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General Information

***Directors**

Falalo M Touray	Chairman – from August 2019
Musa Mbenga	Chairman – Up to April 2019
Muhammed Njie	Managing Director- from January 2020
Anthony Carvalho	Managing Director- upto January 2020
Ndey Naffie Ceesay	Member
Chief Yayah Jarjusy	Member
Abdoulie Khan	Member
Modou Lamin Ceesay	Member
The Permanent Secretary - OP	Member
The Permanent Secretary - MOFEA	Member
The Permanent Secretary - MOA	Member
The Permanent Secretary - MOTIE	Member

Bankers

Trust Bank Limited

3/4 Ecowas Avenue, Banjul

Guaranty Trust Bank (Gambia)
Limited

56 Kairaba Avenue, Serrekunda

Skye Bank (Gambia) Limited
70 Kairaba Avenue, Serekunda

Ecobank (Gambia) Limited
42 Kairaba Avenue, Serekunda

Auditors

DT Associates - The Gambia
1 Paradise Beach Place
P.O Box 268
Banjul, The Gambia

Solicitors

Semega Legal Chambers
15 Daniel Goddard Street
Banjul, The Gambia

Registered Office

National Food Security, Processing and
Marketing Corporation
Denton Bridge
Sarro
Banjul, The Gambia

First International Bank
(Gambia) Limited
2 Kairaba Avenue,
Serekunda

Directors report

The Directors of the corporation present their report and the audited financial statements of National Food Security, Processing and Marketing Corporation for the year ended 30th September 2018.

Statement of Directors responsibilities

The Companies Act 2013 requires the directors to prepare the financial statements for the financial period which give a true and fair view of the state of affairs of the Corporation and of its profit or loss for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Corporation 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 Corporation and to enable them to ensure that the financial statements comply with the Companies Act 2013. They are also responsible for safeguarding the assets of the Corporation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activities

The principal activity of the Corporation is the purchasing, processing and marketing of groundnut and groundnut by-products. The Corporation also provides handling, storage, river transport, decortications and crushing of other oil products.

Results and dividends

The results of the corporation are as detailed in the accompanying financial statements. The directors do not propose payment of any dividend for the year [2018 Nil].

Property, plant and equipments

The Corporation's property, plant and equipment are detailed in note 11 of the financial statements. There has not been any permanent diminution in the value of the Corporation's property, plant and equipment as disclosed in note 11 of the financial statements.

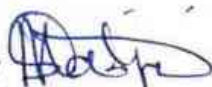
Directors and directors interests

The directors who held office during the year are as detailed on page 2. None of the directors who held office had beneficial financial interest in the corporation's shares.

The auditors, who were appointed by the National Audit Office and having indicated their willingness, will continue in office pursuant to Section 342 of the Companies Act 2013.

By Order of the Directors

Secretary



Date: 18/12/2020 2020

Report of the Independent Auditors

To the members of National Food Security Processing and Marketing Corporation

Qualified Opinion

We have audited the accompanying financial statements of the members of National Food Security Processing and Marketing Corporation for the year ended 30th September 2018, which comprise of the statement of financial position as at 30th September 2018, the statement of comprehensive income, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the of the matter discussed in the Basis for Qualified Opinion section of our report, the accompanying financial statements do give a true and fair view of the financial position of the Corporation as at 30th September 2018, and of its financial performance and its cash flows for the year then ended in accordance with Generally Accepted Accounting Principles and have been properly prepared in accordance with Companies Act 2013.

Basis for Qualified Opinion

Inventory

As detailed in Note 15 of the financial statements, the total inventory value of D574.08 million included inventory relating to groundnut produce of D502.08 million as at 30th September 2018. As per Corporation's accounting policy and valuation method, the value of stock is arrived at, by multiplying total weight in tonnes of the groundnut held at yearend with the net realizable value as per tonne of groundnut. However, from our observation of yearend inventory count, we noted that the necessary weighing scales were not available to weigh and establish the actual quantity of groundnut produce as at 30th September 2018. We also noted large quantities of groundnut produce were damaged and could not be quantified or valued by Management to recognize the obsolete value. We were unable to obtain sufficient appropriate audit evidence about the carrying amount of the groundnut produce included in the inventory value reported in the financial statements as at 30th September 2018.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the requirements of the International Federation of Accountants Code of Ethics for Professional Accountants (IFAC Code) and we have fulfilled our other ethical responsibilities in accordance with IFAC Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Report of the Independent Auditors - continued

Other Information

The directors are responsible for the other information. The other information comprises the General Information, Directors report as required by the Companies Act of 2013. 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 an audit opinion or any form of assurance conclusion 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, 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 the financial statements in accordance with Generally Accepted Accounting Principles and 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 Corporation'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 Corporation 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 skepticism throughout the audit. We also:

- Identify and assess 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.
- Obtain 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 Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Report of the Independent Auditors - continued

- Conclude 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 Corporation'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. However, future events or conditions may cause the Corporation to cease to continue as a going concern.

- Evaluate 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.

We communicate with the directors 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. The engagement partner on the audit resulting in this independent auditor's report is Aji Penda Sankareh.

DT ASSOCIATES

DT Associates

Chartered Accountants

Registered Auditors

Date: *18th Decembe* 2020

Income statement

For the year ended 30th September 2018
(In Gambian Dalasi)

	Notes	30-Sept-2018	30-Sept-2017
Income			
Operating Income	1.3, 2	490,395,431	345,256,908
Cost of sales	3	<u>(336,171,879)</u>	<u>(228,749,756)</u>
Gross profit		154,223,552	116,507,152
Other income	4	2,331,369	58,387,739
Grant income	12	26,508,170	8,304,069
Total income less cost of sales		<u>183,063,091</u>	<u>183,198,960</u>
Expenditures			
Production and processing cost	5	(18,694,774)	(9,877,174)
Administration expenses	7	(27,127,374)	(16,039,519)
Impairment of Receivables	16.6	(85,958,029)	-
Staff cost	8	(27,522,190)	(20,304,748)
Finance cost	9	(60,533,834)	(28,756,773)
Depreciation	11	(26,207,914)	(4,445,907)
Translation (loss) gain		<u>13,009,627</u>	<u>(865,082)</u>
Total expenditure		<u>(233,034,488)</u>	<u>(80,289,203)</u>
(Loss) /Profit before tax		(49,971,397)	103,909,757
Taxation	1.7, 10	<u>(4,903,954)</u>	<u>(27,785,634)</u>
(Loss) /Profit after tax		<u>(54,875,351)</u>	<u>75,124,123</u>

The notes are an integral part of these financial statements

Balance sheet

as at 30th September 2018
(in Gambian Dalasi)

		30-Sept-2018	30-Sept-2017
Assets			
Non current assets			
Property, Plant and equipment	1.4, 11	281,597,942	303,842,101
Total Noncurrent Assets		281,597,942	303,842,101
Current Assets			
Cash and bank balances	13	103,138,332	8,299,194
Inventory	1.11, 15	574,079,755	125,631,695
Receivables	1.10, 16	793,009,423	496,545,821
Short term investments		-	17,000,000
Total current Assets		1,470,227,510	647,476,710
Total Assets		1,751,825,452	951,318,811
Equity & liabilities			
Equity			
Share Capital	20	75,500,000	75,500,000
Retained earnings		(29,301,828)	25,337,159
Total equity		46,198,172	100,837,159
Liabilities and Differed Income			
Liabilities			
Bank Overdrafts	14	169,302	181,247
Accruals & other payables	18	44,813,476	22,097,710
Loans	19	1,255,931,286	456,209,183
Taxation	1.7, 10	71,386,286	72,482,332
		1,372,300,350	550,970,472
Differed Income			
Capital grant	21.2	273,003,009	299,511,179
Suspended Interest	21.1	60,323,921	-
		333,326,930	299,511,179
Total equity & liabilities		1,751,825,452	951,318,811

These Financial Statements were approved by the Board of Directors on 18th December 2020, and were signed on their behalf by:

18/12/2020

 Chairman

 Director

The notes are an integral part of these financial statements

Statement of changes in equity

for the year ended 30th September 2018
(In Gambian Dalasi)

	Share capital	Retained earnings	Total
Opening balance 1st Oct. 2017	75,500,000	25,337,159	100,837,159
Opening balance difference		236,364	236,364
Profit (Loss) for the period	-	(54,875,351)	(54,875,351)
Closing balance as at 30th September 2018	75,500,000	(29,301,828)	46,198,172

The notes are an integral part of these financial statements

Statement of cash flow

for the year ended 30th September 2018 (In Gambian Dalasi)

	30-Sept-2018	30-Sept-2017
Cash flows from operating activities		
(Loss) Profit before tax	(49,971,397)	102,909,757
<u>Adjustments for:</u>		
Depreciation	26,207,914	4,445,907
Grant income released	(26,508,170)	(8,304,069)
Changes in receivables	(296,463,602)	(53,193,467)
Changes in inventories	(448,448,060)	19,693,767
Changes in payables	83,039,687	13,152,501
Opening balance difference	236,364	-
	<hr/>	
Cash generated from operations	(711,907,264)	78,704,396
Income taxes paid	10 (6,000,000)	(6,000,000)
	<hr/>	
Net cash from operating activities	(717,907,264)	72,704,396
Cash flows from investing activities		
Purchase of property, plant and equipment	11 (3,963,755)	(287,906,055)
Capital Grant received		287,787,055
Short term investments	17,000,000	6,500,000
	<hr/>	
Net cash used by investing activities	13,036,245	6,381,000
Cash flows from financing activities		
Increase in Long-term Borrowing	799,722,104	(110,496,660)
Decrease in Bank Overdrafts	(11,946)	70,640
	<hr/>	
Net cash used by financing activities	799,710,158	(110,426,020)
Net (decrease) increase in cash and cash equivalents	94,839,140	(31,340,623)
Cash & cash equivalent at the beginning of period	8,299,194	39,639,817
	<hr/>	
Cash & cash equivalent at the end of period	103,138,334	8,299,194
	<hr/>	

The notes are an integral part of these financial statements

1. Notes to the financial statements

1.1 Accounting policies

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

1.2 Accounting convention

The financial statements have been prepared under the historical cost convention in accordance with Generally Accepted Accounting Principles and applicable provisions of the Company's Act 2013.

1.3 Revenue recognition

Revenue represents the amount invoiced to customers for the purchase of products.

1.4 Property, plant and equipment

Owned assets

Items of property, plant and equipment are stated at cost less accumulated depreciation. Cost includes all costs 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

Depreciation is provided at the following annual rates in order to write off the cost of each asset on a straight-line basis over its estimated useful life.

	%
Building	4
Badges and Tug boats	10
Office equipments	10
Plant and Machinery	10
Other equipment (Generator)	10
Motor vehicles	20
Furniture and Fittings	20
Computer Equipments	33.33

1.5 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 capitalized only when it increases the future economic benefits embodied in the item of property, plant and equipment. All other expenditure is recognised in the income statement as an expense as incurred.

1.6 Foreign currencies

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

1.7 Taxation

Tax is charged on the basis of the higher of 1% of gross income and 27% of tax adjusted accounting profits in accordance with Income Tax laws of The Gambia.

1.8 Pension scheme

The company is registered with the Social Security and Housing Finance Corporation and contributes 10% of the employee's basic salaries to the national provident fund. Employees contributions are 5% of basic salaries which is deducted before arriving at net salaries.

Under the scheme, employees are entitled to lump sum payments upon attaining the retirement age of 60.

1.9 Impairments

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

1.10 Provisions

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

1.11 Inventory

Inventory is valued at lower of cost and net realizable value using the First In First Out (FIFO) method of valuation

2. Operating income

	30-Sep-2018	30-Sep-2017
Sale of Hand Picked selection	41,192,676	17,812
Sale of crude groundnut oil	95,679,765	55,468,998
Sale of Groundnut cake	64,662,916	143,708
Sale of Groundnut sludge	68,500	177,400
Sale of fertilizer	129,043,141	74,142,076
Sale of Groundnut Shells	-	27,000
Sale of Seed Nuts	35,280	290,920
GTOG Subsidy for purchase of fertilizer	2.1 159,713,153	214,988,994
	490,395,431	345,256,908

(2.1). The GTOG subsidy for purchase of fertilizer figure represents subsidy element on sale of fertilizer payable by Government of The Gambia direct to ITFC (International Trade Finance Corporation) trading wing of the IDB (Islamic Development Bank).

3. Cost of sales

		30-Sep-2018	30-Sep-2017
Opening stock		103,358,303	128,612,387
Purchase of groundnut in shell	3.1	574,337,378	61,705,386
Purchase of fertilizer		174,210,523	129,079,892
Commission on sale of fertilizer/Discount		3,712,121	51,350
Depot expenses		9,874,454	10,389,530
Evacuation expenses		11,426,810	890,216
Port dues and shipping charges		6,059,663	748,509
Buying Commission to CPMS'		7,480,929	630,789
Closing stock		(554,288,302)	(103,358,303)
		336,171,879	228,749,756

3.1. Included in purchase of groundnut figure is a subsidy element of 124,681,912 payable by Government of The Gambia direct to ITFC (International Trade Finance Corporation) trading wing of the IDB (Islamic Development Bank).

4. Other income

		30-Sep-2018	30-Sep-2017
Interest on current accounts		6,032	33,564
Sundry Income		1,250,850	157,213
Sale of scrap metal		147,550	92,380
Interest on subsidy, LC		-	50,454,222
Interest on Time deposits		131,014	2,631,012
Interest on staff loans		1,329	1,767
tender fee for fertilizer supply		59,000	230,000
Interest received pre-finance private traders		-	9,240
Revenue Grant Received	4.1	-	3,582,151
claims on performance bond		735,594	979,020
Sales of Assets		-	210,000
Pre-financing private traders		-	7170
		2,331,369	58,387,739

(4.1) This was an IDB grant of Tugboats, a Generator, Bobcats and Tractors received and fully amortized in the period ending 30th September 2017

5. Production & processing cost

	30-Sep-2018	30-Sep-2017
Production staff cost	882,838	428,031
Water and electricity	-	1,299,049
Repairs of plant & machinery	1,199,780	678,274
Fuel and Oil	13,514,338	5,215,764
Repairs & maintenance of Gen-set	127,800	242,960
Spare parts	2,633,306	2,013,096
Hire of oil storage facilities	336,712	-
	<u>18,694,774</u>	<u>9,877,174</u>

6. Profit/ (Loss) before taxation

	30-Sep-2018	30-Sep-2017
after charging:		
Depreciation & amortization	(26,207,914)	(4,445,907)
	<u></u>	<u></u>

7. Administration Expenses

	30-Sept-2018	30-Sept-2017
Electricity and water	12,929,473	3,444,869
Vehicle running cost	3,016,275	2,180,488
Communication cost	708,418	636,442
Local transport cost	846,184	634,971
Overseas travel cost	592,283	240,642
Consultancy and professional cost	2,297,775	2,158,897
Repairs & refurbishments	638,730	1,013,126
Directors fees	254,000	299,000
Printing & Stationery	1,350,888	933,820
Donations	62,000	72,900
Insurances	926,679	926,679
Advertisement	104,799	139,075
General Expenses	3,139,870	3,358,610
Audit fees	7.1 260,000	-
	<u>27,127,374</u>	<u>16,039,519</u>

(7.1.) Audit fees for the prior year was paid for by the IDB Project. In current year however, it is paid for by the corporation.

8. Staff cost

	30-Sep-2018	30-Sep-2017
Wages & salary	15,350,348	11,746,382
Overtime	1,072,081	440,330
Leave in leau of pay	58,045	116,186
Charge allowance	239,352	263,769
Residential allowance	5,351,013	3,386,304
Provincial allowance	1,850,468	1,392,372
Responsibility allowance	898,295	963,824
Rent allowance	49,319	35,138
Risk allowance	16,000	-
Telephone allowance	185,500	208,904
Staff Annual Leave Allowance	102,685	155,753
Industrial Attachment Allowance	-	20,856
Injury compensation	80,248	52,480
National Provident fund (NPF)	1,206,538	891,190
Gratuities	322,626	275,697
Medical expenses	133,976	191,023
Staff uniforms, Boiler suits & hard hats	124,621	66,565
Staff training expenses	481,075	97,975
	27,522,190	20,304,748

9. Financing cost

	30-Sep-2018	30-Sep-2017
Bank charges	4,868,721	8,692,163
Interest on loans	55,665,113	20,064,610
	60,533,834	28,756,773

10. Taxation

	30-Sep-2018	30-Sep-2017
Tax charge for the year	4,903,954	27,826,121
Balance b/d	72,482,332	50,696,698
Current year charge	4,903,954	27,785,634
Tax payments	(6,000,000)	(6,000,000)
	71,386,286	72,482,332

11. Property, Plant & Equipment

Cost	Land & building	Badges & Tug boats	Office equipment	Computers	Plant & Machinery	Other equipment	Motor Vehicle	Furniture & fitting	Work in Progress	Total
Balance b/d 1/10/17	91,883,820	189,691,628	1,228,985	1,598,078	72,904,518	31,193,364	41,702,725	1,993,471	52,957,264	485,153,853
Additions	-	-	-	26,500	-	-	3,910,000	27,255	-	3,963,755
Balance c/f 30/9/18	91,883,820	189,691,628	1,228,985	1,598,078	72,904,518	31,193,364	41,702,725	1,993,471	52,957,264	485,153,853
Depreciation Balance b/d 1/10/17	(16,900,701)	(58,956,812)	(998,907)	(1,531,388)	(64,129,111)	(18,790,162)	(14,211,815)	(1,829,101)	-	(177,347,997)
Charge for the year	(3,675,353)	(13,073,752)	(122,899)	(30,449)	(877,541)	(3,119,336)	(5,270,263)	(38,321)	-	(26,207,914)
Balance c/f 30/9/18	(20,576,054)	(72,030,564)	(1,121,806)	(1,561,837)	(65,006,652)	(21,909,498)	(19,482,078)	(1,867,422)	-	(203,555,911)
NBV										
At 30th September 2018	71,307,766	117,661,064	107,179	36,241	7,897,866	9,283,866	22,220,647	126,049	52,957,264	281,597,942
At 30th September 2017	74,983,119	130,734,816	230,078	40,190	8,775,407	12,403,202	23,580,910	137,115	52,957,264	303,842,101

12. Capital grant

	Land & Building	Badges & Tug boats	Office equipment	Computer equipment	Plant & Machinery	Other equipment & Generators	Motor Vehicle	Work in Progress	Total
Cost									
Opening balance 1/10/17	68,133,759	170,051,228	128,992	247,138	40,289,146	21,711,114	27,080,717	52,957,264	380,599,358
Additions									
Closing balance @ 30/9/18	68,133,759	170,051,228	128,992	247,138	40,289,146	21,711,114	27,080,717	52,957,264	380,599,358
Amortization Rate of amortization	4%	10%	10%	33.33%	10%	10%	20%		
Opening balance 1/10/17	(1,332,823)	(39,367,712)	(103,193)	(247,138)	(25,210,990)	(10,253,323)	(4,573,000)	-	(81,088,179)
Additions	(2,725,350)	(13,068,352)	(12,899)	-	(4,028,915)	(2,171,111)	(4,501,543)	-	(26,508,170)
Closing balance @ 30/9/18	(4,058,173)	(52,436,064)	(116,092)	(247,138)	(29,239,905)	(12,424,434)	(9,074,543)	-	(107,596,349)
Carrying value @									
30th September 2018	64,075,586	117,615,164	12,900	-	11,049,241	9,286,680	18,006,174	52,957,264	273,003,009
30th September 2017	66,800,936	130,683,516	25,799	-	15,078,156	11,457,791	22,507,717	52,957,264	299,511,179

13. Cash & Bank balances

	30-Sep-2018	30-Sep-2017
	D	D
Trust Bank A/c. # 110-100-760-01	-	1,707,522
Trust Bank Ltd. A/C. # 760.02	462,880	-
GTBank A/c. # 153388-4/1/1/0	143,134	359,875
GT BANK US (\$) Dollar Account	43,557	41,444
Trust Bank - 100-100-760-04	12,661,540	3,486,997
TBL US\$ 120-107446-05	127,065	832,058
TBL Euro 120-107446-06	28,955	28,141
Skye Bank A/c. #11588	1,541,920	293,731
FIB A/C # 00101008665-01	363,331	569,291
Skye bank \$ A/C	24,121	23,053
Eco Bank A/c. # 2701	13,334	76,822
AGIB US\$ A/c # 101-201-010193565-294	725,831	16,073
AGIB GMD A/c # 101-201-010193565-197	306,268	52,210
Eco Bank A/c # 153270-02	34	34
FI Bank USD \$	86,493,546	-
Eco Bank US\$ 311-3490-1532-701	47,936	-
Mega Bank	70,191	263,969
Cash in hand	84,691	547,974
	103,138,334	8,299,194

14. Bank Overdraft

	30-Sep-2018	30-Sep-2017
	D	D
Trust Bank Ltd. A/C. # 760.02	-	181,247
Trust Bank A/c. # 110-100-760-01	169,302	-
	169,302	181,247

15.Inventory

		30-Sep-2018	30-Sep-2017
		GMD	GMD
Spare Parts Stock		24,469,478	27,057,434
Gas Oil Stock		1,014,272	763,792
Oil & Lubricant		79,576	133,464
Stationery		115,549	206,125
Electrical Appliances		663,121	663,120
Miscellaneous Stock		32,583	32,583
Stock of produce	15.1	502,076,003	44,206,903
Stock of fertilizer	15.2	52,212,300	59,151,400
Quality control material		45,540	45,540
Provision for Stock Obsolescence		(6,628,666)	(6,628,666)
		574,079,756	125,631,695

15.1 Stock of produce

This item represents mainly value of products produced by the Corporation, such as HPS (Hand-Pick-Selection nuts), FAQ (Fair Average Quality nuts), Crude Groundnut Oil, Groundnuts-in-shell and Groundnut Cake.

15.2 Stock of fertilizer

ITFC through its line of credit provided fertilizer to the Corporation, and the amount shown above was the value of stock as at 30th September 2018.

16.Receivables

		30-Sept-2018	30-Sept-2017
		GMD	GMD
Trade debtors	16.1	120,912,565	96,165,393
GTOG/ Subsidy on Fertilizer & Farm -gate Price 2017	16.2	394,488,530	110,093,466
GOTG Subsidy	16.3	228,617,060	191,212,635
Staff loans		500,196	641,325
Other Debtors GOTG		160,684	127,703
GOTG L/C Account	16.4	139,932,020	117,037,505
Ministry of Agriculture-National Seed Secretariat	16.5	13,264,575	-
FD Interest accrued		-	175,973
Provision for Bad & Doubtful Debts		(104,866,207)	(18,908,178)
		793,009,423	496,545,822

16.1 Trade debtors

Every trade season the Corporation will provide an agreed amount, on a revolving basis, as pre-financing to CPMS' (Cooperative Produce and Marketing Societies) and Private Traders, to buy un-decorticated groundnuts on its behalf. As at 30 September 2018, the amount outstanding stood at D57,934,095 (2017:D96, 165,393).

16.2 GTOG/ Subsidy on Fertilizer & Farm -gate Price

This represents government subsidy on both the farm Gate price and fertilizer. The amount remains unsettled by Government.

16.3 GOTG Subsidy

This is the interest element of the GOTG fertilizer and farm gate price subsidy which has been increasing by way of annual interest addition of 18%. This amount is unsettled by Government.

16.4 GOTG L/C Account

Settlement of L/C for the John Deere Tractors on behalf of Government. This receivable has been increasing annually by way of interest addition 18%. This amount is unsettled by Government.

16.5 Ministry of Agriculture-National Seed Secretariat

This represents balance receivable from GOTG for payments made on behalf of the National Seed Secretariat for the purchase of seeds.

16.6 Impairment

This represents provisions made against bad and doubtful debts for the period under review.

17.Short Term Investments

	30-Sep-2018 GMD	30-Sep-2017 GMD
Term Deposit with Eco Bank	-	5,000,000
Term deposit with TBL 04	-	12,000,000
	-	17,000,000

18.Accruals & other payables

	30-Sep-2018 GMD	30-Sept-2017 GMD
Accruals	4,885,444	4,625,444
Amount owed to CPMS and private traders	35,387,772	13,218,400
Other Payables	-	85,062
NPF and ICF	371,455	-
Ministry of Agriculture	4,168,805	4,168,805
	44,813,476	22,097,710

19.Loans

		30-Sep-2018	30-Sept-2017
	Notes	GMD	GMD
SSHFC Loan	19.1	222,623,735	222,623,735
ITFC (IDB) Loan	19.2	1,033,307,551	233,585,447
		<u>1,255,931,286</u>	<u>456,209,182</u>

19.1 SSHFC Loan

The Social Security and Housing Finance loan 2007 and 2010 Crop Finance Loan is a short term loan, secured on all the Corporation's land and building assets, and carrying an interest rate of 2% over The Central Bank Treasury bills, This loan should have been fully paid by December,17th 2010. In addition, all crop finance commercial bank loans secured by SSHFC; in which the Corporation defaulted in repayment, were settled by SSHFC. There is no agreement or a payment plan entered into between Gambia Groundnut Corporation and Social Security and Housing Finance Corporation.

19.2 ITFC (IDB) Loan

The Islamic Trade Finance Corporation under the trade wing of the Islamic Development Bank (IDB) provides trade financing to the Corporation for the purchase of fertilizer based on the Murahaba Financing Principles. The loan was signed on the 20th August 2014 and is of a revolving manner with a ceiling of 25 million dollars. A 5.5% mark-up per annum is charged on any disbursement received by the corporation.

19.3

The Gearing ratio (Total Liabilities over Total Equity) for the corporation stands at 2,970%. This potentially renders the use of the going concern assumption for the corporation questionable as future debt repayments may prove to be a problem.

20.Share Capital

		30-Sep-2018		30-Sep-2017
	Number of shares	D. 000	Number of shares	D. 000
Authorized				
Ordinary shares of (D10.00) each	<u>10,000,000</u>	<u>100,000</u>	<u>10,000,000</u>	<u>100,000</u>
Issued and fully paid				
Ordinary shares of (D10.00) each	<u>7,550,000</u>	<u>75,500</u>	<u>7,550,000</u>	<u>75,500</u>

20.1 Ownership Structure

Name	Percentage of Shares
Government Of The Gambia	99%
Social Security and Housing Finance Corporation	1%

21.Differed Income

21.1 Suspended Interest

The suspended interest relates to the 18% rate being charged on the subsidy receivable balances from government. Commencing this year, interest charged on the outstanding balance owed by government is suspended to unearned interest balance.

21.2 Unamortized Grant Balance

The grant assets received from the EVAGSP are capitalized as fixed assets with the grant balance being amortized and released as revenue systematically. The balance in the statement of financial position represents the remainder of the unamortized grant.

This represents the remaining balance of the unamortized grant received from the EVAGSP Project.

22.Contingency

23.Subsequent events after the balance sheet date

In mid-December 2019, there was a COVID-19 outbreak in China which has spread globally in the first quarter of 2020. The outbreak was declared a Public Health Emergency of International concern by the World Health Organization (WHO) in March 2020. As at the date of this report, several cases were confirmed in Africa.

The level of uncertainties that have arisen as a result of this global pandemic coupled with other macro-economic challenges such as low production output, rising inflation etc which may worsen are likely to negatively impact on the businesses of the Company in relation to its projected revenues, credit loss estimates and other impairment assessment.

The national government through its agencies and monetary authorities are putting in place various intervention schemes and palliatives to minimize impact on households and real sector of the economy. The impact of all these cannot be prematurely quantified at the moment.

The financial impact on the Company's business and duration of these disruptions cannot be reasonably estimated at this point in time and the Company considers this as a non-adjusting post balance sheet event.

As the situation is fluid and rapidly evolving, we do not consider it practicable to provide a quantitative estimate of the potential impact of this outbreak on the Company. The impact of this outbreak on macroeconomic forecasts and our operations will be incorporated into the Company's estimates of expected credit loss provisions and other impairments assessments in 2020.