



NATIONAL WATER & ELECTRICITY COMPANY LIMITED

(NAWEC)

FINANCIAL STATEMENTS AND REPORTS

FOR THE YEAR ENDED 31ST DECEMBER 2014

**AUGUSTUS PROM
AUDIT. TAX. ADVISORY.
REGISTERED AUDITORS**

**3 KAIRABA AVENUE
3RD FL. CENTENARY HOUSE
SERREKUNDA, KSMD
THE GAMBIA**

JANUARY 2016

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GENERAL INFORMATION

BOARD OF DIRECTORS:

Mr. Mustapha Colley	Chairman
Mr. Abdoulie Jallow	Ministry of Finance & Economic Affairs
Mr. Ebrima Sanyang	Managing Director NAWEC
Mr. Saihou Omar Sallah	Member
Ms. Mama Fatima Singhateh	Member
Hon. Bintanding Jarju	Member
Ms. Isatou Auber	Office of the President
Mr. Ada Gaye	Ministry of Energy
Mr. Shola Joiner	Member

BOARD SECRETARY:

Mr. Ebrima Sanyang

BANKERS:

Standard Chartered Bank (UK)
Euro Account

Trust Bank Limited
3/4 Ecowas Avenue
Banjul, The Gambia

Arab Gambian Islamic Bank Limited
Ecowas Avenue
Banjul, The Gambia

Guaranty Trust Bank (Gambia) Limited
56 Kairaba Avenue
KSMD, The Gambia

Standard Chartered Bank (Gambia) Limited
8 Ecowas Avenue
Banjul, The Gambia

First International Bank Limited
Kairaba Avenue
KSMD, The Gambia

Access Bank (Gambia) Limited
Kairaba Avenue
KSMD, The Gambia

Prime Bank (Gambia Limited)
Kairaba Avenue
KSMD, The Gambia

Eco Bank (Gambia) Limited
Kairaba Avenue
KSMD, The Gambia

Reliance Financial Services Limited

Kairaba Avenue
KSMD, The Gambia

Skye Bank (Gambia) Limited

Kairana Avenue
KSMD, The Gambia

Bank Sahelo-Sahanienne Pour L'industrie et Commerce (BSIC)

Kairaba Avenue
KSMD, The Gambia

Zenith Bank

Kairaba Avenue
KSMD, The Gambia

Central Bank of The Gambia

Ecowas Avenue
Banjul, The Gambia

EXTERNAL AUDITOR:

Augustus Prom
Audit. Tax. Advisory.
Registered Auditors

3 Kairaba Avenue,
3rd Fl. Centenary House
Serrekunda, KSMD
The Gambia

SOLICTORS:

Janet Sallah Njie
Torodo Chambers
3 – 4 Liberation Avenue
Banjul, The Gambia

REGISTERED OFFICE:

53 Mamady Manjang Highway
Kanifing, KMC
P.O. Box 609
Banjul
The Gambia
Tel: (+220) 4376606 /7 /8
Fax: (+220) 4375990

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2014

1. The Directors present the audited financial statements of the Company for the year ended 31st December 2014.

2. **STATE OF AFFAIRS:**

The results for the year ended 31st December 2014 are as set out in the attached financial statements.

3. **PRINCIPAL ACTIVITIES:**

The principal activities of the Company have been the nationwide provision of electricity, water and sewerage services.

4. **DIRECTORS:**

The Directors who held office during the year are as detailed on page 2.

None of the Directors who held office had any beneficial interest in the shares of the Company.

5. **DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS:**

The Companies (Gambia) Act, 2013 requires the Company's Directors to prepare financial statements for each financial year which gives a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for that period.

In preparing these financial statements, the Directors are required to:

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

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any given time, the financial position of the Company and to enable them to ensure that the financial statements comply with the provisions of the Companies (Gambia) 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.

6. PROPERTY, PLANT AND EQUIPMENT:

The additions and disposals are as detailed in note 2 of the financial statements. There has not been any permanent diminution in the value of the company's property plant and equipment.

7. RESULTS:

The results for the year are as shown in the accompanying financial statements.

8. EXTERNAL AUDITOR:

The Year Ended 31st December 2014 is the final audit of the Company's external auditor's 5 year term as per the Contract Agreement between NAWEC & Augustus Prom - Audit. Tax. Advisory, through the National Audit Office.

The Auditors for the year ended 31st December 2015 Financial Statements and subsequent years will be hired by the National Audit Office through the Auditor Rotation Process.

BY ORDER OF THE BOARD OF DIRECTORS


.....
CHAIRMAN OF THE BOARD

DATE: *3rd May 2016*


.....
COMPANY SECRETARY

REGISTERED OFFICE
53 Mamady Manjang Highway
Kanifing, KMC
P.O. Box 609
Banjul
The Gambia





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INDEPENDENT AUDITOR’S REPORT
TO THE MEMBERS OF THE
NATIONAL WATER & ELECTRICITY COMPANY LIMITED (NAWEC)

We have audited the Company’s financial statements and notes thereto for the year ended 31st December 2014 set out on pages 8 to 21. The financial statements have been prepared under the historical cost convention.

DIRECTORS’ RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS:

The Directors are responsible for the preparation and the fair presentation of these financial statements in accordance with the Companies (Gambia) Act, 2013 and Generally Accepted Accounting Principles (GAAP). These responsibilities also include, maintaining adequate internal controls relevant to the preparation of financial statements that are to be free from material misstatement whether due to fraud or error; selecting and applying appropriate accounting policies that are consistent with Generally Accepted Accounting Principles and making reasonable accounting estimates.

AUDITOR’S RESPONSIBILITIES:

Our objective is to express an independent opinion on the Company’s financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA) as promulgated by the International Federation of Accountants (IFAC). These standards require that we comply with ethical requirements, plan and perform the audit in-order to obtain reasonable assurance, as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making these risk assessments, the auditor considers internal controls relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31st December 2014 and of its financial performance and its cash flows for the year then ended and has been prepared in accordance with the Companies (Gambia) Act, 2013 adhering to Generally Accepted Accounting Principles.

Augustus Prom
.....
AUGUSTUS PROM
AUDIT. TAX. ADVISORY.
REGISTERED AUDITORS

DATE: *10th May 2016*



Balance Sheet

As at 31ST December 2014

	Notes	2014 GMD'000	2013 GMD'000
ASSETS:			
<u>Non-Current Assets</u>			
Property, Plant and Equipment	2	4,727,763	4,762,091
Intangibles	3	12,224	13,752
<u>Current Assets</u>			
Inventories	4	539,951	271,321
Trade and other receivables	5	546,971	589,852
Cash and cash equivalents	6	65,870	27,365
		<u>1,152,792</u>	<u>888,538</u>
TOTAL ASSETS		<u>5,892,779</u>	<u>5,664,381</u>
		=====	=====
<u>EQUITY & LIABILITIES:</u>			
<u>Capital and Reserves</u>			
Share Capital (See Page 10)		68,466	68,466
Revaluation reserve (See page 10)		1,581,375	1,581,375
Retained earnings (See page 10)		(5,334,416)	(4,348,107)
		<u>(3,684,575)</u>	<u>(2,698,266)</u>
<u>Capital Grants</u>			
Deferred capital grants	8	617,914	639,542
		<u>(3,066,661)</u>	<u>(2,058,723)</u>
<u>Non Current Liabilities</u>			
Loans	7(a)	5,844,047	3,747,335
		<u>5,844,047</u>	<u>3,747,335</u>
<u>Current Liabilities</u>			
Loans	7(b)	338,526	1,183,412
Trade and other payables	9	2,623,531	2,655,232
Bank overdraft	6	153,336	137,126
		<u>3,115,393</u>	<u>3,975,770</u>
TOTAL EQUITY & LIABILITIES		<u>5,892,779</u>	<u>5,664,381</u>
		=====	=====

The Financial Statements were approved by the Board of Directors on 3rd May 2015 and signed on its behalf by:

DIRECTOR:  DIRECTOR: 

The notes on pages 12 to 21 form an integral part of these financial statements.

Income statement

For the year ended 31st December 2014

	<i>Notes</i>	2014 GMD'000	2013 GMD'000
Revenue	<i>10</i>	2,126,955	2,021,430
Cost of sales	<i>13</i>	(2,043,589)	(2,000,823)
Gross Profit		83,366	20,607
<u>Operating Expenses</u>			
Personnel cost	<i>15</i>	(201,777)	(186,151)
Administration and other expenses		(664,855)	(365,853)
Depreciation & Amortisation Charges	<i>2&3</i>	(328,469)	(327,462)
Release of Capital Grants	<i>12</i>	804,779	21,628
Other Operating Income	<i>11</i>	23,224	25,928
Net Operating Expenses		(367,098)	(831,910)
Operating Loss		(283,732)	(811,303)
<u>Finance Related Cost</u>			
Interest expense	<i>14a</i>	(193,694)	(161,413)
Loss on Foreign Exchange Translation	<i>14b</i>	(508,883)	(404,646)
Loss before Tax	<i>16</i>	(986,309)	(1,377,362)
Taxation	<i>15</i>	-	-
Loss for the year		(986,309)	(1,377,362)

The notes on pages 12 to 21 form an integral part of these financial statements.

Statement of Changes in Equity

For the year ended 31st December 2014

	Share Capital GMD'000	Revaluation Reserve GMD'000	Retained Earnings GMD'000	Total GMD'000
At 1 st January 2013	68,466	1,581,375	(3,123,059)	(1,473,218)
Prior Year Adjustment	-	-	152,314	152,314
Loss for the year	-	-	(1,377,362)	(1,377,362)
At 31 ST December 2013	<u>68,466</u> =====	<u>1,581,375</u> =====	<u>(4,348,107)</u> =====	<u>(2,698,266)</u> =====
At 1st January 2014	68,466	1,581,375	(4,348,107)	(2,698,266)
Prior Year Adjustment	-	-	-	-
Loss for the year	-	-	(986,309)	(986,309)
At 31st December 2014	<u>68,466</u> =====	<u>1,581,375</u> =====	<u>(5,334,416)</u> =====	<u>(3,684,575)</u> =====

The notes on pages 12 to 21 form an integral part of these financial statements.

Statement of Cash-Flows

For the year ended 31st December 2014

	<i>Notes</i>	2014 GMD'000	2013 GMD'000
<u>OPERATING ACTIVITIES</u>			
Operating Loss before tax		(986,309)	(1,377,362)
<u>Adjustment for non-cash items</u>			
Depreciation and Amortization	2&3	328,469	327,463
Release of Capital Grants	12	(804,779)	(21,628)
Interest expense		193,694	161,413
Increase in inventory		(268,630)	(69,279)
Decrease/(Increase) in receivables		42,881	(102,224)
Increase / (Decrease) in payables		(31,701)	529,300
Prior year adjustment		-	152,314
Cash generated from operations		(1,526,375)	(400,003)
Interest paid	14	(193,694)	(161,413)
Cash flows from operating activities		(1,720,069)	(561,416)
<u>INVESTING ACTIVITIES</u>			
Acquisition of property, plant and equipment		(292,613)	(457,938)
Cash flows from investing activities		(292,613)	(457,938)
<u>FINANCING ACTIVITIES</u>			
Loan Received		1,251,826	1,081,869
Grant Received		783,151	-
Cash flows from financing activities		2,034,977	1,081,869
Net increase in cash & cash equivalents		22,295	62,515
Cash and cash equivalent at 1st January 2014		(109,761)	(172,276)
Cash and cash equivalent at 31st December 2014		(87,466)	(109,761)

The notes on pages 12 to 21 form an integral part of these financial statements

Notes to the Accounts

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.

a) Accounting Convention

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

b) Inventories

Inventories are valued at the lower of cost and net realisable value. The cost is determined using a standard method where cost is the purchase cost together with the related duty, freight, insurance and commission charges on a first in first out basis.

c) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation. Cost includes all cost incurred in acquiring the asset plus all directly attributable costs incurred in bringing the asset to its present location and condition for the asset to become operational.

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

Plant and Machinery	4-10%
Furniture and equipment	20%
Vehicles	20%
Building	2%
Electricity Network	2.5%
Water Network	2.5%

d) Revenue Recognition

Revenue represents the invoiced amount of bills issued for the financial year for electricity, water and sewage services as well as prepaid electricity provided to the public.

e) Foreign Currencies

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

f) 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.

g) Government Subsidies

Government subsidies are recognised in the period in which they are received or the period in which their future receipts becomes certain.

h) Consumer Deposits (Application fee)

The consumer deposits resulted from an accumulation of deposits for service connections since incorporation of the Gambia Utilities Corporation. The Directors adopted a policy of amortising these deposits to the income statement on a straight line basis.

i) Fixed and Current Asset Investments

Income from equity and other investments are recognised in the income statement when earned whether the amounts are received or not. Fixed asset investments are recorded in the balance sheet at historical cost less any impairment loss on the carrying value of those investments. Current asset investments are shown in the balance sheet at cost plus income receivable up to the balance sheet date.

j) Surcharge Income

Surcharge income arises when illegal service connections or tampered meters are detected. Invoices are raised when an estimate of the potential financial loss to the company is established with reasonable certainty. Recognition of revenue in the profit and loss account, however, is based on the actual receipt of cash as a matter of prudence as some of these invoices are re-negotiated or cancelled.

k) Government grants

Grants used to acquire non-current assets are recognised as deferred income in the balance sheet and released to the income statement over the useful economic life of the non – current assets.

l) Taxation

The Government of The Gambia has granted the National Water and Electricity Company Ltd exemption from the payment of annual Corporate Tax to the Gambia Revenue Authority through the Public Enterprise Act Cap, 87:01 through the Utilities Holding Corporation Act (Revocation) order in Section 3.

2. Property, Plant and Equipment

	Assets Under Construction	Land and Building	Plant and Machinery	Motor Vehicle	Office Equipment &Furniture	Water Electricity Network	Sewerage Network	Total
	GMD'000	GMD'000	GMD'000	GMD'000	GMD'000	GMD'000	GMD'000	GMD'000
<u>COST/VALUATION</u>								
At 1 st Jan 2014	1,544,786	232,152	3,076,037	98,912	37,984	564,082	622,517	6,176,470
Additions	75,577	-	198,804	4,752	12,469	836	175	292,613
At 31 Dec 2014	1,620,363	232,152	3,274,841	103,664	50,453	564,918	622,692	6,469,083
<u>DEPRECIATION</u>								
At 1st January 2014	-	26,691	1,023,083	72,317	12,921	141,059	138,308	1,414,379
Charge for the year	-	6,696	239,353	8,966	4,368	34,932	32,626	326,941
At 31 Dec 2014	-	33,387	1,262,436	81,283	17,289	175,991	170,934	1,741,320
<u>NET BOOK VALUE</u>								
At 31st Dec 2014	1,620,363	198,765	2,012,405	22,381	33,164	388,927	451,758	4,727,763
At 31st Dec 2013	1,544,786	205,461	2,052,954	26,595	25,063	423,023	484,209	4,762,091

3. Intangible Asset- Billing software

	2014	2013
	GMD'000	GMD'000
Balance as at 1 Jan 2014	13,752	15,280
Less amortisation	(1,528)	1,528
Balance as at 31 Dec 2014	12,224	13,752

4. Inventories

Electrical Spares	292,768	185,489
Water Equipment Spares	129,412	44,154
Vehicle Spare	3,824	1,703
Stationery	5,632	5,464
	431,636	236,810
Provision for obsolescence	(15,562)	(9,301)
	416,074	227,509
Fuel and Lubricants	123,877	43,811
	539,951	271,321

5. Receivables

Trade Debtors	614,074	653,285
Staff Debtors	26,554	30,649
Other Debtors	2,846	2,421
	643,474	686,354
Provision for bad debt	(94,395)	(94,395)
Provision for staff loans	(2,108)	(2,108)
	546,971	589,852

6. Cash and Cash Equivalent

Cash at bank	61,174	27,356
Cash in hand	4,696	9
	65,870	27,365
Bank overdraft	(153,335)	(137,126)
Total	(86,465)	(109,761)

7(a). Loans

	2014	2013
	GMD'000	GMD'000
The Gambia Government Loan	1,735,394	1,047,063
Trust bank Ltd. Loan	204,382	188,822
EBID Loan for REP Extension	199,721	167,857
Badea Loan for Kotu Power Station Expansion	4,674	1,013
SSHFC Loan	1,009,223	861,652
ING Bank Loan	561,171	590,937
Eco Bank Loan	-	30,000
Opec Fund for International Development	172,079	36,833
IDB Loan	1,286,851	1,162,437
GNPC Loan	45,000	45,000
Guaranty Trust Bank Loan	2,630	6,158
NAWEC Staff Association Loan	-	2,500
Reliance short term Loan	4,136	-
BSIC Bank Loan	26,685	-
AGIB Loan	41,982	10,417
AGIB Espace Motors Loan	-	3,233
Venezuela Loan	888,645	776,826
	6,182,573	4,930,747
Repayable in one year	(358,526)	(1,183,412)
Repayable after one year	5,844,047	3,747,335

7(b). Loan Repayment Schedule

	Total	Due within	Due within
	GMD'000	1 year	2-5 years
	GMD'000	GMD'000	GMD'000
Gambia Government Loan	1,735,394	-	2,250,481
Trust Bank Ltd. Loan	204,382	150,000	54,382
EBID Loan for REP Extension	199,721	-	199,721
Badea Loan	4,674	-	4,674
SSHFC Loan	1,009,223	-	1,009,223
ING Bank Loan	561,171	77,277	483,894
Opec Fund for International	172,079	-	172,079
Eco Bank (Gambia)	-	-	-
IDB Loan	1,286,851	-	1,286,851
GNPC Loan	45,000	45,000	-
Guaranty Trust Bank Loan	2,630	2,630	-
Reliance short term Loan	4,136	4,136	-
BSIC Bank Loan	26,685	17,500	9,185
AGIB Loan	41,982	41,982	-
Venezuela Loan	888,645	-	888,645
	6,182,573	338,526	5,844,047

8. Capital Grants

	Dutch Grant GMD'000	Danish Grant GMD'000	Total GMD'000
At 1st January 2014	596,641	42,901	639,542
Amortised to income statement	(16,573)	(5,055)	(21,628)
As at 31 December 2014	580,068	37,846	617,914

9. Trade and Other Payables

	2014 GMD'000	2013 GMD'000
Trade Creditors	2,271,307	2,450,564
Company tax	-	-
Interest payable	66,224	66,224
Other Accruals	96,739	78,969
VAT Payable	188,578	59,210
10% Withholding Tax	683	265
	2,623,531	2,655,232

10. Revenue

Billing	2,037,076	1,897,311
Service Connections	83,659	119,246
Service Extensions	6,220	4,872
	2,126,955	2,021,430

11. Other Income

Reconnection fees – water	730	800
Sundry General Trading Income	68	209
Surcharge Income	3,681	8,862
Water in bulk revenue	60	91
Meter Transfers	858	521
Sales Tangible Fixed Assets	953	-
Reconnection fees – Electricity	207	316
Others	16,667	15,129
	23,224	25,928

12. Grant Income

Amortisation of Dutch grant		16,573	16,573
Amortisation of Danish grant		5,055	5,055
ECOWAS revenue grant received	12.1	783,151	-
		804,779	21,628

12.1 ECOWAS GRANT

NAWEC received a grant of **US \$31,899,134** from ECOWAS during the year under review. The purpose of the grant are the rehabilitation and maintenance of NAWEC power plants and auxiliary equipment, fuel and lubricants, capacity building support to the project management team and project monitoring and coordination cost by WAPP as the implementing Agency of the Programme.

	2014	2013
13. <u>Cost of Sales</u>	GMD'000	GMD'000
Chemicals	1,532	1,052
GEG Energy Supply	-	294,709
Service connection –water	33,801	22,840
Oils & Lubricants	119,606	88,902
Vehicle & Equipment Spares	8,861	9,178
Service Connection – Electricity	44,286	49,118
Service Extension – water	3,319	5,495
Service Extension – Electricity	2,558	2,646
Net work Maintenance	-	-
Heavy Fuel	1,562,008	1,237,745
Light fuel oil	233,476	254,466
Spare parts water equipment	95	1,110
Generator parts	34,047	33,565
	2,043,589	2,000,823
	=====	=====

14. Interest Expenses & Finance Related Cost

14a. Interest Expense

Interest on long term loans	102,630	111,518
Bank charges and commissions	91,064	49,895
	193,694	161,413
	=====	=====

14b. Loss on Foreign Exchange Translation

Loss on Translation	508,883	404,646
	=====	=====

The Loss on exchange rates is as a result of the conversion of foreign monetary balances which are translated into GMD at the balance sheet date to ensure that all foreign monetary balances reflects the Dalasi Market Value at 31st December 2014 which is in line with General Accepted Accounting Principles (GAAP).

15. Taxation

The Government of The Gambia has granted National Water and Electricity Company (NAWEC) Ltd exemption from the payment of Yearly corporate tax to the Gambia Revenue Authority through the Public Enterprise Act Cap, 87:01 through the Utilities Holding Corporation Act (Revocation) order in Section 3.

16. Loss on ordinary activities before tax

The loss on ordinary activities before taxation is stated after charging the following:

	2014	2013
	GMD'000	GMD'000
Auditors remuneration	850	850
Directors remuneration	222	140
Depreciation & Amortisation	328,469	327,462
	<hr/>	<hr/>

17. Staff numbers and costs

The average number of staff employed (including directors) during the year, analyzed by category was as follows:

	2014	2013
Executive Director	1	1
Management and General Staff	1,888	1,738
	<hr/>	<hr/>
	1,889	1,739
	<hr/>	<hr/>

	2014	2013
	GMD'000	GMD'000
The aggregate payroll costs were as follows:		
Wages and salaries	201,777	186,151
	=====	=====

18. Share Capital

	2014	2013
	GMD'000	GMD'000
Issued and paid up ordinary shares	68,466	68,466
	=====	=====

The authorized share capital of the company is 50,000,000 ordinary shares at GMD10 each. 6,846,600 shares were issued and fully paid at GMD10 per share.

19. Contingent Liabilities

There were no contingent liabilities for the year under review.

20. Capital Commitment

Project Title	Project Cost		Balance to be Disbursed	
	USD(\$) '000	Euros '000	USD(\$) '000	Euros '000
Brikama Wartsilla	498	11,495	151	15
Kotu power expansion	19,918	-	100	-
Venezuela	22,000	-	3,165	-
Energy Dev.& Access Expansion.	6,000	-	6,000	-
Rural Electrification Expansion	30,966	-	22,424	-
	<u>79,382</u>	<u>11,495</u>	<u>31,840</u>	<u>15</u>

21. Prior Year Adjustments

There has been a prior year adjustment in the Financial Statements as at 31st December 2013 which relates to the tax exemption received from the Government of The Gambia. This has been adjusted to take into account the corporate tax provided for in previous years. The amount totals to GMD158 million as per note 13. A difference of GMD 6million was noted between the creditor control account balances relating to 2013 and the trial balance figure which was adjusted as prior year.

22. Going Concern

The financial statements have been prepared on the going concern basis, which assumes that the company will continue in operational existence for the foreseeable future. The validity of this assumption depends on the continuing financial support from the Government of The Gambia. In view of this uncertainty, Ministry of Finance & Economic Affairs is fully committed to fund the operations and expansion of the company if need be when its management has difficulty in meeting its business/ financial obligations. The financial statements do not include any adjustments that would result from the removal of this support. In the opinion of the directors, it is appropriate to prepare the financial statements on a going concern basis.

23. Events after the reporting date

The Company (NAWEC) issued bonds amounting to **GMD 1,821,417,747 (one billion, eight hundred and twenty one million, four hundred and seventeen thousand, seven hundred and forty seven)** in denomination of GMD1,000,000 each. The bonds were issued on the 12th March 2015 and have tenure of five year (maturity on 31st March 2020) and attract a fixed interest rate of 15% per annum. Repayments of both principal and interest will on a quarterly basis starting 31st March 2015. The bond is guaranteed by The Government of The Gambia and the bondholders are :

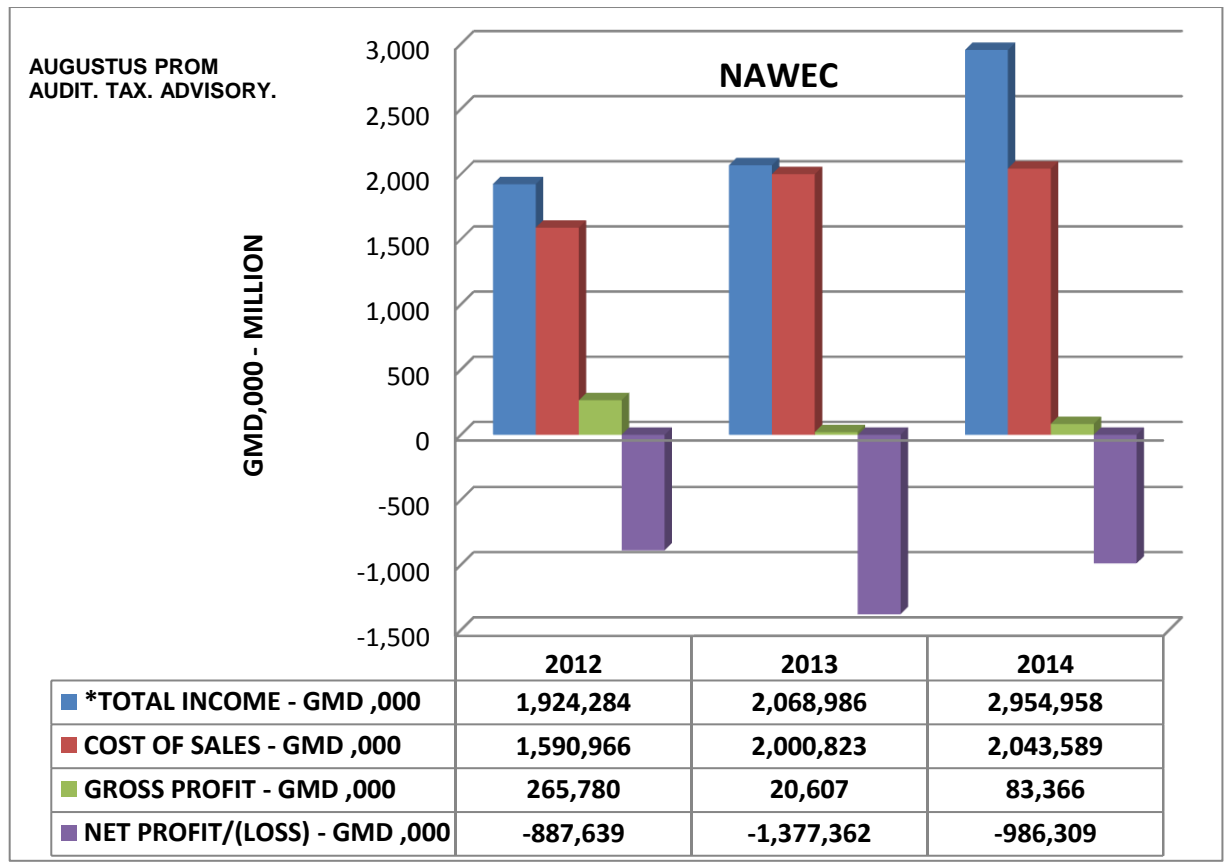
- 1. Trust Bank Limited**
- 2. Guaranty Trust Bank (Gambia) Limited**
- 3. BSIC (Gambia) Limited**
- 4. ECO Bank (Gambia) Limited**
- 5. Access Bank (Gambia) Limited**
- 6. Standard Chartered Bank (Gambia) Limited**

SUPPLEMENTARY INFORMATION

Administration & Other Expenses

	2014 GMD'000	2013 GMD'000
Personnel Expenses	201,777	186,151
Building Repairs	6,614	6,184
Hire of Equipment & Plant	13,298	4,902
Repairs & Maintenance of Plant & Machinery	26,557	19,030
Insurance – vehicle	961	619
Insurance –Fire & Machine breakdown	48,259	30,165
Training /Studies	22,865	18,979
Management / Consulting Fees	4,063	2,585
Legal & Professional fees	7,241	4,968
Expatriate Salaries	7,190	-
Advertisement	2,432	2,187
Donations & Subscription	5,768	9,030
Travelling Expenses	20,574	14,066
Stationery & Printing	5,461	5,136
Cement	584	3,357
Other Local Taxes	9,301	13,352
Vehicle Maintenance	35,081	32,932
Entertainment	-	100
Postage, Stamps & Courier	544	513
Telephone & fax	12,152	13,730
Sundry Expenses	36,303	24,606
Board Allowance	222	142
Consumables	6,825	5,056
Hotel & Restaurant Expenses	2,862	857
PURA fees	4,000	4,000
Provision for obsolete stock	6,262	(5,136)
Provision for Trade Debtors debts	-	8,795
Increase in Provision for staff loan	-	2,108
Rental for Build (Including Charges)	386	665
Pipes & Fitting	15,252	11,962
Mechanical & Electricity Supplies	1,572	7,404
Timber	709	450
Other Materials & suppliers	6,686	3,451
Tools	1,501	1,127
Project Expenses	-	228
Medical Insurance	32,456	22,163
Sand & Gravel	3,871	2,270
Own Consumption	269,186	91,105
Stock Adjustment	47,794	2,769
Bank Reconciliation write-off	23	-
	866,632	552,004

**NAWEC – FINANCIAL HIGHLIGHTS
 FOR THE YEAR ENDED 31ST DECEMBER 2014**



* The Total Income figure comprises of : Revenue, Other Income & Release of Capital Grants .

