
GAMBIA TELECOMMUNICATIONS COMPANY LIMITED (GAMTEL)

**Annual Report and Financial Statements For The Year Ended
31st December 2020.**

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General Information

Directors	Mr. Ahmad Tijan Jallow	Chairman
	Mr. Lamin Saidy	Vice Chairman
	Mrs. Fatou Sinyan-Mergan	Member
	Mr Mustapha Darboe	Member
	MR Ousman Jobarteh	Member
	Mrs Agnes Macaulay	Member
	Mr Lamin A Tunkara	Ex-officio
	Mrs Elizabeth Mendy-Johnson	Ex-officio
	Mrs Amie Njie	Ex-officio
	Mr Abdoulie Jallow	Ex-officio
Secretary	Mr. Sarjo S.A. Ceesay	
Bankers	Trust Bank Limited	Access Bank (Gambia) Limited
	3-4 Ecowas Avenue, Banjul	47 Kairaba Avenue, KSMD
	The Gambia	The Gambia
	Ecobank Gambia Limited	Arab Gambia Islamic Bank Limited
	42 Kairaba Avenue	Becca Plaza, 7 Ecowas Avenue
	The Gambia	Banjul, The Gambia
	Guaranty Trust Bank (G) Limited	Standard Chartered Bank (Gambia)
	56 Kairaba Avenue. KSMD	Limited
	The Gambia	8 Ecowas Avenue
		KSMD, The Gambia
	Zenith Bank (Gambia) Limited	Skye Bank (Gambia) Limited
	49 Kairaba Avenue, Serrekunda	Kairaba Avenue
	Banjul, The Gambia	KSMD, The Gambia
	FBN Bank	First Int'l (F.I.B) Ltd.
	48 Kairaba Avenue	2 Kairaba Avenue
	KSMD, Serrekunda, The Gambia	Serrekunda, The Gambia
	Megabank (Gambia)	
	Limited	
	Kairaba Avenue	
	KMC	
Auditors:	Accord Associates	
	Manjonka House	
	Kanifing Estate Block A6	
	Jimpex Road (opp,NEA	
	office)	



P.O.Box 2124 Serekunda
KMC, The Gambia

Solicitors:

Amie Bensouda & co
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Attorney General Chambers
4th Marina Parade
Banjul, The Gambia

**Registered
office**

GAMTEL House
3 Nelson Mandela Street
Banjul, The Gambia

Directors Report

DIRECTORS' REPORT FOR THE YEAR ENDED 31st DECEMBER 2020

The Directors of the company present their report and the audited financial statements of The Gambia Telecommunications Company (GAMTEL) Limited for the year ended 31st December 2020.

State of Affairs

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

Principal Activities

The principal activity of Company is to provide voice and data services to its customers.

Statement of Directors' responsibilities

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

- *select suitable accounting policies and then apply them consistently;*
- *make judgments and estimates that are reasonable and prudent;*
- *state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;*
- *prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.*

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

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



Dividends

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

Property, plant and equipment

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

Auditors

The Auditors, Accord Associates, were appointed by the National Audit Office for a term of five (5) years ending 31 December 2023.

By order of the Board of Directors

.....
Secretary

Date: 14/4/.....2022

Independent Auditor's Report

To the Board of Directors of Gambia Telecommunications Company Limited (GAMTEL)
Opinion

We have audited the financial statements of Gambia Telecommunications Company Limited (GAMTEL) set out on pages 9 to 29, which comprise the Statement of Financial Position as at 31st December 2020, the Statement of Profit or Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We drew attention to the fact that the entity has been making significant losses both in 2019 and 2020. The loss reported in 2019 was GMD 172 million and the reported loss has increase to GMD 420 million in 2020. We also drew attention to the statement of changes in equity on page 11 which indicates prior year adjustments of positive GMD 184 million for 2019 and negative GMD 59 million in 2020.

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

Key Audit Matters

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

Other Information

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

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

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

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

Responsibilities of the directors for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Accord Associates

Accord Associates

Chartered Accountants

Registered Auditors

Banjul The Gambia

Date... *14 April* 2022

Statement of profit or loss

for the year ended 31st December, 2020.

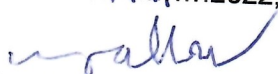
	NOTES	31 Dec. 2020 GMD' 000	31 Dec. 2019 GMD' 000
Revenue			
Cost of sales	2	297,643	591,098
	3	(101,744)	(155,508)
Gross profit		195,899	435,590
Operating Profit			
Administrative Cost	14	(199,328)	(178,312)
Personal Cost	6	(159,412)	(160,621)
Depreciation	22	(240,524)	(254,916)
Net Operating Expense		(599,264)	(593,849)
Operating Profit/ (Loss)		(403,365)	(158,259)
Other Income	4	8,970	15,240
Profit/ (Loss) before Interest and Tax		(394,395)	(143,019)
Interest Expense & Similar Charges	20	(22,979)	(22,979)
Profit/(Loss) before Tax		(417,374)	(165,998)
Taxation	7	(3,066)	(6,063)
Profit/(loss) for the year		(420,440)	(172,061)



Statement of financial position as at 31st December, 2020.

		31 Dec. 2020 GMD' 000	31 Dec. 2019 GMD' 000
Assets	NOTES		
Non-current assets			
Property, plant and equipment	22	1,315,704	1,593,940
Investment	8	122, 575	122, 575
Total non-current assets		1,438,279	1,716,515
Current Assets			
Inventory	9	18,944	39,813
Trade and other receivables	10	948,358	1,069,557
Cash at bank and in hand	13	19,166	21,931
Total current Assets		986,468	1,131,301
Total assets		2,424,747	2,847,816
Equity and liabilities			
capital and reserves			
Share capital		60,000	60,000
General reserve		10,000	10,000
Retained earnings	21	106,486	585,754
Revaluation reserve		404,107	404,107
Non-current liabilities		580,593	1,059,861
Borrowings due after 1 year	11	1,260,682	1,263,159
Current liabilities		1,260,682	1,263,159
Borrowing due within 1 year	11	-	-
Trade and other payables	12	546,733	476,887
Bank overdraft	13	4,089	12,920
Taxation	7	32,649	34,989
Total current liabilities		583,471	524,796
Total equity and liabilities		2,424,747	2,847,816

These financial statements were approved by the Board of Directors on 14/14/2022, and were signed on its behalf by:


.....Chairperson


.....Director

Statement of Changes in Equity

for the year ended 31 December, 2020

	Share Capital GMD' 000	General Reserve GMD' 000	Retained Earnings GMD' 000	Revaluation Reserve GMD' 000	Total GMD' 000
At 01 January 2020	60,000	10,000	585,754	404,107	1,059,861
Profit /(Loss) for the year			(420,440)		(420,438)
Prior year adjustment (see note 17)			(58,830)		(58,830)
At 31 December, 2020	60,000	10,000	106,484	404,107	580,593
At 01 January, 2019	60,000	10,000	573,816	404,107	1,047,923
Profit / loss for the year			(172,062)		(172,062)
Prior year adjustment			184,000		184,000
At 31 December, 2019	60,000	10,000	585,754	404,107	1,059,861



Statement of Cash Flow

FOR THE YEAR ENDED 31 DECEMBER 2020

	NOTES	31 DEC. 2020 GMD' 000	31 DEC. 2019 GMD' 000
Operating Activities			
Operating profit/loss		(403,365)	(143,020)
Adjustment (balancing figure)		107,870	22,103
Depreciation	22	240,524	254,916
Increase in provision for bad debts	14	20,796	19,127
Increase in provision for inventory	9	(20,868)	(14,915)
Prior year adjustment- retained earnings	21	(58,830)	122,000
Stock take adjustment	9	2,977	272
Operating profit before working capital changes		(110,896)	260,483
(Increase) / Decrease in inventories	9	20,869	(13,825)
Decrease / (Increase in receivables	10	121,199	(36,383)
Increase / (Decrease) / in payables		(8,831)	(202,269)
Cash generated from operations		22,341	8,006
Interest paid	20	22,979	(22,979)
Interest received	-	-	-
Corporation tax paid	7	5,406	(13,136)
Investing Activities		50,726	(28,109)
acquisition of property, plant and equipment	22	(51,127)	(733,446)
decrease in investment	8	-	15,813
proceeds from disposal of fixed assets		111	510
Cash flow from investing activities		(51,016)	(717,123)
Financing Activities			
(Decrease) / Increase in long term borrowing		(2,477)	677,955
(Decrease) / Increase in short term borrowing		-	(13,166)
Cash flow from financing activities		(2,477)	664,789
Net increase / (decrease) in cash and cash equivalents		(2,767)	(80,443)
Cash and cash equivalents as at 1 January 2020		21,931	102,373
Cash and cash equivalents as at 31 December 2020		19,164	21,930

Notes (forming parts of the financial statement)

1 Accounting Policies

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

1.1 Accounting convention

The financial statements have been prepared under the historical cost convention in accordance with Generally Accepted Accounting Principles (GAAP) using an accruals basis of accounting and relevant provisions of the companies (Gambia) Act, 2013.

1.2 Revenue Recognition

Revenue represent the invoiced amount to local and international billing customers, prepaid revenue arising from recharge cards, interconnection revenue and sale of data services.

Revenue is recognised net after deducting value added Tax of 15%, Excise Duty of 5% and GRTS user fees of 1.25%

1.3 Property, Plant and Equipment

Items of property, plant and equipment are stated at cost less accumulated depreciation, cost includes all directly attributable incidental expenses incurred in acquiring the asset and bringing the asset to its present location and condition for it to become fully operational..

Depreciation

Depreciation is provided on property, plant and equipment, excluding land, at the annual rates calculated to write off the cost of each asset over its estimated useful life on a straight line basis as follows:

Building	5%
Technical equipment	15%
furniture and equipment & office equipment	15%
Motor Vehicles	25%
Computer hard ware and software	33%

Subsequent expenditure

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

Development Expenditures



Capitalised development expenditure is stated at cost less accumulated amortisation and impairment loss.

1.4 Inventories

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

1.5. Foreign Currencies

Monetary assets and liabilities denominated in foreign currencies are converted to Dalasi at the period end exchange rate at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of transaction. All Gains and losses arising are transferred to the income statement in the period in which they arose.

1.6. Pension Scheme

Effective 1st January 2004, the company contributes 15% of employees' gross salaries to the Social Security and Housing and Finance Corporation Pension Fund. Obligation for contributions to the pension plan are recognised as expense in the income statement when incurred.

1.7. Taxation

Tax is charged on the basis of the higher 1% of gross turnover for the period or 27% tax adjusted accounting profits in accordance with section 79 (3a, b) and the first schedule of the income and Value Added Tax Act 2012. Income tax is recognised in the income statement. Current tax is expected tax payable on the taxable income for the year.

1.8. Impairment

Assets that have an indefinite useful life are not subjected to amortisation and are tested for impairment. Assets that are subjected to amortisation are reviewed whenever events or changes in circumstances indicate that the carrying value is greater than the recoverable amount. An impairment loss is recognised for the amount by which the carrying amount exceeds the recoverable amount.

1.9. Provision

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

31 DEC. 2020

31 DEC. 2019

2. Revenue

	GMD' 000	GMD' 000
International Revenue	1,107	811
Interconnection Revenue	9,651	275,604
Local Revenue	14,467	15,604
Telephone Rentals	14,405	14,370
Leased Line Income	226,833	172,165
Prepaid card sales	1,566	3,307
Internet services	23,349	109,143
Other services	6,265	62
	297,643	591,066

3. Cost of sales

Material cost	94,107	73,393
Interconnection cost	4,165	52,885
International cost	3,472	29,230
	101,744	155,508

Profit before taxation after charging

Auditors' remuneration	488	200
Depreciation	240,524	254,916
Directors' remuneration	927	584

4. Other income

Training income	6,114	5,900
Co-location & e1 link	1,835	4,529
Miscellaneous income	910	3,812
Asset disposal	111	510
Unrealised gain/loss	-	490
	8,970	15,241

6. Staff number and costs

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

	31 DEC, 2020	31 DEC, 2019
Management	15	16
Others	924	969
	<u>939</u>	<u>985</u>

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

	31 DEC. 2020 GMD' 000	31 DEC. 2019 GMD' 000
Salaries	54,021	55,353
Pensions	16,384	18,270
Casuals	6,469	5,065
Allowances	75,306	74,660
Other staff cost	7,232	7,273
	<u>159,412</u>	<u>160,621</u>

7. Taxation

The tax charged in the financial statements are derived as thus:

Income statement

Tax provision at 27% of pbt or 1% of gross turnover for the year:

Balance sheet:

	31 DEC. 2020	31 DEC. 2019
	GMD' 000	GMD' 000
Balance brought forward	34,989	42,062
Current tax charged	3,066	6,063
Tax paid during the year	(5,406)	(13,136)
	32,649	34,989

8. Investments

	NOTES	31 DEC. 2020	31 DEC. 2019
		GMD' 000	GMD' 000
RASCOM	8.1	-	-
GAMCEL	8.2	93,833	93,833
GAMCO	8.3	15,600	15,600
GIA	8.4	166	166
GSC	8.5	28,576	28,576
		138,175	138,175
GAMCO PROVISION		(15,600)	(15,600)
		122,575	122,575

8.1 RASCOM

RASCOM is an inter-governmental Regional African Satellites Communications Organisation with a membership of 45 African states. GAMTEL current holds 1,113,594 shares in RASCOM at \$1 each out of a total share capital of \$63 million. As at 31st December 2017, due to the investment non performing: the board approved the write off.

8.2 GAMCEL

The investment represents the amount spent in the setting up of GAMCELL, 99% subsidiary of GAMTEL which was incorporated in November 2002.

8.3 GAMCO



This investment represents the total advances made to the Gambia Agricultural Marketing Company Limited (GAMCO) during the period 2004 to 2005 following Gambia Government's directives issued by the Ministry of Agriculture to facilitate the groundnut trade. GAMCO is now liquidated and the amount has been fully provided for as part of the company's impairment review procedure.

8.4 G.I.A

This represent a 1% stake in Gambia International Airlines valued at GMD16,600,000 divided into 1,660,000 shares of GMD10 each.

8.5 AFRICA COAST TO EUROPE (GSC INVESTMENT)

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

In the agreement, GAMTEL and GAMCEL are allocated 20% and 10% respectively of the capacity allocated to the Gambia representing the equivalent to their contribution to PPP financing agreement. Funds contributed through the PPP went towards the financing The Gambia submarine Cable Company Limited (GSC Ltd) established to coordinate the activities of the landing station. The ACE Landing station was completed inaugurated in December 2012

9. Inventory

	31 DEC. 2020	31 DEC. 2019
	GMD' 000	GMD' 000
Technical materials	40,322	59,914
Stationery materials	2,961	3,558
Stock take adjustments	2,977	2,779
	46,259	66,251
Provision for obsolescence	(27,316)	(26,439)
	18,944	39,812



10. Trade and other receivables

		31 DEC. 2020	31 DEC. 2019
		GMD' 000	GMD' 000
Trade receivables	10.1	1,554, 974	1,624,102
Advances to related parties	10.2	1,800	1,800
Other receivables	10.3	60,661	51,481
		<hr/>	<hr/>
		1,617, 435	1,677,383
Provision for bad debts	10.4	(669,077)	(607,827)
		<hr/>	<hr/>
		948, 358	1,069,556

10.1 Trade and other receivables

		31 DEC. 2020	31 DEC. 2019
		GMD'	GMD' 000
		000	
Interconnection (GAMCEL)	10.1a	448,552	459,058
Interconnection (Qcell)	10.1a	-	-
Interconnection (Africell)	10.1a	38,517	131,471
Overseas receivables	10.1b	(10,993)	9,527
Post-paid receivables	10.1c	1,017, 649	1,003,428
Receivables (GRTS)	10.1d	40,631	40,631
MGI receivables		20,618	20,618
Provision for bad and doubtful debts			(40,631)
		<hr/>	<hr/>
		1,554, 974	1,624,102

GRTS receivables was a long outstanding receivable which would not be paid for and was fully provided for as per the recommendations of the external auditors in last year financial statements.



10.1a Interconnections

The interconnections receivables represent net movements between incoming termination calls from GAMTEL. Settlement is done after netting of as dictated in the provisions of the interconnection agreements between the operators

10.1b Overseas Receivables

Overseas receivables relate to the balances due to the various international network carriers. They are managed by an international partner called MGI. The international partner in 2013 was TELL incorporated.

10.1c Post-paid Receivables

These relate to revenue received from customers based on various products line offered. Any increased or decreased in provision is accounted for through the income statement.

10.1d GRTS Receivables

This balance relate to the payments made on behalf of GRTS in the form of property, plant and equipment, supplier repayment commitment and other recurring expenses.

10.2 Advances to Related Parties

	31 DEC. 2020 GMD' 000	31 DEC. 2019 GMD' 000
GPTC	-	-
GRTS	-	-
GAMTEL Staff Association	500	500
GAMTEL Credit Union	500	500
	800	800
	<u>1,800</u>	<u>1,800</u>

These are advances made to related party institutions which have been outstanding for several years, and have been fully provided for in this financial statements.



10.3 Other Receivables

	31 DEC. 2020	31 DEC. 2019
	GMD' 000	GMD' 000
Input VAT	8,295	-
Staff loans	53,531	47,493
ACE Project	1,393	2,663
G2G fraud recovery	-	-
Goods received note not invoiced	(5,350)	(169)
GRA 10% withholding tax	(1,046)	(1,104)
GTMI Receivables	(1)	-
Staff Association loan support fund	67	-
Staff Association endowment fund	375	375
Staff Credit Union	-	9
Other Receivables	3,397	2,214
	<u>60,661</u>	<u>51,481</u>

10.4 Provision for doubtful debts

	31 DEC. 2020	31 DEC. 2019
	GMD' 000	GMD' 000
Post-paid Receivables	503,329	442,952
BEFAG loan	80,000	80,000
Other receivables	26,162	26,162
un-reconciles receivables	19,450	19,450
Intercompany receivables	22,197	22,197
Related Parties	2,743	2,743
Ex Staff Loans	15,196	15,196
	<u>669,077</u>	<u>608,700</u>

11. Borrowings

		31 DEC. 2020	31 DEC. 2019
		GMD' 000	GMD' 000
due after one year			
2% Government loan 2018/2022	11.1	10,682	13,158
AGIB/GAMTEL loan	11.2	-	-
NBN loan	11.3	1,250,000	1,250,000
		<u>1,260,682</u>	<u>1,263,158</u>

11.1 Trust Bank loan

A loan of GMD 80million was obtained from Trust Bank Limited in July 2009 to finance capital projects. This loan is repayable over 36 months at a rate of interest of 18. % per annum. The facility was extended to July 2017 with an additional loan of GMD 45.996 million in July 2012. The facility is secured on facility is secured on fixed charges over the company's head office properties. The loan is secured by title deeds of four properties.

11.2 Government loan from Gateway fund 2%

On the 12th of July 2018, the ministry of finance & Economic Affairs approved management to use an amount of US\$ 410000/GMD 19,803 million to be withdrawn from the restricted GATEWAY funds as a soft loan to procure 12 pick up vehicles. The loan will attract an interest rate of 2% per annum and repayable in 48 instalment months effective September 2018.

11.3 AGIB loan facility

On the 27th March 2018, AGIB Bank has offered a Murabaha Financing Facility of GMD15,325,000 to GAMTEL to be repaid from 27TH March 2018 to 31st August 2019 to cover a period of 18 months.

11.4 N.B.N loan

National Broadband Network (N.B.N) is a project financed through a loan between the export import Bank of China and the republic of the Gambia to the tune of \$25m. This is the latest and fastest broadband internet connectivity through fibre connections and HUAWEI and the Gambia Telecommunication Company limited (GAMTEL) Implemented the Project.

11.5 ECOWAN Differed Income

The ECOWAN infrastructure and E-Government program was estimated at a total cost of USD 33.26 Million of which the IDB Budgeted a total of USD 27.32 million under a combined istisna's of USD 23.69 and Loan 3.63 million, while the Government of the Gambia was to contribute USD 5.94 million all including a 10% contingency, the actual amount spent on the project USD 26.11 million. The IDB contribution was USD25,55 million, GAMTEL contribution was USD 0.5 million and Government of the Gambia contribution was USD 0.06 million towards its private LTE network.

Although the ECOWAN project deployed a total of 947 km of new fiber optic backhaul network, replaced all GAMTEL's obsolete switching and transmission system as well as upgraded or replaced Power and Environment System in 16 sites, this new fiber network was integrated with about 130km of existing fiber optic networks within the GBA covering the very critical sea crossing between Banjul and the North Bank Region and the Kombo

12. Trade and other payables

	NOTES	31 DEC. 2020	31 DEC. 2019
		GMD' 000	GMD' 000
Trade payables		41,729	45,120
Deposit by subscribers		45	45
Interconnection fees-comium	12.1	34,855	35,895
Accruals and other payables		136,139	108,586
Vat and excise payable		176,638	134,987
GRTS tax		12,955	11,707
MGI Tawa advances		10,000	10,000
GRA tax liability after reconciliation		51,073	52,919
Gateway funds due to government	12.2	74,346	72,231
GAMTEL/GAMTEL intercompany		4,675	2,185
Audit fees accrued		489	230
Local admin-Qcell		3,653	2,783
Other payables		136	198
		<u>546,733</u>	<u>476,886</u>

12.1 Interconnection fees- Comium

Operators charge each other interconnections fees for receiving and passing call for other operators' network. In such a process, Operators exchange at the end of each month call details reports (CDR's) for reconciliation purposes. Over the Years, GAMTEL/Comium as a result of the above process had disputes relating to the interconnection rate charges to GAMTEL from Comium min which GAMTEL management and the board of the directors have reservation about. The matter was arbitrated by the Public Utility Regulatory Authority (PURA) and concluded with a determination in favour of Comium. However, GAMTEL management and the Board of Directors continue to review and investigate the matter to find a proper resolution.



12.2 Gateway funds due to government

The GMD142,609 million is the amount owed to the Government of the Gambia as at 31st December 2017 through revenue generated from the GATEWAY Funds

12.3 Gambia Government/CFD Loan -D36.3 Million

During the year, Government settled this amount on behalf of GAMTEL .However, there was no correspondence provided to ascertain the terms and condition of the payment and as a result of the uncertainty management has capture it as a payable to Government until a confirmation is obtained from the Government.

13. Cash and cash equivalents

	31 DEC. 2020 GMD' 000	31 DEC. 2019 GMD' 000
Cash at bank	16,103	19,907
Cash in hand	3,063	2,025
	<u>19,166</u>	<u>21,932</u>
Bank overdraft	(4,089)	(12,920)
	<u>15,077</u>	<u>9,012</u>

14. Administrative Expenses

	31 DEC. 2020	31 DEC. 2019
	GMD' 000	GMD' 000
Electricity and water	38,960	38,332
Licenses/ and insurance	2,976	2,537
Freight	1,370	427
Rent/ and rates	1,980	2,155
Directors' fees	927	584
Space segment rental	-	1
Training	7,450	13,813
Conferences/ and meetings	2,922	8,092
National travels	4,389	4,344
Consultation fees	2,246	2,820
Audit fees	425	200
Advertisement	1,010	1,614
Maintenance	14,169	117
International contribution	-	31
Medical	13,103	10,802
Telecommunications	-	8
Bank charges	1,677	4,124
Donations	233	660
Computer expenses	105	43
Internet expenses	53,691	(500)
Miscellaneous expenses	1,016	359
Other cot contributions	-	33
Social development expenses	3,125	5,144
Write-off accounts	-	-
Provision for bad debts	20,796	19,198
Other provision for obsolete stock	-	-
Obsolete stock	877	-
Increase in stock provision	-	-
Prepaid card expenses	497	585
Fixed line operator licenses	614	2,573
Postage	21	427
Cleaning material	1,201	187
Stock take expenses	(156)	-
Tawa expenses	49	222
Education levy	-	17
Disposal of assets	-	-
Phone shop expenses	14,531	56
Other entertainment	-	1
Other contributions	8,250	18,890
GTMI yep expenditure	-	230
Provision for bad and doubtful	-	40,631
Unrealised losses	874	-
	<u>199,328</u>	<u>178,757</u>



15. Capital commitments

31 DEC. 2020

31 DEC. 2019

Authorised by the Board &
Contracted

GMD' 000

GMD' 000

16. Prior year adjustments

The prior Year adjustment in 2020 amounts to GMD (59) million which is the cumulative opening balance difference between the accounting system of GAMTEL and the closing balance of the audited accounts of 2020.

17. Events after the reporting period

The Company has no events after Financial Position date which would materially impact on its Financial Position or results.

18. Related party transactions

During the year, the company entered into the following transactions with related parties:

A. Amount owed by Related Parties:

	31-Dec-20	31-Dec-19
	GMD'00	GMD'000
Interconnection (GAMCEL)	448,552	-
Receivable-GRTS	-	-
	<u>448,552</u>	

GAMTEL owns 99% of GAMCEL and the amount owed to GAMTEL by the subsidiary is captured above. GRTS is owned by the Gambia Government and GAMTEL is also owned by the Government of the Gambia. The above balances have been qualified in the Audit Opinion due to the doubt of GAMCEL being able to settle the outstanding balance due to going concern of GAMCEL. With regards to the GRTS balance, this balance has been confirmed by GRTS as amount owed to GAMTEL.

B. Directors Remuneration

Details of Directors remuneration is captured in the disclosures under note 4 of the financial statements.

c. Amount due to related parties

	31st-Dec-20 GMD'000	31st-Dec-19 GMD'000
2% Government Loan		18,153
Gateway Funds due to Government	13,158	142,609
Gambia Government CFD	72,231	36,394
	-	
	85,389	197,156

The amount above are year end balances which are due to Government that owns 100% of Gamtel

	31st-Dec-20 GMD'000	31st-Dec-19 GMD'000
GAMTEL/GAMCEL Inter Company		14,939
	2,185	
	2,185	14,939

The amount above is the year end balance owed to GAMCEL by GAMTEL in which GAMTEL owns 99% of the Company.

19. Contingent liabilities

The contingent liabilities for the period under review are as follows:

19.1 Babadi Baldeh Vs Gamtel & 1 other Civil Suit no:HC529/09/09 CO/137/C1

Judgement was entered in favour of Babadi Baldeh on 20th May 2013 for the sum of D1,350,000 (One million three hundred and fifty thousand dalasi) as contributory negligence, D9,715 (Nine Thousand seven hundred and fifteen Dalasi) and CFA40,715 as special damages. Interest of 25% per annum from 5th June 2008 to 20th May 2013 and thereafter 4% till payment; and cost of D50, 000 (fifty thousand dalasi). GAMTEL has appealed against the said Judgement. A partial consent terms was agreed and file in the sum of D350,000 to be paid to Babadi Baldeh plus cost awarded in the high court in the sum of D65,000.



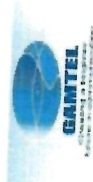
The court of appeal on 11th February 2016 dismissed the appeal file by GAMTEL. GAMTEL has appealed to the supreme court and the appeal is pending. The appeal is now pending before the supreme court of the Gambia

20. Interest and similar charges

	NOTE	31 DEC. 2020	31 DEC. 2019
Other loan interest		GMD' 000	GMD' 000
		22,979	22,979
		<u>22,979</u>	<u>22,979</u>

21. Retained earnings

	31st Dec-2020	31st-Dec-2019
Brought forward	GMB'000	GMB'000
	585,754	573,816
Prior year adjustment	(58,830)	114,766
	<u>526,924</u>	<u>688,582</u>
Profit/(Loss) for the year	-420,440	-172,062
Carried forward	<u>106,484</u>	<u>516,520</u>



22. Property, plant and equipment

Cost/Valuation	Capital Work in GMD'000	Plant, Equip. Dist'n Network GMD'000	Land and Buildings GMD'000	Motor Vehicles GMD'000	Furniture and Office Equip. GMD'000	Total GMD'000
At 1 January	59,786	4,014,515	512,421	80,947	254,638	4,922,308
Additions	27,675	3,184	8,682	4,706	6,880	51,127
Disposals	-	-	-	-	(96)	(96)
Prior year adjustment	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-
At 31 December	87,461	4,017,699	521,103	85,653	261,422	4,973,339
Depreciation						
At 1 January	-	2,925,221	185,927	68,968	237,090	3,417,207
Charge for the year	-	201,839	24,079	7,336	7,268	240,523
Disposals/Transfers	-	-	-	-	(96)	(96)
Prior year adjustments	-	-	-	-	542,388	542,388
At 31 December	-	3,127,060	210,006	76,305	244,804	3,657,635
Net Book Value						
31st December 2019	59,787	1,178,131	326,494	11,979	17,549	1,593,940
31st December 2020	87,461	890,638	311,096	9,348	16,618	1,315,704