ANNUAL REPORT

AND FINANCIAL STATEMENTS

for the year ended ***31 December 2017***

Innovation & Excellence

ANNUAL REPORT

AND FINANCIAL STATEMENTS

for the year ended 31 December 2017

General Information

Board of Directors

Outgoing Board of Directors as at 31st July 2017

Mr. Mustapha B Colley	Chairman
Mr. Lamin L Sanyang	Managing Director
Permanent Secretary, Office of the President	Member
Mr. Momodou A B Jagne	Member
Permanent Secretary – MOFEA	Member
Mr. Alieu Secka, CEO GCCI	Member
Mr. Anthony Kujabi, GPA Staff Representative	Member
Mr. Salifu Mboge	Member
Mr. Ousman Jobarteh (Co-opted)	Deputy Managing Director

Incoming Board of Directors as at 1st August 2017

Mr. Alpha A. Barry	Chairman
Mr. Abdoulie M. Tambedou	Managing Director
Permanent Secretary (MOFEA)	Member
Permanent Secretary (MOTW & I)	Member
Mr. Alieu Secka, CEO, GCCI	Member
Mr. Anthony Kujabi, GPA Staff Representative	Member
Mr. Muhammed Momodou Jagana	Member
Mr. Momodou O. Gaye	Member

Board Secretary

Mrs. Sirra Begay Kah

Bankers

BSIC (Gambia) Limited
52 Kairaba Avenue, The Gambia

Trust Bank Limited
3/4 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

FBN Bank (Gambia) Limited
48 Kairaba Avenue, The Gambia

Zenith Bank (Gambia) Limited
49 Kairaba Avenue, Serrekunda
Banjul, The Gambia

Mega Bank (Gambia) Limited
11 Liberation Avenue
Banjul, The Gambia

First International Bank Limited
Kairaba Avenue
KSMD, The Gambia

Director's Report for the year ended 31st December 2017

The Directors present their report and the audited financial statements of the Gambia Ports Authority (GPA) for the year ended 31st December 2017.

1. State of Affairs

The results for the year ended 31st December 2017 are as set out in the accompanying financial statements.

2. Principal Activities

The principal activity of the Authority is ports operations in The Gambia.

3. Director's & Director's Interest

The Directors who held office during the year are as detailed on page 2. None of the Directors who held office at the end of the financial year had beneficial financial interest in the shares of the Authority.

4. Director's Responsibilities for the Financial Statements

The Companies Act, 2013 and the Ports Act, 1972 requires the Directors to prepare financial statements for each financial year which gives a true and fair view of the state of affairs of the Authority 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 Authority 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 Authority and to enable them to ensure that the financial statements comply with the Companies Act, 2013 and the Ports Act, 1972.

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

AUGUSTUS PROM
AUDIT.TAX.ADVISORY.

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Auditor's Opinion

We have audited the accompany financial statements of Gambia Ports Authority (GPA) which comprises the Balance Sheet, Income Statement, Cash Flow Statement for the year then ended, and notes to the Financial Statements including Accounting Policies applicable to the Authority.

In our opinion, the Financial Statements give a true and fair view of the Financial Position of the Authority as at 31st December 2017 and of its Financial Performance and its Cash Flows for the year then ended and has been prepared in line with Generally Accepted Accounting Principles and in accordance with the Requirement of the Companies Act 2013 and the Ports Act 1972.

Basis of Opinion

We conducted our audit in accordance with International Standard 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 independence of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in The Gambia and we have fulfilled our other responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and those charged with governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Generally Accepted Accounting Principles, and in the manner required by the Companies Act, 2013 and for such internal control as management determines 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, management is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern operations, or have no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Authority's financial reporting process.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirement regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significant in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The Engagement Partner on the audit resulting in this independent auditor's report is Mr Augustus F. Prom.

Augustus Prom

AUGUSTUS PROM
AUDIT. TAX. ADVISORY
REGISTERED AUDITORS

Augustus Prom
Audit . Tax . Advisory

DATE: 16th July **2018**

Balance Sheet

As at 31st December 2017

	Notes	2017 GMD'000	2016 GMD'000
Assets			
Non-Current Assets			
Property, Plant and Equipment	9	**2,127,793**	1,769,041
Investments	10	**93,806**	263,132
Long Term Receivable from Ferries	14.5	**371,879**	-
Total Non-Current Assets		**2,593,478**	2,032,173
Current Assets			
Inventory	11	**86,390**	110,278
Trade and other Receivables	12	**843,740**	740,040
Cash and Cash Equivalents	15	**455,485**	353,473
Total Current Assets		**1,385,615**	1;203,791
Total Assets		**3,979,093**	3,235,963
Equity & Liabilities			
Equity			
Share capital	16	**16,342**	16,342
Revaluation reserve (*page 12*)		**1,437,296**	1,437,296
General reserve (*Page 12*)		**1,168,623**	970,882
Retained earnings (*Page 12*)		**100,000**	95,928
Total Equity		**2,722,261**	2,520,448
Non-Current Liabilities			
Borrowings	14	**897,119**	433,138
Current Liabilities			
Borrowings within 1 year	14	**215,898**	80,364
Trade and other payables	13	**58,427**	116,971
Taxation	8	**85,388**	85,042
Total Current Liabilities		**359,713**	282,377
Total Equity & Liabilities		**3,979,093**	3,235,963

The Financial Statements were approved by the Board of Directors on 13TH JULY 2018 *and signed on its behalf by;*

Director: ..... ***Director:*** .....

The notes on pages 14 to 31 form an integral part of these Financial Statements.

Cash-Flow Statement

For the year ended 31st December 2017

	Notes	2017 GMD'000	2016 GMD'000
Operating Activities			
Operating profit before tax		**270,306**	65,025
Adjustments for:			
Depreciation	9	**95,806**	119,413
Increase in Provision-Impairment		**258,016**	239,036
Increase in provision - Bad debts		**48,426**	3,475
Movement in Inventory Provision		**(16,321)**	-
Net Translation losses		**(103,702)**	(53,696)
Interest Income		**22,218**	31,826
Mechanical Equipment Write Off		-	(14,261)
Prior year adjustment- retained earnings		**8,388**	(21,937)
Operating profit before working capital changes		**583,137**	368,341
Movement in Working Capital			
(Increase)/Decrease in Inventory		**23,892**	(28,822)
(Increase)/Decrease in Receivables		**(103,237)**	86,522
(Increase) Decrease in Payables		**(63,544)**	(12,229)
Cash Generated from Operations		**440,248**	413,812
Income tax paid	8	**(72,675)**	(59,691)
Net Cash from Operating Activities		**367,573**	354,121
Investing Activities			
Acquisition of Tangible fixed assets		**(455,612)**	(334,283)
Dividend Income		**1,422**	8,075
Disposal Proceeds		-	100
Acquisition/Increase of equity investments		-	(3,063)
Long Term Receivable from Ferries		**(371,879)**	-
Net Cash Used by Investing Activities		**(826,069)**	(329,171)
Financing Activities			
Borrowings		**599,515**	33,611
Interest paid		**(39,007)**	(30,826)
Dividend Paid		-	(1,500)
Net Cash from financing activities		**560,508**	1,285
Net increase in cash & cash equivalents		**102,012**	26,235
Cash and cash equivalent at 1st January 2016		**353,473**	327,238
Cash and Cash Equivalent at 31st December 2017		**455,485**	353,473

The notes on pages 14 to 31 form an integral part of these Financial Statements.

1.4 Inventories

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

Slow moving inventory is provided for as follows:

1 year old stock	*20%*
2 years old stock	*50%*
3 years old stock	*75%*
4 years and above old stock	*100%*

1.5 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.

In the previous year, foreign translation differences was recognised in the Financial Statements but not as a Line Item on the face of the Income Statement but charged to various income lines in which the exchange gain or loss relates to. In 2017, translation differences are recognised on the face of the Income Statement as a line item instead of charging to the various income lines as previous year which is in line with the Recommended Practice.

1.6 Pension scheme

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

Under the National Provident Fund, the Authority contributes 10% of the gross wages of the Dockworkers and the Dockworkers contribute 5% of their gross wages which is deducted before arriving at their net wages.

1.7 Taxation

Tax charged in the income statement is calculated in accordance with the Income tax laws of the Gambia. This is the higher of 1.5% of turnover and 30% (2016: 31%) of taxable profits. Current tax is the expected tax payable on the taxable income for the year and is recognised in the income statement

3.1 Rental Income

Rental income relates to rent received from the investment properties owned by the Authority located within the Bonded Warehouse and also four other warehouses located at the Old Government Wharf, which was acquired from the former Gambia Produce Marketing Board as part of Government of The Gambia's divesture program.

3.2 Sundry Income

Sundry income relates to interest earned on loans for building, vehicle and others given to employees as part of staff contracts of employment and the Authority's Service Rules; Other miscellaneous income and Dividend.

4. Profit on Ordinary Activities before Tax

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

Auditors' remuneration	**741**	741
Directors' remuneration	**680**	741
Depreciation	**95,806**	119,413

	31- Dec 2017 GMD'000	31- Dec 2016 GMD'000

5. Interest Receivable & Similar Income

Interest on deposit accounts	**22,218**	15,643

This relates to interest income realised on the Authority's fixed deposit investments which are denominated in both local and foreign currencies in The Gambia and overseas.

6. Interest Payable and Similar Charges

Loan Interest and Bank Charges	**39,007**	30,826
Exchange (Gain) / loss on external loan	**42,887**	25,055
	81,894	55,881

This relates to interest payable and exchange losses on external loans received from the African Development Bank during the third port development project, the SSHFC loan and other local banks as explained in note 14.

8a. Tax Computation

Accounting profit	**271,445**	53,427
Add back: Disallowed Expenses		
Depreciation	**95,806**	119,413
Donations	**1,490**	2,808
Entertainment	**1**	3,013
Directors sitting allowance	**680**	741
National education levy	**2,100**	1,000
Adjusted profit before allowable deductions	**371,522**	180,402
Less: Allowable Deductions		
Capital allowance utilised	**(128,115)**	(45,331)
Utilised Loss	**-**	(805)
Total assessable profit for the year	**243,407**	134,266
Tax rate	**30%**	30%
Tax Charge for the Year of Assessment	**73,022**	40,280
Corporation Tax Expense	**73,022**	40,280

10. Investments

	Notes	31- Dec 2017 GMD'000	31- Dec 2016 GMD'000
Trust bank limited	10.1	**16,990**	16,990
Gam petroleum	10.2	**191,716**	191,716
Gallia holdings - Marshall Islands	10.3	**169,319**	169,326
NAWEC	10.4	**1,000**	1,000
GAMTEL	10.5	**600**	600
		379,625	379,632
Provision for impairment	10.6	**(285,819)**	(116,500)
		93,806	263,132

10.1 Investment in Trust Bank Limited

This represents investment in the ordinary shares of Trust Bank Limited after privatization. The 11,156,507 ordinary shares held by the Authority over the years as at the year ended represent a 5.58% stake in Trust Bank Limited.

10.2 Gam Petroleum

This represents the investment in Gam Petroleum Storage Facilities following a Government directive through the Department of State of Finance and Economic Affairs ref ADM/265/448/01 (155) dated 22nd April 2008 as part of Government of The Gambia's petroleum initiatives. The Authority's investment represents 10% stake in Gam Petroleum Limited. As part of the Authority's impairment review, a total of GMD115.5 million has been made against this investment. Additional investment of 4% (1.4m Euros) was made in 2016 as directed by the Government.

10.3 Investment in Gallia Holdings

A joint venture agreement was signed between Gallia Holdings-Marshall Island and Government of The Gambia dated 5th March 2011 to establish, develop, manage and operate two ferry boats to be employed at two major ferry crossing points across The Gambia, as well as the existing fleet of ferries deployed through The Gambia, which are of national and international importance as they form part of the regional transport network. The agreement specified ownership of 55% Gallia Holdings with Government of The Gambia 45%, whose shareholdings has been taken over by Social Security and Housing Finance Corporation and the Authority. This Investment was through a Government Directive. As part of the Authority's impairment review, 100% has been provided for as at 31st Dec 2017 amounting to GMD169.3million.

10.4 Investment in National Water & Electricity Company Limited (NAWEC)

This represents the Authority's holding of 1% share in the National Water &Electricity Company Limited (NAWEC). A 100% provision has been made on this investment.

		31- Dec 2017 GMD'000	31- Dec 2016 GMD'000
12.1 Advances to Related Party Entities			
Banjul shipyard	*12.1.1*	**155,111**	140,290
GRTS	*12.1.2*	**7,750**	7,750
Gambia Maritime Administration	*12.1.3*	**43,333**	43,333
Gambia Ferries Services	*12.1.4*	**1,005,469**	934,224
Qatari joint venture	*12.1.5*	**46,848**	46,848
Banjul Fisheries Jetty	*12.1.6*	**13,765**	10,281
		1,272,276	1,182,726
Less: Provision for Impairment		**(851,237)**	(762,539)
		421,039	420,187

12.1.1 Advances to Banjul Shipyard Co. Ltd

This represents advances relating to consultancy services for conceptual design, outline specification, detailed design and engineering for the preparation of tender documents, procurement of capital equipment, salaries of staff and other operational expenditures of the Banjul Shipyard. These expenditures were made during the period following the re-possession of the ship yard from Mass Sosseh and Sons in the early 1990s and subsequent re-privatisation to B.F. Marine and Construction Company, Malaysia (in 2005 to 2006). Following the termination of the B.F. agreement, the Authority was entrusted to fund the Shipyard operations following Government directives to that effect. As part of the Authority's annual impairment review, a provision of ***GMD110.0 million*** *(2016: GMD 92.4 million) has been made against total advances made to the Banjul Shipyard.*

12.1.2 Advances to Gambia Radio and Television Services (GRTS)

This represents subventions made over the years to fund the operations of the Gambia Radio and Television Services following a Government directive to support the National Radio and Television Service. This amount which has been outstanding for several years is fully provided in the financial statements.

12.1.3 Advances to Gambia Maritime Administration (GMA)

This represents expenditure incurred in setting up the Gambia Maritime Administration relating to staff expenses and working capital support following Government directive issued via the Department of State for Works and Communication (Ministry of Works, Communication and Infrastructure) in 2001. A total of ***GMD 35.4million*** *(2016: GMD31.5 million) has been provided as part of the impairment review over the years.*

12.1.4 Advances to Gambia Ferry Services

This represents the investment made in upgrading the infrastructure facilities at the Ferry services, consultancy services and construction cost of new ferries procured, procurement of capital equipment, and subsidizing other operational expenditures of the Ferry services.

12.3 Staff Debtors

AMRC Staff House Loan	**50,934**	46,073
AMRC Dock Workers Building	**6,925**	7,179
Building Loans	**45,526**	38,069
Long Term Medical Loan	**2,474**	888
Miscellaneous Loans	**5,563**	5,199
Personal Loans	**445**	477
Special and Other Loans	**14,595**	15,386
SSHFC Building Loans	**9,864**	8,134
Dock Workers Vehicle Loan	**74**	79
Insurance Loans	**7**	2
Vehicle Loans	**72,412**	74,724
	208,819	196,210
	======	======

13. Trade & Other Payables

	31- Dec2017 GMD'000	31- Dec 2016 GMD'000
Trade payables	**3,768**	4,610
Accruals & other payables	**49,659**	112,361
Dividend Payable	**5,000**	-
	58,427	116,971
	======	======

14. Borrowings: *Amount Falling due After one Year*

Details	*Notes*	**31- Dec 2017 GMD'000**	31- Dec2016 GMD'000
African Development Bank	*14.1*	**314,876**	293,989
SSHFC	*14.2*	**45,000**	65,000
Standard Chartered Bank	*14.3*	-	154,513
Damen /Kankujerry Tug Boat	*14.4*	**346,803**	-
Damen / Kunta Kinteh Ferry	*14.5*	**406,338**	-
Total Borrowings		**1,113,017**	513,502
Total due within one year		**(215,898)**	(80,364)
		897,119	433,138
		======	======

In 2017, the New Ferry was handed over to the Ferries and a Memorandum of Understanding was signed between GPA and Ferries in which they (Ferries) accepted to settle this Loan that GPA has acquired on their behalf. Monthly payments of D5m are made to GPA and GPA transfers the Bi-Annual sums due to the Creditor – DAMEN. This Loan amount has also been captured as a Receivable from Gambia Ferries to the Gambia Ports Authority (GPA).

15. Analysis of the balances of cash as shown in the Balance Sheet

	31- Dec 2017 GMD'000	31- Dec 2016 GMD'000	**Changes GMD'000**
Cash at Bank & In Hand	**368,720**	303,798	**64,922**
Fixed term Deposit	**86,765**	49,675	**37,090**
	455,485	353,473	**102,012**

16. Share Capital

Authorised	**No. Of shares**	**31- Dec 2017 GMD'000**	31- Dec 2016 GMD'000
At the beginning of the year			
Ordinary shares at D10 each	1,634,200	**16,342**	16,342
At the end of the year	1,634,200	**16,342**	16,342
Issued and fully paid			
At the beginning of the year			
Ordinary shares at D10 each	1,634,200	16,342	16,342
At the end of the year	1,634,200	16,342	16,342

The Gambia Ports Authority is 100% owned by The Government of The Gambia.

17. Earnings Per Share

	31- Dec 2017	31- Dec 2016
Basic earnings per share (Dalasi)	**121.4**	8.04
Weighted average number of shares used	**1,634,200**	1,634,200
Profit for the financial year (Dalasis)	**198,423,000**	13,147,000

SUPPLEMENTARY INFORMATION

Administrative Expenses - Cont'

	31- Dec2017 GMD'000	31- Dec 2016 GMD'000
Telex/Tele-fax	2,178	1,530
Postage	27	27
Printing	1,760	2,131
Computer stationery	2,496	3,700
Other stationery	1,749	1,518
Advertising & publicity	281	990
Periodicals & Publicity	11	-
Radio License	-	23
Procurement handling charges	245	665
Procurement Inspection	-	1,000
Travelling	13,734	11,082
Entertainment	1	3,013
Donations	1,490	2,808
Business Development Expenses	3,724	9,381
OPES Write Off	31,700	-
Medicals	18,965	14,756
Subscriptions & subventions	6,383	7,071
Maintenance contracts	6,199	3,151
Sundry other expenses	10,069	16,850
Inter-port Cooperation	54	-
Consultancy	65	502
Legal fees	214	103
Audit fees	741	741
GPA football team expenses	14,166	5,415
Rates	1,465	1,466
National education levy& sports	2,100	1,000
Vehicle fleet insurance	854	935
Marine insurance	2,670	2,326
Professional Indemnity Insurance	148	78
Fire/ burglary insurance	148	540
Public liability	350	106
Other insurance	3	27
Transports Expenses- Fuel & Lubs	12,382	13,603
Repairs and maintenance	1,006	2,899
Licences & road tax	118	46
Hired transport	15,159	13,202
Fares/ claims	5,849	2,899
Other transport expenses	2,917	7,016
	424,034	377,183

Management Team Cont'

Peter Ndekey	Marine Engineer
Momodou B. Ceesay	Senior Pilot 1
Bubacarr Ceesay	Senior pilot 2
Ousman Jammeh	Senior Information Technology Manager
Kabba Ceesay	Senior Stores Manager
Gibou Joof	Senior Audit Manager
Bubacarr B. Jallow	Senior HR & Admin Manager
Mohamed Jobarteh	Senior Finance Manager 1
Assan Jome	Senior Finance Manager 2
Sunkaru Jarju	Senior Corporate Service Manager
Katchi Darbo	Senior Safety Manager
Abdoulie Njie	Senior Procurement Manager
Alhaji A. Barry	Senior Security Manager
Dodou Keita	Senior Stevedoring Manager
Kebba Camara	Senior Civil Engineer Manager
Lamin Touray	Container Terminal Manager (Export)
Adam Nyan Gai	Senior Manager Performance & Monitoring
Abou Gillen	Container Terminal Manager (Import)
Seedy Ceesay	Manager Operations and Logistics
Gibriel Jeng	Sheds Manager
Madeline Jatta	Rating Manager
Foday Lowe	Cash Office Manager
Ida Jobe	Credit Control Manager
Sanu Habib Jeng	Billing Manager
Ebrima Kinteh	Management Accountant 1
Haddy Cham	Financial Accountant
Sainabou Ceesay	Audit Manager 1
Aida K. Manneh	Audit Manager 2
Demaba Singhateh	Audit Manager 4
Ousainou Nyang	Manager Plant Operation
Therese Secka Faal	Claims Manager
Ebrima Fatty	Electrical Manager
Ramatoulie Othman	Admin Manager
Suwaidou Jatta	Training & Development Manger
Momodou Bah	Admin & Insurance Manager
Aba Sagnia	Transport & Admin Manager
Abdourahman Jallow	Stores Manager
Landing B Sanyang	Corporate Service Manager 1
Ya Amie Secka	Safety Manager
Lamin Sanyang	Principal Nurse
Suwadou Badjie	Management Accountant 2

Basically, the 4th Port Expansion Project may include:

- Extension of the existing New Banjul Jetty by 200m
- Rehabilitation of existing north and south container terminals,
- Rehabilitation of existing jetty (New Banjul Wharf),
- Basic Yard Extension, Phase II, demolish structures (including current office building) and new pavement constructed with drains and lighting covering an area of 20,000m2
- Capital Dredging of the Entrance Channel into Banjul from 7.9m to 10.2m and widening to 120m to create a two lane shipping traffic. Initial studies have indicated an amount of 4.6 million m^3 of sand to be removed
- Creation of an Off-dock Container Terminal

New Master Plan and 5 Year Business Plan

The Authority's broad plans are based on certain development objectives, which are in line with the Government's National Development Plan 2018-2021, the National Transport Policy 2017-2027 and emerging trends in the global maritime environment.

During the past three decades, the port and shipping industry experienced unprecedented changes, as evidenced by the increasing use of containerization, the use of bigger and specialized vessels and the emergence of hub and spoke ports, all of which have transformed the nature of international seaborne trade.

It is against this backdrop that the GPA launched this new Master Plan and 5 Year Business Plan in order to determine the infrastructure and institutional development needs as well as investment plan for private participation in the provision services.

The Authority will endeavour to match these corporate development strategies against its responsibility to ensure facilities and services are provided and operated efficiently and effectively in the best interest of the public and thus employ methods and techniques aimed at maximizing the core competence of the Port, as well as develop diversified strategies to ensure sustained growth of the Port.

Private Sector Participation in the delivery of Port Services

The trend in financing port development projects is leaning more towards the private sector window, as access to concessionary funding from international financing agencies, such as the World Bank, African Development Bank, Islamic Development Bank is limited. This approach is engendered by the fact that ports are deemed to be financially viable, thus attractive to the private sector window. It is realized that most ports in the sub-region have injection of private capital in the form of concessions, BOT and other PPP arrangements. The Port of Banjul will take advantage of this perspective and engage Government to create the institutional and legal framework to facilitate PPP transactions.

The advantages of river transport in terms of its relative cheaper cost per tonne mile for high volume cargo such as rice, sugar flour and other consumer goods cannot be overemphasised, coupled with the aggregate benefits to be derived in the socio economic regeneration of the coastal settlements along the river trading posts.

Conclusion

During the past four decades, the Port of Banjul registered growth in throughput, despite the current challenges in terms of the infrastructure and capacity improvements needs. These developments will be complemented with infrastructure improvement projects that may be identified in the New Port Master Plan, to enhance the competitive advantages of the Port of Banjul in the face of fierce competition within the sub region, in line with its corporate mission "to excel as a leading maritime centre for trade, logistics and distribution".

These projects include the construction of a.new jetty and additional container terminals at the Bund Road off-dock site, procurement of additional cargo handling equipment coupled with appropriate human resources development in order to provide quality service to its customers and contribute meaningfully toward national socio economic development.

On behalf of the Board of Directors, I wish to thank the Management and Staff of the Gambia Ports Authority for an improvement in port performance and for meeting the Authority's financial obligations, especially to The Gambia Government and international financial institutions.

Alpha A. Barry
CHAIRMAN

The imports, which constitute about 86% of the total throughput, is dominated by traditional commodities such as sugar, rice, flour, groceries, electronic/electrical items, cement and liquid bulk products. RORO vehicles also contribute to the import figure.

The number of vessel calls increased by 1% from 289 in 2016 to 293 in 2017. Net Registered Tonnage increased by 11% from 1,985,917 in 2016 to 2,201,632 in 2017. Gross Registered Tonnage also increased by 8% from 4,539,886 in 2016 to 4,922,736 in 2017. The above figures indicate the use of bigger vessels in 2017 when compared to 2016.

Despite the global economic shocks and challenges that are beyond the Authority's control, the Port will strive to continue to improve on its overall performance especially in ship operations, cargo throughput, handling productivity and ship's turnaround time. It is pleasing to note that our human resource assets have contributed immensely towards the achievement of the Authority's success in the year under review through the realisation of our corporate vision.

This new development is envisaged to have a positive impact on the Port, such as:

I. Accommodating bigger vessels: Port of Banjul will be able to benefit from economies of scale through berthing of bigger vessels;
II. Reduce the waiting time of vessels: The increased depth of these berths will enable the Port to handle five vessels simultaneously and thus reduce the queuing time at anchorage, which has the benefit of reducing vessels costs and therefore reduce the cost of goods in the domestic market.
III. Increase vessel calls: With the dredging, it is envisaged that vessel calls will increase with the potential to boost revenue generating capacity of the Port.

The long term strategy is for the dredging of the channel entrance into Banjul, which studies have indicated that 4.6 million m^3 should be removed to increase the navigable depth from 7.9m to 10.2m for an estimated cost of €40 million. The sand to be removed can be utilized for civil construction, which also has the advantage of providing an alternative to sand mining in the country.

Human Resource Development

Human Resource Development continues to remain an integral and priority area for the Gambia Ports Authority. The Port has entered into several MoUs with other Ports and related institutions in the maritime industry in the sub-region and beyond, such as the Ghana Port and Harbours Authority and Port of Antwerp.

Consultancy shall be awarded for the conduct of an HR Audit by a local consultancy firm in order to determine the staffing needs, job requirements and personnel specifications. The study will also identify the skills and competence gaps and recommend right sizing in terms of the human resource to fill in the identified job titles. These recommendations shall take the form of recruitment and retention policies as well as retrenchment.

Improving Procurement Process

In respect of solicitation for funding of Port Development Projects, or partnerships for such purpose, the Authority will be guided by statutory procurement guidelines and regulations, with a view to ensuring bankability, value for money, debt sustainability and transparency in the process.

Transformation of Stevedoring Services (Dock Labour Scheme)

Government directives were issued authorising the transfer of dockworkers under the service of the GPA by the Labour Amendment Act 2007. Management has ushered in new recruitment, wages payment and training schemes, albeit the main restriction in the former Scheme has not been addressed in terms of dockworkers retiring at the statutory age of 60. The strategy is aimed at engaging the Unions with a view to collective bargaining for the introduction of a new recruitment policy that will result in dockworkers having to retire at 60.

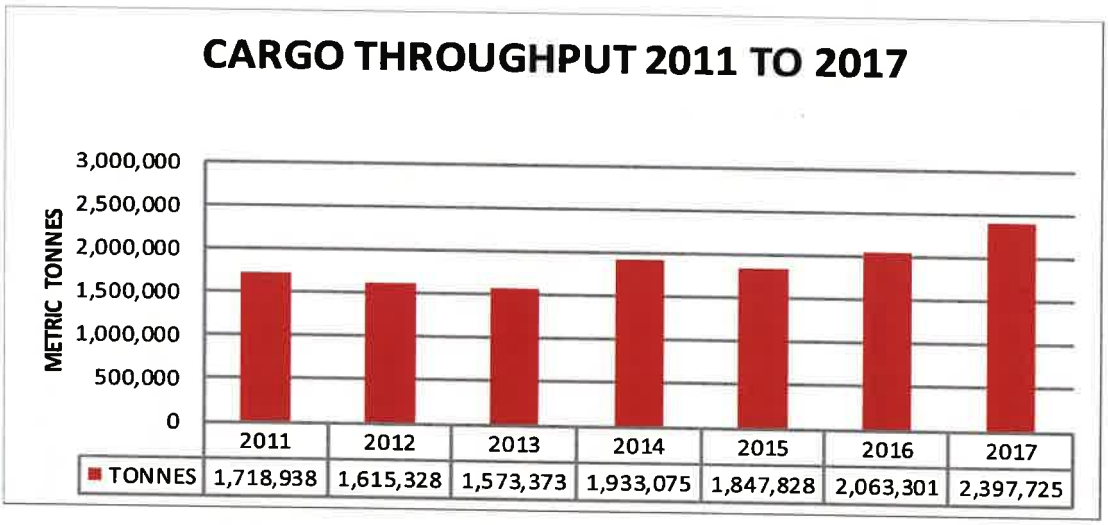
B. PORT TRHOUGHPUT ANALYSIS (ANNEX 1)

1.0 PORT THROUGHPUT ANALYSIS IN METRIC TONNES

The Port handled a total tonnage of 2,397,725 tonnes in 2017. This figure excludes petroleum products handled at Mandinary of 142,245 tonnes.

Total throughput handled at the Port of Banjul increased from 2,063,301 tonnes in 2016, to 2,397,725 tonnes in 2017 representing an increase of 334,424 tonnes and indicates a record of 16% increase in 2017.

The Current throughput figure of 2,397,725 tonnes indicates a rise in total throughput, accounted for by the increase in volumes of container imports, vehicles, bulk cement and containerized exports of agricultural produce such as timber (embargo after three months), cashew nuts and ground nuts. This figure excludes the shifting of containers onboard vessels, hatch covers handled by stevedores and the liquid bulk (petroleum products) of 142,245 tonnes handled by Gam Petroleum Limited, at its storage facility in Mandinary.



1.1 IMPORTS

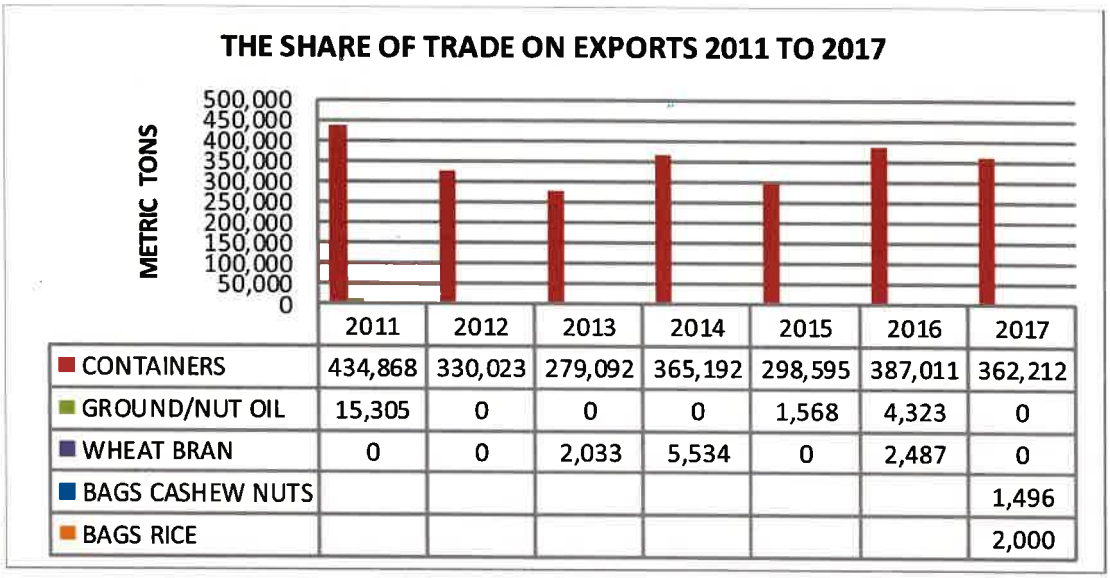
Imports, which constitutes 86% of total throughput, is dominated by commodities such as containerized goods, bulk cement, and vehicles.

Containerised cargo (comprising mostly of manufactured goods, textiles and food stuff such as rice, sugar, groceries, electronic/electrical, etc) accounted for about 60% of imports.

It can be noted from the figures below that non-containerized bulk and bagged cargo such as sugar and rice, which were previously handled from bulk and break-bulk cargo vessels are increasingly shipped into containers, indicating a modal shift from bulk and break-bulk cargo trade to more of containerization in 2017.

1.2 EXPORTS

Containerized exports comprise mainly of general cargo, textiles, cashew nuts, mineral sand, fish and fish products, timber, scrap metal, groundnut, hides and skins, etc, with throughput figure of 387,011 tonnes in 2016, deceased in 2017 to 362,212 tonnes and form 99% of total export. 1,496 tonnes of bags cashew nuts accounting for 0.4% and 2,000 tonnes bags rice accounting for 0.6% were not recorded in the pass years as shown in the chart below. This trend shows more of containerization of exports.

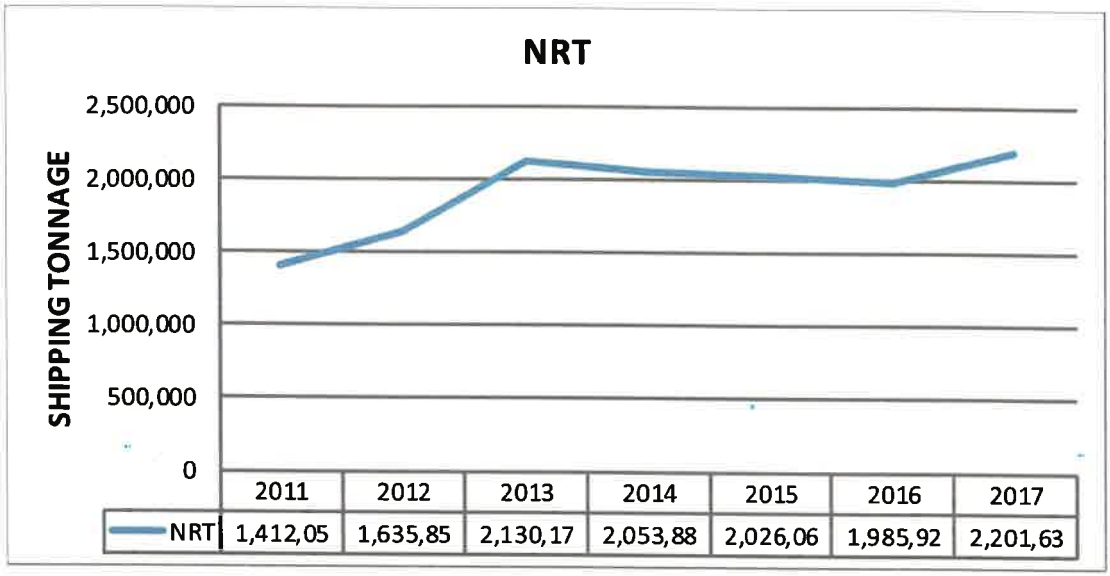


	2011	2012	2013	2014	2015	2016	2017
CONTAINERS	434,868	330,023	279,092	365,192	298,595	387,011	362,212
GROUND/NUT OIL	15,305	0	0	0	1,568	4,323	0
WHEAT BRAN	0	0	2,033	5,534	0	2,487	0
BAGS CASHEW NUTS							1,496
BAGS RICE							2,000

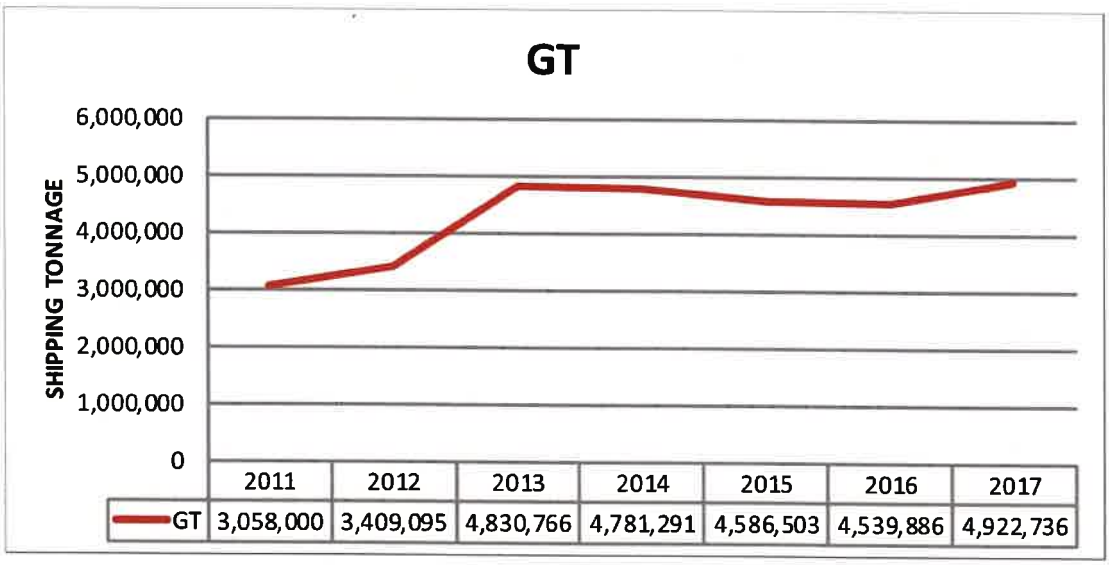
1.3 CONTAINER THROUGHPUT (TEUs)

During the year 2017, container traffic increased with total containers handled amounted to 105,371 TEUs compared to 93,190 TEUs in 2016, thus indicating an increase by 12,181 TEUs accounting for 13% over the period.

With the current increase on container throughput, the Port continued to realize cumulative growth on volumes, with container imports accounting for 54,958 TEUs and exports 50,413 TEUs in 2017.



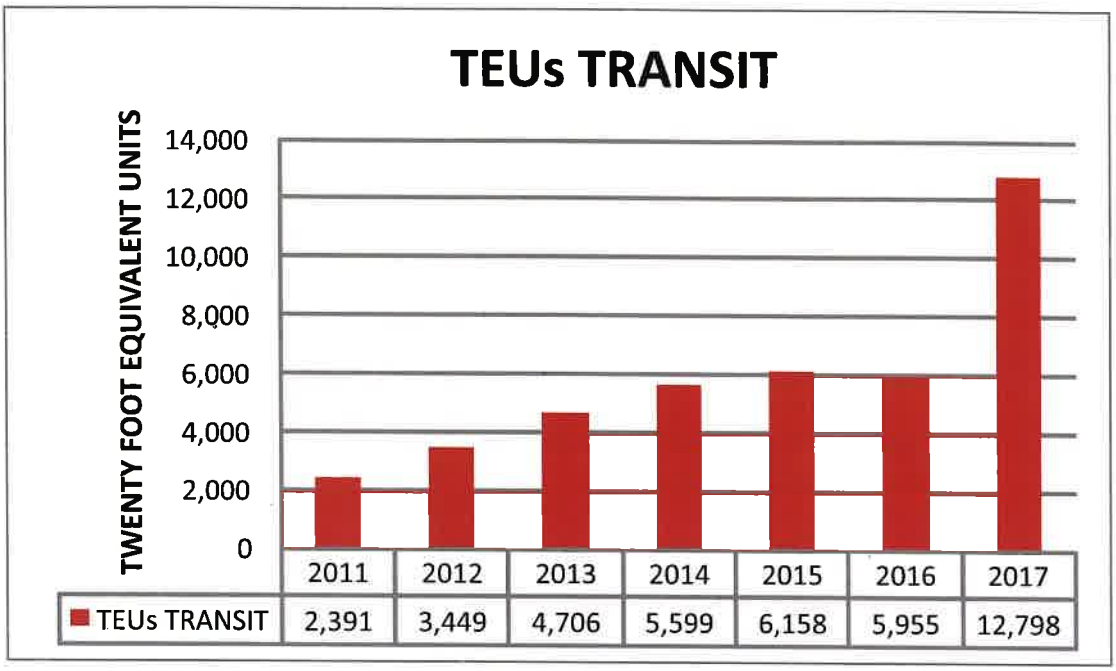
The percentage increase from 2016 to 2017 accounted for 11% NRT and 8% GRT which could be regarded as a major boost; they reflected on the increase in number of vessels by 1%, also positively impacted cargo throughput, with a 16% growth, which could be attributed to larger sizes of vessels employed in 2017 in terms of trading capacities.



3.0 PRODUCTIVITY AND PERFORMANCE

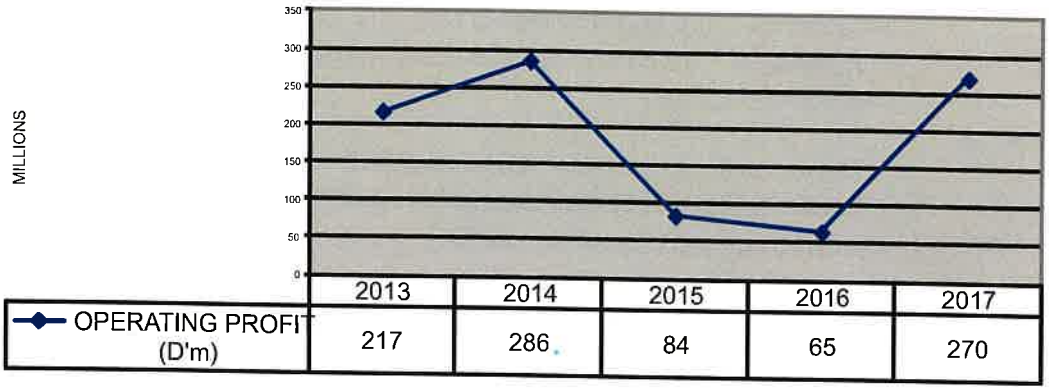
The Port strives to improve overall performance responding to faster ship turn-around time, by all means maintaining its benchmark standards set on cargo handling productivity as baseline in securing its position in the fierce inter port competition within the sub-region.

5.0 TRANSIT TRADE 2011 TO 2017

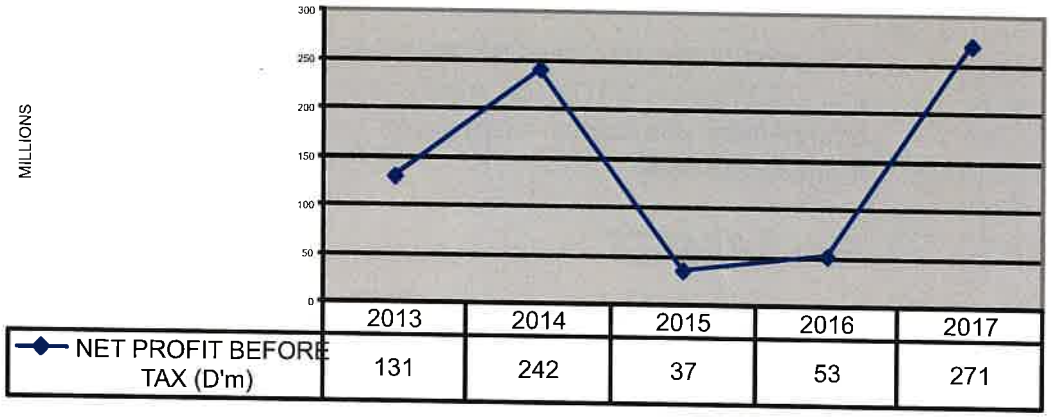


The above graph show that transit from Banjul to other destinations within the sub region has increased from 5,955 TEUs in 2016 to 12,798 TEUs in 2017, representing a 115% increase. The main reason for this rise is the renewed confidence by businessmen from neighbouring countries.

OPERATING PROFIT (D'm)

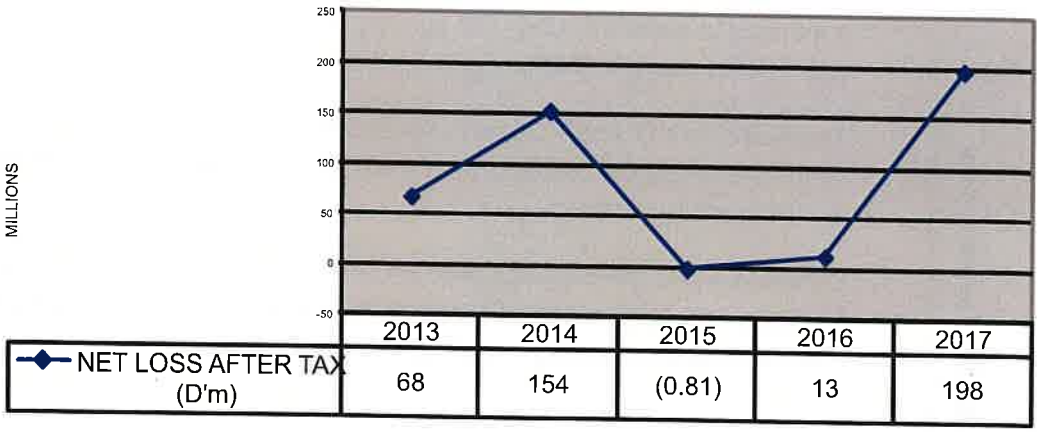


NET PROFIT BEFORE TAX (D'm)



Net profit before tax was D131m (2013), D242m (2014) decreased to D37m (2015) and D53m in 2016. Net Profit before tax increased to D271m in 2017 from D53m in 2016 (411%) mainly as a result of the increase in Port Throughput and the corresponding increases in Revenue.

NET LOSS AFTER TAX (D'm)



With the envisaged implementation of certain components of the New Master Plan, it is important that the Authority is able to access finance for the realization of these objectives. This is especially the case with the transformation of the acquired Half-Die properties to a container stacking yard, Rehabilitation of the North and South Terminal, Jetty Extension by 200m, Rehabilitation of the New Banjul Jetty and procurement of new cargo handling equipment among other projects in order to improve port productivity, service delivery and turnaround-time to ease port congestion arising from continuing growth in containerization.

The Authority will continue to implement modern management techniques to improve productivity while aggressive marketing management techniques put in place to attract new business.

Ousman M. Jobarteh
MANAGING DIRECTOR

ANNEX 1

CARGO TRAFFIC ANALYSIS (METRIC TONNES)

Year Ended 31 December 2017

IMPORTS	2013	%	2014	%	2015	%	2016	%	2017	%
CONTAINERS	803,904	62	1,016,538	59	1,000,802	59	1,107,649	62	1,314,917	60
GENERAL	10,122	1	7,367	0	4,285	0	18,421	1	27,449	1
RICE	72,977	6	106,254	6	46,496	3	66,058	4	128,064	6
SUGAR	40,774	3	-	0	9,432	1	-	0	8,032	0
FLOUR	-	0	-	0	-	0	-	0	-	0
CEMENT	264,540	20	286,904	17	285,806	17	360,702	20	417,047	19
PETROLEUM	14,008	1	11,350	1	55,300	3	-	0	-	0
HEAVY FUEL/MANDINARY	-	0	161,901	9	88,622	5	123,665	7	142,425	7
FATTY ACID	-	0	-	0	-	0	-	0	-	0
VEHICLES/RORO	39,177	3	32,682	2	36,767	2	56,192	3	47,427	2
FERTILIZER	-	0	-	0	-	0	-	0	5,047	0
WHEAT GRAINS	35,442	3	57,064	3	84,799	5	53,493	3	50,070	3
BASALT	21,816	2	24,688	1	78,778	5	6,965	0	37,460	0
MISC.	3,357	0	3,852	0	-	0	-	0	-	0
TOTAL	**1,306,117**	**100**	**1,708,600**	**100**	**1,691,087**	**100**	**1,793,145**	**100**	**2,177,938**	**100**
EXPORTS										
CONTAINERS	279,092	99	365,228	95	298,595	99	387,011	98	358,574	99
GENERAL	780	0	0	0	-	0	-	0	-	0
GROUNDNUT	1,391	0	5534	1	1,568	1	2,487	1	1,496	0
MISC.	-	0	15,607	4	-	0	4,323	1	2,142	1
PEROLEUM/MANDINARY	-	0	-	0	-	0	-	0	-	0
TOTAL	**281,263**	**100**	**386,369**	**100**	**300,163**	**100**	**393,821**	**100**	**362,212**	**100**
GRAND TOTAL	**1,587,380**		**2,094,969**		**1,991,250**		**2,186,966**		**2,540,150**	

ANNEX 3

FINANCIAL AND STATISTICAL SUMMARY 2013 - 2017

D'000s	31/12/2013	31/12/2014	31/12/2015	31/12/2016	31/12/2017
Revenue	747,540	1,009,221	799,937	943,099	1,272,092
Working Expenses	538,892	731,666	745,511	898,800	1,010,238
Net Earnings	208,648	277,555	54,426	44,299	261,854
Debt Service Charges	95,526	63,743	(19,905)	55,881	81,894
Other Income/ (Charges)	17,612	27,997	36,476	36,369	30,670
Corporation tax	62,710	87,355	38,044	40,280	73,022
Profit /(Loss) for year	68,024	154,454	(805)	13,147	198,423
Net Fixed Assets	1,699,302	1,684,510	1,703,583	1,769,041	2,127,793
Net Current Assets	864,308	1,075,393	948,354	921,414	1,025,902
Net Operating Assets	2,563,610	2,759,903	2,651,937	2,690,455	3,153,695
Capital Jobs Work-In-progress	-	57,877	163,728	-	-
Long Term Investments	176,282	183,852	260,069	263,132	465,685
Intangibles					
Net Assets	**2,739,892**	**3,001,632**	**2,943,755**	**2,953,586**	**3,619,380**
Public Debt	497,236	529,795	479,891	513,502	1,113,017
Equity and Reserves	2,284,656	2,467,196	2,485,364	2,520,448	2,722,261
Total Debt and Equity	**2,781,892**	**2,996,991**	**2,965,255**	**3,033,950**	**3,835,278**
Returns (%)					
Working Expenses to Revenue	78.54	72.09	93.20	95.30	79.42
Net Earnings to Net Operating Assets	8.14	10.06	2.05	1.65	8.30
Net Earnings to Net Assets	9.13	9.25	1.85	1.50	7.23
Net Earnings to Equity & Reserves	9.13	11.25	2.19	1.76	9.62
Net Earnings less debt service to Equity & Reserves	4.95	8.67	1.39	0.46	6.61
Current Ratio	4.94	5.09	4.31	4.26	3.85
Quick Ratio	4.69	4.90	4.02	3.87	3.61
No. of times interest is covered by Revenue	7.83	15.83	40.19	16.88	15.53
Debt Service (Principal+Interest) to Cash inflow from Operations	3.71	3.52	2.73	3.30	3.01

NOTES