is becoming more manageable.



## **Operational Activity Report:**

### ***Key Achievements:***

- The Corporation successfully completed the process of printing and publishing over twenty books written by Gambians, which have been approved for use in public schools throughout the country.
- A project to produce exercise books have been launched with the aim of meeting the demand for exercise books in the country.
- Fourteen long-term and 8 short-term staff training programs/modules were undertaken during FY2022, of which 56% and 75% of the trainees were women. Total number of staff as at 30<sup>th</sup> December 2022 is 130, 33 percent of which are women.

### ***Conclusion:***

GPPC registered significant improvement in its financial performance in 2022 as compared to 2021. However, its solvency ratios indicate that it may face difficulty in meeting its short-term obligations when they fall due. GPPC is highly leveraged with debt to assets ratio of 0.39 and a debt to EBITDA ratio of 3.36, which may pose a risk to its financial viability.

### ***Recommendations:***

- GPPC has performed well in 2022, with additional total equity, and a reduction in total liabilities, but may want to engage Government to reduce its debt levels and improve the collection of their outstanding debtors/accounts receivables.
- The corporation needs to come up with an aggressive marketing strategy to be able to capture a major share of the market, private sector market in particular.

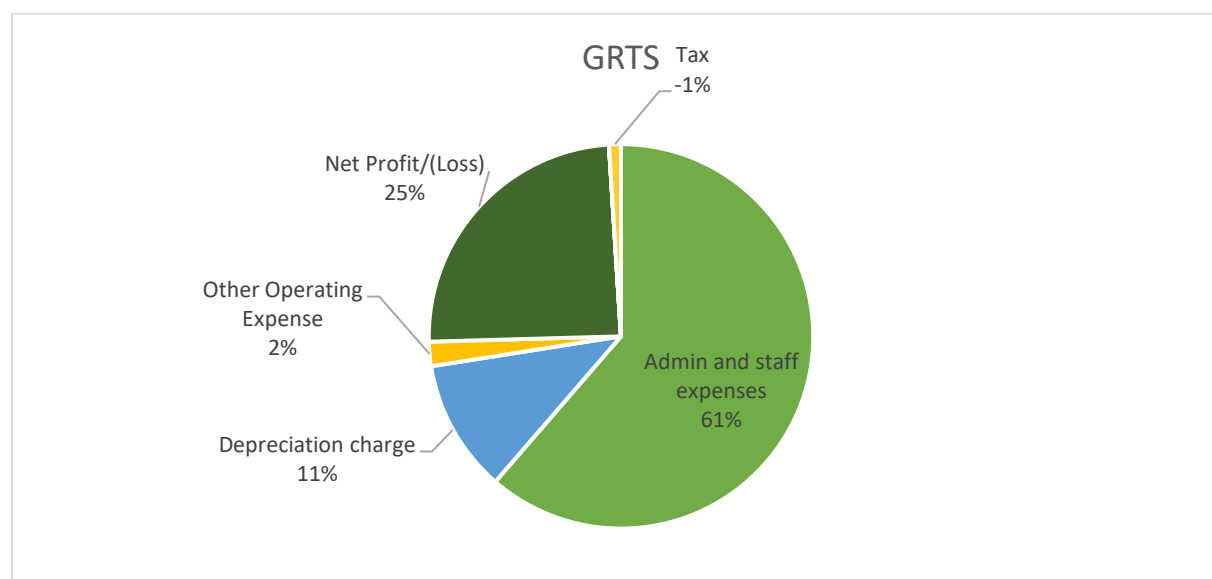
## **GAMBIA RADIO AND TELEVISION SERVICES (GRTS)**

The Gambia Radio and Television Services Corporation was established by an Act of Parliament, through the Gambia Radio and Television Services Act 2004, to provide broadcasting services of information, education, and entertainment within and outside The Gambia.

The corporation reported total revenue of GMD204.675 million in 2022 compared to an amount of GMD197.480 million in 2021, a growth of 4%. The growth in revenue was on account of the levy income from mobile operators, which accounts for over 80% of GRTS's income.

In 2022, GRTS' experienced a significant increase in operating expenses, which rose by 33% from GMD116.199 million to GMD152.600 million. Admin and staff expenses accounted for the majority of this increase, amounting to GMD125.551 million in 2022 compared to GMD77.163 million in 2021. These expenses represented 61% of GRTS' revenue in 2022. The rise in admin and staff expenses can be attributed to increased staff costs such as salaries, Contract and Casual Pension costs, as well as greater expenditures on office expenses, satellite service fees, staff training, and travel expenses.

GRTS' operating profit for 2022 was GMD52.074 million, a reduction of GMD29 million when compared to the GMD81.281 million amount recorded in 2021.



GRTS recorded a net profit of GMD50.028 million for 2022 compared to a net profit of GMD76.753 million in 2021, a reduction of 35 percent. The financial performance of GRTS depicts a mixed result with an increase in revenue, but with higher operating expenses leading to less net profit compared to the previous year.

	Risk. Rating	
	2022	2021
Profitability		
Cost Recovery	48.84	9.01
Return on Equity	0.25	0.39
Liquidity and Solvency		
Current ratio	3.39	2.05
Debtor Turnover Days	126.13	130.83
Solvency ratio:		
Debt to Assets	0.15	0.20
Debt to EBITDA	0.51	0.55

GRTS' cost recovery ratio increased to 48.84 in 2022 from 9.01 in 2021, however, its return on equity (ROE) decreased to 0.25 from 0.39 in 2021. This suggests that the company's earnings are not generating sufficient returns in 2022.

Current ratio increased to 3.39 in 2022 from 2.05 in 2021, indicating GRTS' ability to pay off its short-term liabilities using its current assets. Although there was a slight decrease in debtor turnover days from 130.83 in 2021 to 126.13 in 2022, this represents a positive development compared to the preceding year.

The solvency ratios improved in 2022 compared to 2021 as debt to assets ratio decreased to 0.15 in 2022 from 0.20 in 2021, indicating that GRTS has less debt in relation to its assets. Additionally, the debt to EBITDA ratio decreased to 0.51 in 2022 from 0.55 in 2021, suggesting that the company is generating more EBITDA to pay off its debt.

## **Operational Activity Report**

### ***Key Achievements:***

- The Radio and TV Programme departments collaborated with stakeholders in the health sector to sensitize the citizenry on ways to mitigate the spread of the corona virus and this continued until the lifting of COVID-19 restrictions.
- In addition, GRTS provided live or recorded coverage of all the major national events such as the 56<sup>th</sup> Independence Celebration, the International Women's Day, Labour Day, religious events of both Muslims and Christians.

### ***Constraints:***

- High rate of attrition of competent and seasoned staff remains a challenge to the Institution.
- Mobility, poor reception of signal and coverage, and the inability to balance their social responsibility against market realities still pose challenges to GRTS.
- Delapidated equipment as GRTS is still largely using old analogue equipments bought since the inception of the TV station in 1995. As per recommendations of the International Telecommunications Union (ITU), The Gambia should by now go digital and do away with analogue transmission.
- Nonpayment for programmes: As the State Broadcaster, GRTS has a responsibility to inform, educate and entertain the public. With such a mandate, most of its coverages are not paid for by the relevant institutions (mainly public institutions), which therefore impacts GRTS's financial viability. However, it should be noted that 80% of GRTS' revenue is levy income from mobile operators, which is a form of subsidy/grant funds collected by GRTS.

***Conclusion:***

As indicated earlier, over 80 percent of GRTS' revenue comes from the Levy on mobile phone providers. Their operating expenses have increased significantly by 33%, whilst the company has seen a 35% reduction in net profit for 2022.

***Recommendations:***

GRTS should consider implementing cost-saving measures and start looking into potential areas to diversify their sources of income beyond the reliance on levy income. This should include coming up with more marketable program contents, enhancing the capacity of their marketing department, the introduction of online TV products, and capitalize on the potential revenue that could come from third party TV sponsorship.

**NATIONAL WATER AND ELECTRICITY COMPANY LIMITED (NAWEC)**

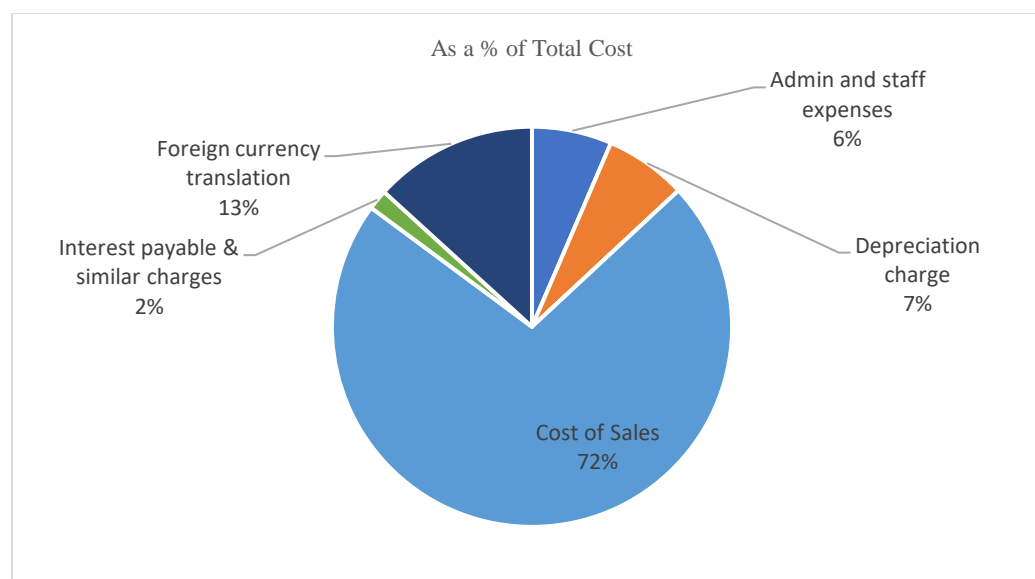
The National Water and Electricity Co. Ltd (NAWEC) was established in 1996 under the Companies Act of 1955. NAWEC is engaged in the generation and provision of electricity, water, and sewage services for domestic, public, and industrial purposes. Electricity production during the year under review was supplied from NAWEC and Independent Power Producer (IPPs). One of the IPP's to NAWEC is Karpower, who is contracted to supply 30MW per month to NAWEC. In addition to Karpower, NAWEC is also supplied electricity (IPP) by Senelec (10MW) and Senelec-OMVG (30MW).

The company's total liabilities for FY2022 stood at GMD12.232 billion, an increase of 45 percent (GMD3.775 billion) from the GMD8.456 billion recorded in FY2021. Current liabilities, which constituted 37 percent of NAWEC's total liabilities for FY2022, increased by 62 percent (GMD1.722 billion) from GMD2.783 billion in FY221 to GMD4.506 billion in FY2022.

Trade and other payables also increased in 2022, and GNPC accounts for majority of this total payables. The entire balance relates to arrears from 2015 or earlier. There is currently an agreement to settle GMD4 million of this liability each month, which NAWEC is honoring.

Revenue: Total revenue (consolidated Electricity, and Water & Sewerage) for the year reached GMD5.235 billion, 18% more than last year's revenue of GMD4.419 billion, mainly due to higher Third Party and Cash power Sales.

NAWEC's Cost of Sales figures are a combination of all the direct expenses relating to the operations of their two main business units. NAWEC spent GMD3.789 billion on purchase of energy, which accounts for 63% of the consolidated cost of sales and 72% of total revenue. Cost of sales went up by around 52%, from GMD3.935 billion in 2021 to GMD5.998 billion in 2022, 15% higher than NAWEC's 2022 total revenue, resulting in a gross loss of GMD762.774 million in 2022. Energy Purchase from IPPs and Heavy Fuel (HFO) costs are 63%, and 21% of Cost of Sales respectively.



The company had an operating loss of over GMD1.756 billion in 2022, which is significantly worse than the GMD653.642 million loss recorded in 2021. Interest payable and similar charges increased by around 28% and foreign currency translation (translating its foreign current payments to IPPs or loan repayment into Dalasis so that they can be recorded in the books of account of the corporation) increased by over 900% from GMD105.169 million in 2021 to GMD1.101 billion in 2022. Admin & Staff expenses was about 10% of revenue in 2022.

NAWEC made a net loss of about GMD3 billion in 2022, compared to the GMD863.317 million loss incurred in 2021. This loss is attributable to increase in Cost of Sales, Depreciation/Amortization charges, and Foreign Currency Translation loss.

	Risk Rating	
Profitability:	2022	2021
Cost Recovery	0.87	1.11
Return on Equity	1.54	(0.60)
Liquidity:		
Current ratio	0.34	0.55
Debtor Turnover Days	53.76	41.27
Solvency ratio:		
Debt to Assets	1.19	0.85
Debt to EBITDA	(5.30)	(18.34)

NAWEC 's cost recovery ratio decreased to 0.87 in 2022 from 1.11 in 2021 which is an area that needs to improve in the future.

The liquidity and solvency ratios indicate that the company may struggle to meet its short and long-term obligations due to its heavy debt portfolio. The debt to assets ratio worsen from 0.85 in 2021 to 1.19 in 2022, indicating that the company has taken on more debt relative to its assets.

Indications are that NAWEC is already facing serious liquidity and solvency issues due to its increasing debt levels and its inability to generate profits.

In terms of liquidity and solvency, the company's current ratio decreased from 0.55 in 2021 to 0.34 in 2022 which is concerning. A current ratio of less than 1.5 indicates that the company may have difficulty meeting its short-term obligations. The debtor turnover days increased from 41.27 to 53.76 in 2022 which further indicates a potential liquidity problem as it takes longer to collect the company's accounts receivable. Although the company's debtor days ratio is better than the 12 other SOEs.

NAWEC's debt-to-assets ratio increased from 0.85 in 2021 to 1.19 in 2022, indicating a higher level of debt as a proportion of the company's total assets. The debt-to-EBITDA ratio for both years were negative, which may suggest that the company has negative cash flow from operations.

## **Operational Activities**

### ***Key Achievements:***

- Electricity Expansion Project: This Project covered both the GBA and part of the Kiangs. The first phase of the project provided a total of about forty (40) communities with ninety-eight (98) transformers., whilst phase two (2) is nearing completion.
- The OMVG 225 kV transmission line from Soma to Brikama is complete, which transmits the electricity supplied from Senelec.
- NAWEC has been providing scholarship to fourty (40) female staff to pursue technical training at the GTTI, whereas another batch is currently enrolled at Mbolo for training in solar installation.
- NAWEC is also supporting a ward at the Edward Francis Small Teaching Hospital in Banjul.
- Corporate Governance (Board Charters, HR Policies) Introduced

### ***Constraints:***

- Increased financial burden from the import of energy, and inability to service its debt repayments (debt linked to the ITFC Facility, repay arrears owed to suppliers and other short-term debt owed by NAWEC). Borrowings within one year of over GMD1 billion, and Trade and other payables of GMD3.433 billion.
- Bureaucratic process of procurement both from within and having to adhere to GPPA regulations/rules. This hampers timely acquisition of resources/services.
- Debt recovery: There is no policy that ensures and empowers NAWEC to collect their bills when due, and collect debt owed by the government to NAWEC.

- The Government Vehicle Policy is another policy that seriously affects NAWEC's operations and has operational and financial implications for the company.
- The tendency to utilize both human and physical resources of NAWEC to conduct maintenance work for government departments. In addition, projects are being executed by other institutions, with the expectation that NAWEC should be responsible for any service relocations from design to construction.

***Conclusion:***

NAWEC is experiencing some financial difficulties in the areas of cost management and profitability (Increase in liabilities, and operating loss). NAWEC made a net loss of about GMD3 billion in 2022, compared to the GMD863.317 million loss incurred in 2021. Unrealized Foreign Exchange loss was GMD1.105 billion.

***Recommendations:***

- To address these issues, NAWEC should consider reviewing its cost (decision on the noncommercial services) and capital structure with Government seeking additional funding or refinancing existing debt to improve liquidity.
- Government to ensure that their bills with NAWEC are paid when due, and on time.
- The need to explain how Retained Earning in 2021 of GMD2.848 billion was able to jump to GMD8.594 billion when the Net loss in 2021 was GMD863.317 million.

**NATIONAL FOOD SECURITY PROCESSING AND MARKETING CORPORATION  
(NFSPMC/GGC)**

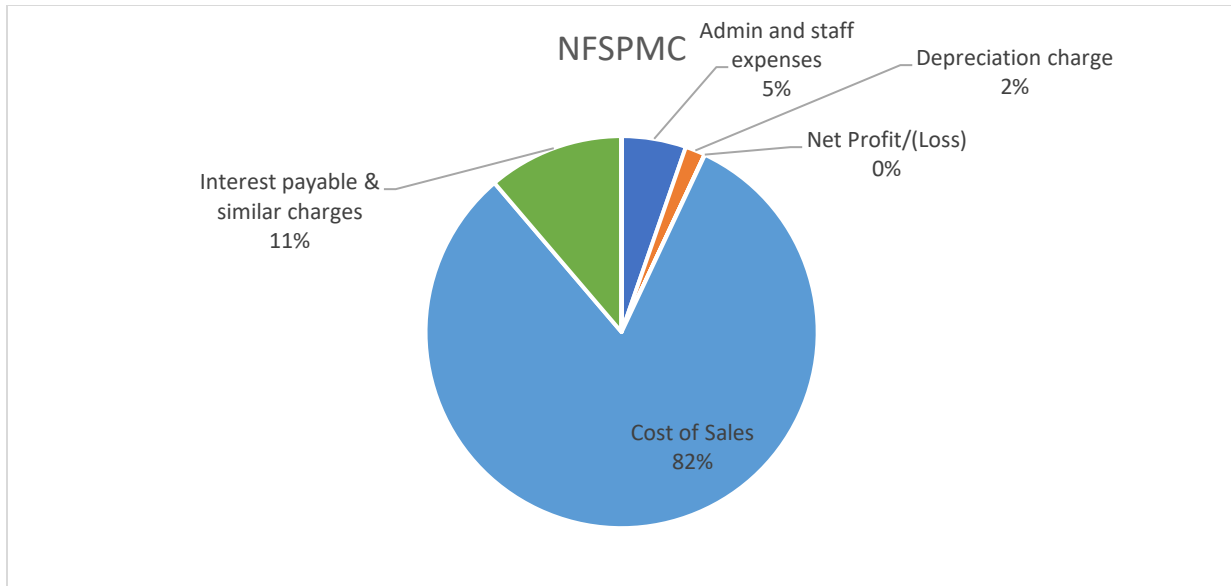
NFSPMC is an agro-industrial processing and trading corporation that specializes in groundnut purchasing, processing, and exporting. NFSPMC operates warehouses, a river transport fleet, and processing facilities to produce edible groundnuts, groundnut oil, and groundnut cake.

Assets: For the financial year 2022, NFSPMC's total assets grew by 90.40% from GMD1.086 billion in 2021 to GMD2.068 billion in 2022. This is due to additional inventory (Stock of produce, spare parts etc.) of GMD694.515 million and Cash & Cash Equivalents of GMD579.812 million.

The company's total equity declined by GMD279.315 million, from negative GMD123.543 million in 2021 to negative GMD402.859 million in 2022 due to accumulated retained losses of GMD478.359 million.

NFSPMC improved its revenue performance by GMD735.609 million (72%) compared to the 2021 season. The Corporation bought 40,166.680 metric tons (30,000 MT in 2021) of un-decorticated groundnuts, which was processed and marketed during the 2021/2022 Trade Season.

Cost of Sales as a percentage of revenue was 82.97 percent in 2021 compared to 83 percent in 2022. This is indicative of a successful year from the additional sales and cost cutting measures implemented by the corporation.



However, net operating expenses grew by 228% in 2022, mainly in administration and staff expenses (GMD94.622 million in 2022 vs GMD57.800 million in 2021), which was GMD36.821 million more than what was recorded in 2021. The reasons for the increased Admin and Employees costs in 2022 over 2021 were because, in 2022 the corporation purchased and processed 42,300 Metric Tonnes of groundnut against only 7,300 MT in 2021. In this regard the corporation had to hire more seasonal staff with its associated admin expenses in managing them (hired staff for a full year to process the huge quantities of farmers Stock).

In 2022, there was a 10% increase in both salary and allowances compared to 2021. Additionally, the NFSPMC transitioned from the Provident Fund to Pension Scheme where the Corporation had to contribute 15% of staff salary to SSHFC.

Net profit for 2022 was GMD601,589, a reduction from the 2021 figure of GMD30.031 million. Although NFSPMC was able to effectively manage their expenses and capitalize on their revenues to drive profit, the corporation's Net Profit fell by 92% in 2022 due to additional financing cost of GMD116,763,564 (141%).

NFSPMC experienced a growth in total assets but at the expense of equity. This, combined with an increase in liabilities, shows that the company is highly leveraged. The company did manage to reduce current liabilities but not as significant as the increment in total assets.



	Risk Rating	
	2022	2021
Profitability:		
Cost Recovery	1.21	1.18
Return on Equity	(0.00)	(0.24)
Liquidity:		
Current ratio	12.29	2.93
Debtor Turnover Days	114.77	205.18
Solvency ratio:		
Debt to Assets	1.19	1.11
Debt to EBITDA	10.76	7.94

Although NFSPMC/GGC is generating more earnings per Dalasis of invested assets, the return on assets decreased slightly to 11% in 2022 from 14% in 2021.

The current liquidity ratio is 12.29:1 compared to the previous year's ratio of 2.93:1. This suggests that the company has more of cash and liquid assets relative to its current liabilities, which is a good indicator of its ability to meet short-term obligations.

The debt to assets ratio has gone up from 1.11 to 1.19 in 2022, indicating that the company is using more debt to finance its assets. Additionally, the debt to EBITDA ratio has gone up from 7.94 to 10.76, which suggests that NFSPMC's ability to meet its financial obligations has reduced.

NFSPMC's total staff compliment in 2022 was 290 (250 males and 40 females) made up of 156 permanent and 134 seasonal staff.

### **Operational Activity Report:**

- The 2022 season was relatively successful, albeit some challenges surrounding the Corporation's ageing equipment and infrastructure were encountered. The status of equipments including Conveyors, Shelling Machines, Oil Milling Machines, River Transport, Tractors, etc., has great impact on operational efficiency.
- It is worth noting that many of the equipments being used have been in existence since the colonial period, hence the need to modernize its existing infrastructure and equipment will help increase productivity with greater efficiency and effectiveness.
- AGIB Bank were contracted to pay farmers for the farmers' stock, and Reliance Financial Services to receive cash sales for the fertilizer sales.

### **Key Achievements:**

- The Corporation was able to buy over 40,000 MT of un-decorticated groundnut from farmers. Furthermore, all the Farmers' stocks were processed and marketed.

- The Corporation imported 139 shipping containers of vegetable cooking oil which helped stabilize prices of the commodity in the market, as prices reduced by 20%.
- Three Regional Depots were provided with 160KVA Transformers and as a result, production and processing of groundnuts was decentralized using Mobile Shelling Machines. This greatly complemented the central production unit based in Sarro, and consequently the entire stock was processed and marketed on time.
- TRAINING PROGRAMS UNDERTAKEN IN 2022

Total of 20 staff (14 Males and 6 Females) were trained in the following areas:

- Advanced digital records management
- Advanced office Management
- IFMIS training for Finance and Procurement Officers
- Women Leadership Training
- 2021-2024 GIEPA National Export Strategy
- Performance Contract for public enterprises
- GIEPA E-Commerce digital training and product dashboard for enterprises.
- Corporate governance: In 2022, the staff service rules were revised, validated, and approved by the Board, and a new staff code of conduct approved.
- Audit Charter and Audit Committee Charter were validated by the Board.

***Constraint:***

- Fertilizer Prices increased by over 100% compared to 2021, mainly due to supply chain disruptions during the COVID 19 pandemic, and the Russia/ Ukraine Crises.
- Dilapidated infrastructure (warehouses, river transport, depots and machineries)
- Lack of well-equipped laboratory
- High maintenance cost and down time due to old machinery
- Delays in subsidy payments by the Government.

***Recommendations:***

- NFSPMC depends on commercial banks for its crop finance and other operations which attracts high interest payments and penalties for any default (Total interest payments for FY2022 alone reached almost GMD200 million, which practically eroded all of the company's annual profits). The Corporation should therefore either negotiate better loan terms or look for alternative source of financing that is cheaper.

- Government should also avoid delays in subsidy payments to NFSPMC, as this is compounding their liquidity challenges and causing additional bank charges being borne by the company.

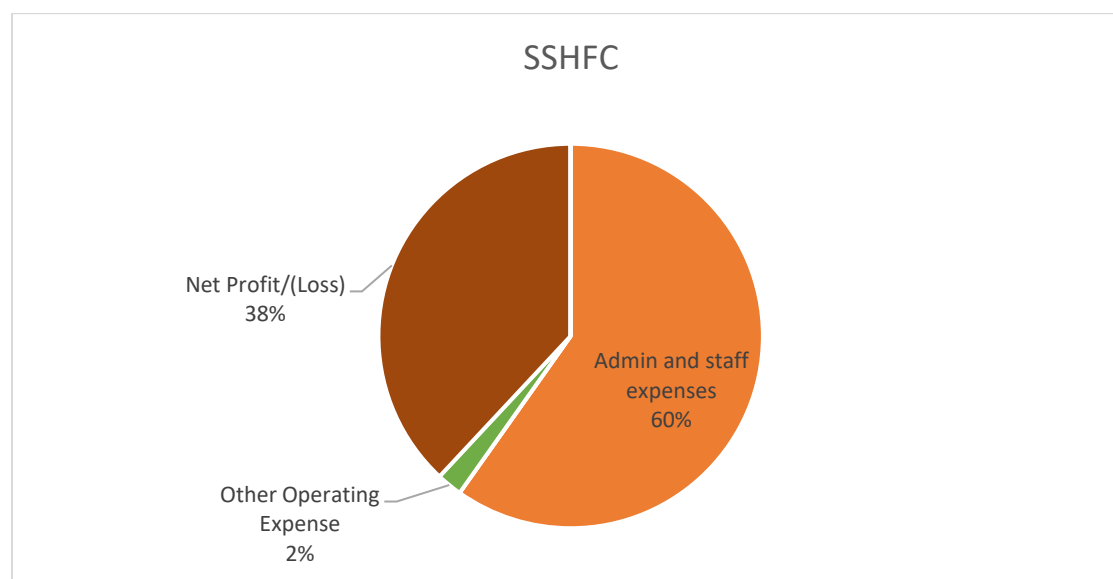
## THE SOCIAL SECURITY AND HOUSING FINANCE CORPORATION (SSHFC)

The Social Security and Housing Finance Corporation (SSHFC) was established by the Social Security and Housing Finance Corporation Act of 1981 and is responsible for managing the Federated Pension Scheme (FPF) for Public Enterprise Employees and the National Provident Fund (NPF) for employees of private companies. The Corporation also manages the Housing Finance Fund (HFF) for the provision of affordable housing in The Gambia.

Since its inception, the responsibilities of SSHFC have scaled up to include the management of Industrial Injuries Compensation Fund (IICF) covering both Public and Private Sector Employees workplace injuries.

Revenue: SSHFC's Consolidated Income for 2022 amounted to GMD403.889 million compared to GMD536.873 million in 2021, recording a reduction of GMD132.984 million. The variance is due to underperformance on dividend income, and other Income.

Admin and staff expenses recorded an increment, going from GMD177.924 million to GMD241.539 million in 2022, a growth of GMD63.615 million (36%). However, other operating expenses decreased from GMD9.803 million to GMD8.695 in 2022. Overall, the net operating expenses were higher in 2022 at GMD250.234 million compared to GMD187.727 million in 2021.



Net profit declined from GMD349.146 million in 2021 to GMD153.655 in 2022, due mainly to lower revenue receipts and high Admin and staff expenses, which was about 60% of the FY 2022 revenue, compared to 33% in 2021.

	Risk Rating	
	2022	2021
Profitability:		
Cost Recovery:	46.45	54.77
Return on Equity	0.02	0.04
Liquidity:		
Current ratio		
Debtor Turnover Days	209.09	157.30
Solvency ratio:		
Debt to Assets	-	-
Debt to EBITDA	-	-

The cost recovery ratio decreased in 2022 compared to 2021, from 0.04 in 2021 to 0.02 in 2022, indicating that the company is recovering fewer costs from its operations.

The debtor turnover days increased from 157 days in 2021 to 209 days in 2022, indicating that the company is taking longer to collect members contributions and mortgage payments.

Equity has gone up by approximately GMD570 million, reflecting an overall growth with Members Fund contributing significantly to the increase in equity. No current or non-current liabilities were reported on the financial statements, indicating that SSHFC is operating with a low level of debt, which is generally a positive sign for its membership.

### ***Key Achievements:***

- Series of training programs undertaken during 2022; 198 staff trained of which 98 were women.

Employment: Total staff compliment of 361 (169 female and 192 male).

### ***Conclusion:***

SSHFC's profitability was lower in 2022 compared to 2021 due to various factors such as decreased revenue proceeds, and increased expenses.

### ***Recommendations:***

SSHFC needs to focus on improving its profitability, implementing cost-cutting measures, improving its cash management, recover all contribution gaps in respect of its existing members, and reassess its investment strategy.

## ***CONCLUSION:***

The overall financial performance of the State-owned Enterprises (SOEs) for the FY2022 ended 31<sup>st</sup> December 2022 indicates an aggregate Revenue of GMD 12.31 billion (GMD11.33 billion in 2021); Operating loss of GMD 1.12 billion (GMD291.35 million profit in 2021), and an aggregate net loss of approximately GMD1.84 billion (GMD299.52 million in 2021).

Aggregate assets of the SOEs were approximately GMD32.52 billion, whilst aggregate liabilities stood at GMD22.61 billion. In comparison to 2021, the asset base grew by 3 percent whilst liabilities increased by 21 percent.

During FY 2022, Government received dividend payments of GMD265 million from GPA, being dividend of GMD95 million and GMD170 million, declared by the GPA Board of Directors for the period FY2020 and FY2021 respectively.

There were several key challenges in FY2022 that should be addressed by the SOEs and Government:

1. The late submission and inconsistent reporting of financial statements should be evaluated to ensure that proper accounting standards and processes are followed. The long lead time reduces the usefulness of the Report.
2. Staff and Administrative Expenses soaring in all PEs, with an average Administrative & Staff Expenses to Revenue ratio of about 53%, which may not be sustainable to low revenue generating SOEs.
3. High Receivables being incurred by SOEs, especially when assessed as a percentage of total revenue. Receivables days have deteriorated during the year, which negatively impacted working capital, resulting in short-term borrowing with high interest charges.
4. Very high Cost of Sales relative to SOEs' revenue base.
5. Pay policy – To include classification of SOEs, and to include remuneration of board members, and other cash and non-cash benefits/allowances.
6. Cross Arrears Bilateral Implementation Status: only 7 percent of the mutual arrears were settled amongst SOEs.
7. SOEs spend significant amount of public funds on training (GPA spent about GMD68 million, NAWEC GMD38.8 million (Budget)) without any Training Policy in place to ensure that all SOEs follow a consistent training scheme to avoid any misuse or discontent among staff.

***RECOMMENDATIONS:***

- 1) The subsidiaries of GPA, GAMTEL GIA, and SSHFC have not been consolidated with their holding companies which were erstwhile separately and individually reported. The purpose of this consolidation would make the data more precise and give the Government a better view of the performance of these holding corporations.
- 2) Improvement in data collection, reporting and timely submission of Reports (Budgets, Quarterly, and Annual Report) should be promoted. Large or unjustified variances from budget reported in the DSOE Reports must go through a follow-up and feedback process with the SOEs. The major issues arising from the quarterly performance review should be discussed between the Stakeholders, namely: Government, DSOE, and the SOEs.
- 3) To achieve uniformity in accounting principles, the migration of all Public Enterprises to International Financial Reporting Standards (IFRS) is necessary. This will lead to comparability among SOE financial reports based on a consistent set of accounting standards.
- 4) The need for Government to issue a Guide on Remuneration for the State-Owned Enterprises with DSOE allocating each SOE to their respective size category based on SOEs classification and sustainability. Government must spell out the quantitative criteria for the classification of different types of SOEs, based on a combination of criteria: total assets; total turnover/revenue; total employee headcount; total employment costs; SOEs that do not draw on the state's annual budget for revenues and those that do. It is imperative that the SOEs operate in alignment with Government's policy of fiscal prudence. The Guide will seek to find an acceptable middle ground, bearing in mind the commercial and inherent developmental objectives of the SOEs.
- 5) SOEs to review their Credit Policy (Trade & other Receivables) to be cleansed of any non-recoverable assets. This will also improve working capital, thus avoid SOEs utilizing bank overdraft to finance its day-to-day operations.
- 6) Cross Arrears were last negotiated, and agreements signed in 2020, and the need to revisit and update the current level of mutual arrears (For example, GIA is owing GCCA over GMD36 million, which is not included in the earlier agreement) including Government/SOE outstanding arrears.
- 7) Important investments are required to expand the capacity of the SOEs, e.g., GAMTEL, GAMCEL, GPA, GIA and the GCAA, which may require bringing in the private sector as partners to fill the investment gaps.
- 8) All SOEs to have or prepare their own Board Charter as most SOEs do not have Board Charters, which are critical tools to ensure that board members understand their duties and responsibilities and that board processes are well defined and documented.

## V. ANNEXE

## ANNEX I

SOES CROSS ARREARS BILATERAL REPAYMENT PLAN STARTING 2020				
NET RECEIVER	NET GIVER	DALASIS TOTAL ARREARS	AMOUNT PAID AS AT END DECEMBER,	AMOUNT OUTSTANDING
SSHFC	GRTS	12,503,304.13	7,200,000.00	5,303,304.13
SSHFC	GCAA	92,600,000.00	5,000,000.00	87,600,000.00
GNPC	GRTS	1,977,390.31	1,977,390.31	0.00
GNPC	GAMTEL	11,703,894.86	11,703,894.86	0.00
GAMTEL	GAMCEL	403,765,167.99	36,000,000.00	367,765,167.99
GAMCEL	GRTS	3,835,447.55	1,875,000.00	1,960,447.55
GAMCEL	GIA	8,976,188.00	500,000.00	8,476,188.00
GIA	NAWEC	29,756.00	29,756.00	0.00
GNPC	GCAA	1,873,850.00	1,873,850.00	0.00
SSHFC	GIA	15,982,000.00	280,000.00	15,702,000.00
SSHFC	GAMCEL	53,289,882.96	3,996,741.21	49,293,141.75
GPPC	AMRC	488.75	488.75	0.00
GNPC	SSHFC	2,146,226.79	2,146,226.79	0.00
GNPC	NAWEC	1,364,998,465.92	96,000,000.00	1,268,998,465.92
NAWEC	GAMTEL	34,489,872.79	33,994,872.79	495,000.00
NAWEC	GAMCEL	640,428.08	640,428.08	0.00
GNPC	GIA	495,000.00	0.00	495,000.00
SSHFC	GPPC	150,000.00	150,000.00	0.00
GPA	GIA	1,012,500.00	200,000.00	812,500.00
GAMCEL	GPA	1,796,596.00	1,796,596.00	0.00
GAMTEL	GIA	2,665,588.72	1,000,000.00	1,665,588.72
SSHFC	NFSMC (GGC)	222,623,736.00	400,000.00	222,223,736.00
AMRC	GoTG	3,988,100.00	3,988,100.00	0.00
GPA	GCCA	25,000,000.00	0.00	25,000,000.00
GPPC	GCAA	173,296.00	0.00	173,296.00
GAMPOST	GAMCEL	739,800.00	739,800.00	0.00
GAMPOST	GAMTEL	739,800.00	739,800.00	0.00
<b>TOTAL</b>		<b>2,268,196,780.85</b>	<b>212,232,944.79</b>	<b>2,055,963,836.06</b>
	ARREARS SETTLED			
	PAYMENT HONoured			
	PAYMENT NOT HONoured			

## ANNEX II

### ASSETS MANAGEMENT AND RECOVERY CORPORATION (AMRC)

<b>Assets</b>	<b>2022</b>	<b>2021</b>
Non-Current Assets		
Property, plant and equipment	8,240,187	4,200,792
Investments	685,000	560,000
Long Term Receivable		
<b>Total Non-Current Assets</b>	<b>8,925,187</b>	<b>4,760,792</b>
Current Assets		
Inventory (available assets for sale)	82,312,913	82,312,913
Trade and other Receivables	48,793,976	43,955,912
Cash & Cash Equivalents	18,202,503	22,194,504
<b>Total Current Assets</b>	<b>149,309,392</b>	<b>148,463,329</b>
<b>TOTAL ASSETS</b>	<b>158,234,579</b>	<b>153,224,121</b>
<b>Equity &amp; Liabilities</b>		
<b>Equity</b>		
Share Capital		
Revaluation reserve		
General reserve		
Retained earnings	139,846,440	133,321,517
<b>Total Equity</b>	<b>139,846,440</b>	<b>133,321,517</b>
<b>Non-Current Liabilities</b>		
Borrowings due after one year	4,792,033	4,792,033
<b>Current Liabilities</b>		
Borrowings within one year	13,596,106	15,110,572
Trade and other payables		
Taxation		
<b>Total Current Liabilities</b>	<b>13,596,106</b>	<b>15,110,572</b>
<b>Total Liabilities</b>	<b>18,388,139</b>	<b>19,902,605</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>158,234,579</b>	<b>153,224,121</b>



ASSETS MANAGEMENT AND RECOVERY CORPORATION (AMRC)  
INCOME STATEMENT

	2022	2021
<b>REVENUE (Total)</b>	<b>28,021,715</b>	61,516,129
Cost of Sales		
<b>Gross Profit</b>	<b>28,021,715</b>	<b>61,516,129</b>
<b>Operating Expenses:</b>		
Admin and staff expenses	19,756,295	21,934,375
Depreciation charge	901,591	1,137,383
Other operating Expense	838,906	511,946
Other operating Income		
<b>Net Operating Expenses</b>	<b>21,496,792</b>	<b>23,583,704</b>
<b>Operating profit</b>	<b>6,524,923</b>	<b>37,932,425</b>
Interest receivable & similar income		
Interest payable & similar charges		
Foreign currency translation		
Impairment		
<b>Profit before Tax</b>	<b>6,524,923</b>	<b>37,932,425</b>
Tax charged for the year		
<b>NET PROFIT</b>	<b>6,524,923</b>	<b>37,932,425</b>

<b>GAMPOST</b>	<b>2022</b>	<b>2021</b>
<b>Assets</b>		
Non-Current Assets		
Property, plant and equipment	36,198,274	36,792,858
Investments/Intangible Assets		283,212
Long Term Receivable		
<b>Total Non-Current Assets</b>	<b>36,198,274</b>	<b>37,076,070</b>
Current Assets		
Inventory	25,641,217	35,899,442
Trade and other Receivables	21,257,571	18,217,150
Cash & Cash Equivalents	6,145,573	7,429,065
<b>Total Current Assets</b>	<b>53,044,361</b>	<b>61,545,657</b>
<b>TOTAL ASSETS</b>	<b>89,242,635</b>	<b>98,621,727</b>
<b>Equity &amp; Liabilities</b>		
<b>Equity</b>		
Share Capital	39,481,918	38,481,918
Revaluation reserve	-	1000000
General reserve	26,581,955	36,814,612
Retained earnings	(20,572,025)	(20,989,874)
<b>Total Equity</b>	<b>45,491,848</b>	<b>55,306,656</b>
<b>Non-Current Liabilities</b>		
Borrowings due after one year	22,772,995	22,772,995
<b>Current Liabilities</b>		
Borrowings within one year		
Trade and other payables	14,215,669	13,531,436
Taxation	6,762,123	7,010,640
<b>Total Current Liabilities</b>	<b>20,977,792</b>	<b>20,542,076</b>
<b>Total Liabilities</b>	<b>43,750,787</b>	<b>43,315,071</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>89,242,635</b>	<b>98,621,727</b>

<b>GAMPOST</b>	<b>2022</b>	<b>2021</b>
<b>REVENUE</b>	21,808,942	25,293,068
Cost of Sales		
<b>Gross Profit</b>	<b>21,808,942</b>	<b>25,293,068</b>
<b>Operating Expenses:</b>		
Admin and staff expenses	15,931,694	10,995,932
Depreciation charge	2,126,099	2,182,349
Other operating Expense	2,970,522	9,150,286
Other operating Income		
<b>Net Operating Expenses</b>	<b>21,028,315</b>	<b>22,328,567</b>
<b>Operating profit</b>	<b>780,626</b>	<b>2,964,501</b>
Interest receivable & similar income		
Interest payable & similar charges	<b>135,732</b>	119,373
Foreign currency translation		
Impairment		
<b>Profit before Tax</b>	<b>644,895</b>	<b>2,845,128</b>
Tax charged for the year	349,530	249,367
<b>NET PROFIT (LOSS)</b>	<b>295,365</b>	<b>2,595,761</b>

GAMCEL	31-Dec-22	31-Dec-21
Assets	GMD'000	GMD'000
<b>Non-Current Assets</b>		
Property, Plant and Equipment	249,628	267,278
Investment	15,813	15,813
	<b>265,441</b>	<b>283,091</b>
<b>Current Assets</b>		
Inventories	15,630	18,384
Trade and Other Receivables	129,073	135,483
Cash and Bank Balances	2,078	1,678
<b>Total Current Assets</b>	<b>146,780</b>	<b>155,545</b>
<b>Total Assets</b>	<b>412,221</b>	<b>438,636</b>
<b>Equity and Liabilities</b>		
<b>Equity</b>		
Share Capital	30,000	30,000
Share Premium	64,345	64,345
Retained Earnings	(1,046,890)	(942,603)
Revaluation Reserves	45,314	45,314
<b>Total Equity</b>	<b>(907,231)</b>	<b>(802,945)</b>
<b>Non-Current Liabilities</b>		
Long Term Debt	105,823	17,319
Other Long-Term Liabilities	435,079	485,079
	<b>540,902</b>	<b>502,398</b>
<b>Current Liabilities</b>		
Trade Payables	769,137	613,709
Taxation	9,413	7,505
Bank Overdraft	-	117,968
<b>Total Current Liabilities</b>	<b>778,550</b>	<b>739,183</b>
<b>Total Equity and Liabilities</b>	<b>412,221</b>	<b>438,636</b>

**GAMCEL**

**INCOME STATEMENT**

	<b>2022</b>	<b>2021</b>
<b>REVENUE</b>	190,638,000	246,413,000
Cost of Sales /DOE	82,038,000	92,411,000
<b>Gross Profit</b>	<b>108,600,000</b>	<b>154,003,000</b>
<b>Operating Expenses:</b>		
Admin and staff expenses	179,172,000	184,655,000
Depreciation charge	36,418,000	36,698,000
Other operating Income		
<b>Net Operating Expenses</b>	<b>215,590,000</b>	<b>221,353,000</b>
<b>Operating loss/profit</b>	<b>(106,990,000)</b>	<b>(67,350,000)</b>
Interest receivable & similar income	170,000	184,000
Interest payable & similar charges	11,584,000	8,533,000
Foreign currency translation		
Impairment		
<b>Profit before Tax</b>	<b>(118,404,000)</b>	<b>(75,699,000)</b>
Tax charged for the year	1,908,000	2,466,000
<b>NET PROFIT/(LOSS)</b>	<b>(120,312,000)</b>	<b>(78,165,000)</b>

<b>GAMTEL</b>	<b>31/12/22 Q4</b>	<b>31/12/21</b>
<b>Assets</b>		
Non-Current Assets		
Property, plant and equipment	1,120,725,000	1,233,840,000
Investments	122,590,000	122,590,000
Long Term Receivable		
<b>Total Non-Current Assets</b>	<b>1,243,315,000</b>	<b>1,356,430,000</b>
Current Assets		
Inventory	33,496,000	56,198,000
Trade and other Receivables	1,049,950,000	999,314,000
Cash & Cash Equivalents	1,870,000	31,613,000
<b>Total Current Assets</b>	<b>1,085,316,000</b>	<b>1,087,125,000</b>
<b>TOTAL ASSETS</b>	<b>2,328,632,000</b>	<b>2,443,555,000</b>
<b>Equity &amp; Liabilities</b>		
<b>Equity</b>		
Share Capital	60,000,000	60,000,000
Revaluation reserve	404,107,000	404,107,000
General reserve	10,000,000	10,000,000
Retained earnings	(307,969,000)	(117,894,000)
<b>Total Equity</b>	<b>166,138,000</b>	<b>356,213,000</b>
<b>Non-Current Liabilities</b>		
Borrowings due after one year	1,274,550,000	1,425,000,000
<b>Current Liabilities</b>		
Borrowings within one year	5,212,000	6,323,000
Trade and other payables	882,732,000	656,019,000
Taxation		
<b>Total Current Liabilities</b>	<b>887,944,000</b>	<b>662,342,000</b>
<b>Total Liabilities</b>	<b>2,162,494,001</b>	<b>2,087,342,000</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>2,328,632,000</b>	<b>2,443,555,000</b>

GAMTEL	31/12/22	31/12/21
REVENUE	400,192,000	386,316,000
Cost of Sales/DOE	145,072,000	84,309,000
Gross Profit	255,120,000	302,007,000
Operating Expenses:		
Admin and staff expenses	475,997,000	434,586,000
Depreciation charge	205,878,000	235,731,000
Other Operating Expenses		
Other operating Income	25,059,000	23,206,000
Net Operating Expenses	656,816,000	647,111,000
Operating profit	(401,696,000)	(345,104,000)
Interest receivable & similar income	494,000	
Interest payable & similar charges	24,975,000	8,861,000
Foreign currency translation		
Impairment		
Profit before Tax	(426,177,000)	(353,965,000)
Taxation	4,002,000	4,095,000
NET PROFIT/LOSS	(430,179,000)	(358,060,000)

<b>GCCA</b>	<b>31 Dec 2022</b>	<b>31 Dec 2021</b>
Assets		
Non-Current Assets		
Property, plant and equipment	3,895,513,187	3,884,077,878
Investments		
Long Term Receivable		
Total Non-Current Assets	3,895,513,187	3,884,077,878
Other Current Assets		-
Inventory		209,092,400
Trade and other Receivables		(109,761,559)
Cash & Cash Equivalents		(44,284,915)
Total Current Assets	391,055,358	88,810,673
<b>TOTAL ASSETS</b>	<b>4,286,568,546</b>	<b>3,972,888,551</b>
Equity & Liabilities		
Equity		
Share Capital	279,466,000	279,466,000
Revaluation reserve	1,891,177,967	1,891,177,967
General reserve	2,197,401,019	2,737,514,019
Retained earnings	(2,242,339,991)	(2,475,389,720)
Total Equity	2,125,704,995	2,432,768,266
Non-Current Liabilities		
Borrowings due after one year		
Current Liabilities		
Borrowings within one year	3,143,800,028	3,153,259,394
Trade and other payables	122,437,568	122,099,378
Taxation	12,420,273	6,460,908
Total Current Liabilities	3,278,657,870	3,281,819,680
Total Liabilities	<b>3,278,657,870</b>	<b>3,281,819,680</b>
Total liabilities & equity	<b>5,404,362,897</b>	<b>5,714,587,946</b>
*(FS did not balance)		



<b>GCCA</b>	<b>31 Dec 2022</b>	<b>31 Dec 2021</b>
<b>REVENUE</b>	573,885,689	348,525,601
Cost of Sales / Direct Cost	67,341,073	62,770,202
<b>Gross Profit</b>	<b>506,544,616</b>	<b>285,755,399</b>
<b>Operating Expenses:</b>		
Admin and staff expenses	291,106,837	355,014,902
Depreciation charge		
Other operating Expenses		
Other operating Income	73,883,774	41,553,572
<b>Net Operating Expenses</b>	<b>217,223,063</b>	<b>313,461,330</b>
<b>Operating profit</b>	<b>289,321,553</b>	<b>(27,705,931)</b>
Accrued Interest	(822,576,118)	(673,553,371)
Interest payable & similar charges		
Foreign currency translation		
Impairment		
<b>Profit before Tax</b>	<b>1,111,897,671</b>	<b>645,847,440</b>
Tax charged for the year		
<b>NET PROFIT (Loss)</b>	<b>1,111,897,671</b>	<b>645,847,440</b>

<b>GIA</b>	<b>2022</b>	<b>2021</b>
<b>Assets</b>		
Non-Current Assets		
Property, plant and equipment	244,906,000	241,217,000
Investments		
Long Term Receivable		
<b>Total Non-Current Assets</b>	<b>244,906,000</b>	<b>241,217,000</b>
Current Assets		
Inventory	5,628,000	950,000
Trade and other Receivables	96,388,000	81,152,000
Cash & Cash Equivalents	38,451,000	29,240,000
<b>Total Current Assets</b>	<b>140,467,000</b>	<b>111,342,000</b>
<b>TOTAL ASSETS</b>	<b>385,372,000</b>	<b>352,559,000</b>
<b>Equity &amp; Liabilities</b>		
<b>Equity</b>		
Share Capital	16,766,000	16,766,000
Revaluation reserve		5,808,000
General reserve		
Retained earnings	22,395,000	
<b>Total Equity</b>	<b>39,161,000</b>	<b>22,574,000</b>
<b>Non-Current Liabilities</b>		
Borrowings due after one year	<b>175,133,000</b>	<b>160,922,000</b>
<b>Current Liabilities</b>		
Borrowings within one year/OD	9,989,000	27,200,000
Trade and other payables	134,082,000	112,900,000
Taxation	27,007,000	28,963,000
<b>Total Current Liabilities</b>	<b>171,078,000</b>	<b>169,063,000</b>
<b>Total Liabilities</b>	<b>346,211,000</b>	<b>329,985,000</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>385,372,000</b>	<b>352,559,000</b>

	<b>2022</b>	<b>2021</b>
GIA		
<b>REVENUE</b>	227,871,130	148,533,000
Cost of Sales		53,001,000
<b>Gross Profit</b>	<b>227,871,130</b>	<b>95,532,000</b>
<b>Operating Expenses:</b>		
Admin and staff expenses	126,195,743	85,398,000
Depreciation charge	22,068,752	16,344,000
Other operating Expense	53,578,881	
Other operating Income/Grant		17,252,000
<b>Net Operating Expenses</b>	<b>201,843,376</b>	<b>84,490,000</b>
Operating profit	<b>26,027,754</b>	<b>11,042,000</b>
Interest receivable & similar income		1,898,000
Interest payable & similar charges	984,001	9,564,000
Foreign currency translation Impairment		
<b>Profit before Tax</b>	<b>25,043,753</b>	<b>3,376,000</b>
Tax	1,181,401	2,228,000
<b>Net Profit/Loss</b>	<b>23,862,352</b>	<b>1,148,000</b>

**GNPC**

<b>Assets</b>	<b>31-Dec-22</b>	<b>31-Dec-21</b>
Non-Current Assets		
Property, plant and equipment	483,920,246	672,516,000
Investments	179,173,184	179,173,184
Long Term Receivable		
<b>Total Non-Current Assets</b>	<b>663,093,430</b>	<b>851,689,184</b>
<b>Current Assets</b>		
Inventory	165,020,012	89,852,000
Trade and other Receivables	436,446,575	667,251,000
Cash & Cash Equivalents	350,354,612	358,974,000
<b>Total Current Assets</b>	<b>951,821,199</b>	<b>1,116,077,000</b>
<b>TOTAL ASSETS</b>	<b>1,614,914,629</b>	<b>1,967,766,184</b>
<b>Equity &amp; Liabilities</b>		
<b>Equity</b>		
Share Capital	20,000,000	20,000,000
Revaluation reserve		228,147,000
General reserve		
Retained earnings	1,113,521,376	732,586,000
<b>Total Equity</b>	<b>1,133,521,376</b>	<b>980,733,000</b>
<b>Non-Current Liabilities</b>		
Borrowings due after one year		
<b>Current Liabilities</b>		
Borrowings within one year		
Trade and other payables	377,315,339	888,106,000
Taxation	104,077,913	98,926,000
<b>Total Current Liabilities</b>	<b>481,393,252</b>	<b>987,032,000</b>
<b>Total Liabilities</b>	<b>481,393,252</b>	<b>987,032,000</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>1,614,914,629</b>	<b>1,967,765,000</b>

<b>GNPC</b>	<b>31-Dec-22</b>	<b>31-Dec-21</b>
<b>REVENUE</b>	1,671,564,604	1,931,322,000
Cost of Sales	1,479,436,944	1,741,702,000
<b>Gross Profit</b>	<b>192,127,659</b>	<b>189,620,000</b>
<b>Operating Expenses:</b>		
Admin and staff expenses	133,917,178	146,370,000
Depreciation charge	37,182,375	29,797,000
Other Operating Expenses		
Other Operating Income	21,687,909	69,413,000
<b>Net Operating Expenses</b>	<b>149,411,644</b>	<b>106,754,000</b>
<b>Operating profit</b>	<b>42,716,015</b>	<b>82,866,000</b>
Interest receivable & similar income		
Interest payable & similar charges	(4,857,543)	(5,824,000)
Foreign currency translation	1,042,333	(2,078,000)
Impairment		
<b>Profit before Tax</b>	<b>38,900,805</b>	<b>74,964,000</b>
Tax charged for the year	16,845,630	16,262,000
<b>NET PROFIT FOR THE YEAR</b>	<b>22,055,175</b>	<b>58,702,000</b>

**GAMBIA PORTS AUTHORITY (GPA)**

<b>Assets</b>	<b>2022</b>	<b>2021</b>
Non-Current Assets		
Property, plant and equipment	2,097,589,000	1,919,243,000
Investments	234,743,000	234,743,000
Long Term Receivable		
<b>Total Non-Current Assets</b>	<b>2,332,332,000</b>	<b>2,153,986,000</b>
Other Current Assets		
Inventory	105,604,000	58,360,000
Trade and other Receivables	758,573,000	963,863,000
Cash & Cash Equivalents	982,728,000	1,594,817,000
<b>Total Current Assets</b>	<b>1,846,905,000</b>	<b>2,617,040,000</b>
<b>TOTAL ASSETS</b>	<b>4,179,237,000</b>	<b>4,771,026,000</b>
Equity & Liabilities		
Equity		
Share Capital	16,342,000	16,342,000
Revaluation reserve	1,437,297,000	1,437,296,000
General reserve		
Retained earnings	2,546,981,000	2,437,352,000
<b>Total Equity</b>	<b>4,000,620,000</b>	<b>3,890,990,000</b>
Non-Current Liabilities		
Borrowings due after one year	71,495,000	204,523,000
Current Liabilities		
Borrowings within one year		
Trade and other payables	250,112,000	675,513,000
Taxation		
<b>Total Current Liabilities</b>	<b>250,112,000</b>	<b>675,513,000</b>
<b>Total Liabilities</b>	<b>178,617,000</b>	<b>880,036,000</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>4,179,237,000</b>	<b>4,771,026,000</b>

GPA	2022	2021
<b>REVENUE</b>	<b>1,553,568,000</b>	<b>1,971,649,000</b>
Cost of Sales	312,034,000	419,880,000
<b>Gross Profit</b>	<b>1,241,534,000</b>	<b>1,551,769,000</b>
<b>Operating Expenses:</b>		
Admin and staff expenses	1,000,642,000	858,004,000
Depreciation charge	117,345,000	154,490,000
Other operating Expense		
Other operating Income	57,666,000	10,642,000
<b>Net Operating Expenses</b>	<b>1,060,321,000</b>	<b>1,001,852,000</b>
<b>Operating profit</b>	<b>149,075,000</b>	<b>549,917,000</b>
Interest receivable & similar income	17,638,000	29,473,000
Interest payable & similar charges	6,988,000	33,322,000
Foreign currency translation		
Impairment		
<b>Profit before Tax</b>	<b>191,863,000</b>	<b>546,068,000</b>
Tax charged for the year	51,803,000	147,438,000
<b>NET PROFIT</b>	<b>140,060,000</b>	<b>398,630,000</b>

**GPPC**

<b>Assets</b>	<b>2022</b>	<b>2021</b>
Non-Current Assets		
Property, plant and equipment	116,942,400	111,415,803
Investments		
Long Term Receivable		
<b>Total Non-Current Assets</b>	<b>116,942,400</b>	<b>111,415,803</b>
Current Assets		
Inventory	8,725,223	8,403,833
Trade and other Receivables	36,072,299	25,727,353
Cash & Cash Equivalents	(3,168,829)	147,528
<b>Total Current Assets</b>	<b>41,628,693</b>	<b>34,278,714</b>
<b>TOTAL ASSETS</b>	<b>158,571,092</b>	<b>145,694,517</b>
<b>Equity &amp; Liabilities</b>		
<b>Equity</b>		
Share Capital	10,000,000	10,000,000
Revaluation reserve	75,026,273	75,026,273
General reserve		
Retained earnings	11,545,225	(3,203,402)
<b>Total Equity</b>	<b>96,571,498</b>	<b>81,822,871</b>
<b>Non-Current Liabilities</b>		
Borrowings due after one year	8,908,246	<b>5,817,753</b>
<b>Current Liabilities</b>		
Borrowings within one year		9,889,118
Trade and other payables	24,819,014	25,100,921
Taxation	28,272,335	23,063,854
<b>Total Current Liabilities</b>	<b>53,091,349</b>	<b>58,053,893</b>
<b>Total Liabilities</b>	<b>61,999,595</b>	<b>63,871,646</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>158,571,092</b>	<b>145,694,517</b>



GPPC	2022	2021
REVENUE	51,799,531	39,713,544
Cost of Sales	7,531,496	8,512,693
Gross Profit	44,268,035	31,200,851
Operating Expenses:		
Admin and staff expenses	25,841,710	27,342,235
Depreciation charge		3,487,553
Other operating Income		
Net Operating Expenses	25,841,710	30,829,788
Operating profit	18,426,324	371,063
Interest receivable & similar income		
Interest payable & similar charges		1,697,661
Foreign currency translation		
Impairment		
Profit before Tax	18,426,324	(1,326,598)
Tax charged for the year		397,135
NET PROFIT/LOSS	18,426,324	(1,723,733)

<b>GRTS</b>		
<b>Assets</b>	<b>2022</b>	<b>2021</b>
Non-Current Assets		
Property, plant and equipment	157,943,349	176,828,477
Investments		
Long Term Receivable		
<b>Total Non-Current Assets</b>	<b>157,943,349</b>	<b>176,828,477</b>
Other Current Assets		
Inventory		
Trade/Debtors and other Receivables	70,727,099	70,783,239
Cash & Cash Equivalents	9,733,019	(1,278,233)
<b>Total Current Assets</b>	<b>80,460,118</b>	<b>69,505,006</b>
<b>TOTAL ASSETS</b>	<b>238,403,466</b>	<b>246,333,483</b>
<b>Equity &amp; Liabilities</b>		
<b>Equity</b>		
Share Capital		
Revaluation reserve		
General reserve	71,076,905	73,333,247
Retained earnings	130,933,611	123,414,988
<b>Total Equity</b>	<b>202,010,516</b>	<b>196,748,235</b>
<b>Non-Current Liabilities</b>		
Borrowings due after one year	12,654,804	<b>15,654,804</b>
<b>Current Liabilities</b>		
Borrowings within one year		
Trade and other payables	19,939,293	25,049,260
Taxation	3,798,854	8,881,185
<b>Total Current Liabilities</b>	<b>23,738,148</b>	<b>33,930,445</b>
<b>Total Liabilities</b>	<b>36,392,952</b>	<b>49,585,249</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>238,403,468</b>	<b>246,333,484</b>

GRTS	2022	2021
REVENUE	204,675,030	197,480,000
Cost of Sales		-
Gross Profit	204,675,030	197,480,000
Operating Expenses:		
Admin and staff expenses	125,551,763	77,163,000
Depreciation charge	22,857,945	17,106,000
Other operating Expenses	4,190,554	21,930,000
Other operating Income		-
Net Operating Expenses	152,600,262	116,199,000
Operating profit	52,074,768	81,281,000
Interest receivable & similar income		
Interest payable & similar charges		
Foreign currency translation		
Impairment		250,000
Profit before Tax	52,074,768	81,031,000
Tax charged	(2,046,750)	(4,278,000)
NET PROFIT/Loss	50,028,018	76,753,000

<b>NAWEC</b>	<b>2022</b>	<b>2021</b>
<b>Assets</b>		
Non-Current Assets		
Property, plant and equipment	8,749,559,170	8,381,085,000
Investments		
Long Term Receivable		
<b>Total Non-Current Assets</b>	<b>8,749,559,170</b>	<b>8,381,085,000</b>
Current Assets		
Inventory	608,102,664	579,470,000
Trade and other Receivables	771,086,937	499,750,000
Cash & Cash Equivalents	<u>159,722,002</u>	443,365,000
<b>Total Current Assets</b>	<b>1,538,911,604</b>	<b>1,522,585,000</b>
<b>TOTAL ASSETS</b>	<b>10,288,470,774</b>	<b>9,903,670,000</b>
<b>Equity &amp; Liabilities</b>		
<b>Equity</b>		
Share Capital	2,714,355,656	2,714,357,000
Revaluation reserve	1,581,393,645	1,581,375,000
General reserve	5,348,512,114	
Retained earnings	(11,587,969,912)	(2,848,285,000)
<b>Total Equity</b>	<b>(1,943,708,497)</b>	<b>1,447,447,000</b>
<b>Non-Current Liabilities</b>		
Borrowings due after one year	7,725,499,299	<b>5,672,542,000</b>
<b>Current Liabilities</b>		
Borrowings within one year	1,056,364,469	1,536,929,000
Trade and other payables	3,433,517,166	1,246,851,000
Taxation	16,798,337	
<b>Total Current Liabilities</b>	<b>4,506,679,971</b>	<b>2,783,780,000</b>
<b>Total Liabilities</b>	<b>12,232,179,271</b>	<b>8,456,322,000</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>10,288,470,774</b>	<b>9,903,769,000</b>

NAEWC	2022	2021
REVENUE	5,235,323,969	4,419,839,000
Cost of Sales	5,998,098,242	3,935,014,000
Gross Profit	(762,774,273)	484,825,000
Operating Expenses:		
Admin and staff expenses	537,465,808	898,356,000
Depreciation charge /Amortization	550,935,881	296,339,000
Other operating Expense		38,887,000
Other operating Income	95,046,856	17,341,000
Net Operating Expenses	993,354,832	1,138,467,000
Operating profit	(1,756,129,105)	(653,642,000)
Interest receivable & similar income		1,477,000
Interest payable & similar charges	135,547,581	105,983,000
Foreign currency translation	1,101,419,108	105,169,000
Impairment		
Profit before Tax	(2,993,095,794)	(863,317,000)
Tax charged for the year		
NET PROFIT (LOSS)	(2,993,095,794)	(863,317,000)

**NFSPMC/GGC**

**Assets**

	<b>2022</b>	<b>2021</b>
Non-Current Assets		
Property, plant and equipment	242,974,567	229,973,556
Investments		
Long Term Receivable		
<b>Total Non-Current Assets</b>	<b>242,974,567</b>	<b>229,973,556</b>
Current Assets		
Inventory	694,515,364	83,321,617
Trade/Debtors and other Receivables	551,327,801	572,158,957
Cash & Cash Equivalents	579,812,881	200,872,553
<b>Total Current Assets</b>	<b>1,825,656,046</b>	<b>856,353,127</b>
<b>TOTAL ASSETS</b>	<b>2,068,630,613</b>	<b>1,086,326,683</b>

**Equity & Liabilities**

**Equity**

Share Capital	75,500,000	75,500,000
Revaluation reserve		
General reserve		
Retained earnings	(478,359,657)	(199,043,965)
<b>Total Equity</b>	<b>(402,859,657)</b>	<b>(123,543,965)</b>

**Non-Current Liabilities**

Borrowings due after one year	2,322,909,827	917,121,036
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**Current Liabilities**

Borrowings within one year/payroll liability		100
Trade and other payables	79,299,903	213,541,295
Taxation	69,280,540	79,208,217

<b>Total Current Liabilities</b>	<b>148,580,443</b>	<b>292,749,612</b>
<b>Total Liabilities</b>	<b>2,471,490,270</b>	<b>1,209,870,648</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>2,068,630,613</b>	<b>1,086,326,683</b>

NFSPMC/GGC	2022	2021
REVENUE	1,753,442,168	1,017,832,923
Cost of Sales/Production & processing cost	1,454,830,435	860,296,990.6
Gross Profit	298,611,733	157,535,932
Operating Expenses:		
Admin and staff expenses	94,622,312	57,800,805
Depreciation & Amort. charge	29,196,635	28,273,965
Other Operating Expenses		
Other Operating Income & Grant Income	25,555,473	56,073,648
Net Operating Expenses	98,263,474	30,001,122
Operating profit	200,348,258	127,534,810
Interest receivable & similar income		
Interest payable & similar charges	199,727,619	82,964,055
Foreign currency translation	203,456	(3,431,781)
Impairment		
Profit before Tax	824,095	41,138,975
Tax charged for the year	222,506	11,107,523
NET PROFIT /LOSS	601,589	30,031,451

SSHFC

	12/31/22	12/31/21
Assets		
Non-Current Assets		
Property, plant and equipment		
Investments/Equity/Properties	3,175,665,000	3,175,545,000
Long Term Receivable	496,957,000	393,894,000
Total Non-Current Assets	3,672,622,000	3,569,439,000
Other Current Assets		
Inventory		
Trade and other Receivables	231,373,000	231,373,000
Cash & Cash Equivalents	2,416,423,000	2,177,155,000
Total Current Assets	2,647,796,000	2,408,528,000
TOTAL ASSETS	6,320,418,000	5,977,967,000
Equity & Liabilities		
Equity		
Share Capital/Members Fund	7,355,189,000	6,784,399,000
Revaluation reserve	1,009,036,000	1,009,036,000
General reserve/Benefits	993,715,000	997,927,000
Retained earnings	25,493,000	21,826,000
Total Equity	9,383,433,000	8,813,188,000
Non-Current Liabilities		
Borrowings due after one year		
Current Liabilities		
Borrowings within one year		
Trade and other payables		
Taxation		
Total Current Liabilities	0	0
Total Liabilities	0	0
TOTAL EQUITY & LIABILITIES	9,383,433,000	8,813,188,000

\*(FS did not balance)



<b>SSHFC</b>	<b>2022</b>	<b>2021</b>
<b>REVENUE</b>	403,889,000	536,873,000
Cost of Sales		
Gross Profit	403,889,000	536,873,000
Operating Expenses:		
Admin and staff expenses	241,539,000	177,924,000
Depreciation charge		
Other operating Expense	8,695,000	9,803,000
Other operating Income		
Net Operating Expenses	250,234,000	187,727,000
Operating profit	153,655,000	349,146,000
Interest receivable & similar income		
Interest payable & similar charges		
Foreign currency translation		
Impairment		
Profit before Tax	153,655,000	349,146,000
Tax charged for the year		
<b>NET PROFIT</b>	<b>153,655,000</b>	<b>349,146,000</b>