



Social Security and Housing Finance Corporation(SSHFC)

Annual Report and Financial Statements
for the year ended 31 December 2017



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General information

Directors	Sulayman Samba	Chairman (Hon. Secretary General)
	Edward Graham	Managing Director - SSHFC(To March 17)
	Muhammed Manjang	Managing Director - SSHFC(From March 17)
	Saibatou Faal	Deputy Managing Director
	Oreme Joiner	FPS Rep- Member
	Malick Foon	Pensioners Rep
	Ebrima Barry	Employer Rep-NPF
	Bulli Dibba	PS MOL
	Lamin Sima	Staff Rep
Secretary	Baboucarr .A. Foon	SSHFC
Bankers	Trust Bank Limited	Guaranty Trust Bank (Gambia) Limited
	3/4 ECOWAS Avenue	56 Kairaba Avenue
	Banjul, The Gambia	Serrekunda, The Gambia
	Standard Chartered Bank (Gambia) Limited	First Bank of Nigeria (Gambia) Ltd
	8 ECOWAS Avenue	48 Kairaba Avenue
	Mega Bank	Access Bank (Gambia) Limited
	11 Liberation Avenue	47 Kairaba Avenue
	Banjul, The Gambia	KSMD, The Gambia
	Arab Gambian Islamic Bank Limited	Zenith Bank (Gambia) Limited
	7 ECOWAS Avenue	49 Kairaba Avenue
	Banjul, The Gambia	KSMD, The Gambia
	First International Bank (Gambia) Limited	Bank Saheliene For Investment
	Kairaba Avenue	Kairaba Avenue
	KSMD, The Gambia	Fajara, The Gambia



Eco Bank (Gambia) Limited
42 Kairaba Avenue
KMSD, The Gambia

Skye Bank (Gambia) Limited
Kairaba Avenue
KMSD, The Gambia

Auditors DT Associates
1 Paradise Beach Place
Bertil Harding Highway - KMSD
P.O Box 268
Banjul, The Gambia

Solicitors Lords Chambers
Dippa Kunda
KMC
The Gambia

Solie Law Chambers
Fajara East
KMC
The Gambia

Actuaries Muhanna & Co
6 Nikou Georgiou Street
Block C Fourth Floor
1095 Nokosia
Cyprus

FPF William M Mercer Limited
United Kingdom

IICF U.K. Government Actuary
United Kingdom

Registered Office 61 ECOWAS Avenue
Banjul, The Gambia



Directors' report

The directors present their report and the audited financial statements for the year ended 31st December 2017.

Statement of Directors responsibilities

The Social Security and Housing Finance Corporation Act 2015 requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Corporation and of its surplus or deficit for that period. In preparing the financial statements, the directors are required to:

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

The directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the Corporation and to enable them to ensure that the financial statements comply with the Social Security and Housing Finance Corporation Act 2015. 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 Corporation acts as the sole pension provider to employees in both private and public sector organisations in The Gambia. The Corporation also operates housing schemes on a mortgage or commercial basis to the public.

Results

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

Royalties

Royalties payable to the Government of The Gambia are computed on the basis of 1.5% of gross income, excluding contributions, of each fund.



Actuarial valuation

In accordance with Section 30 (1) and (3), of the Social Security and Housing Finance Act 2015, the directors are required to carry out an actuarial valuation of the social security scheme at least once every three years. The previous actuarial valuation was in respect of the triennial ending 31 December 2014 on the Federated Pension Scheme and for the Industrial Injuries Compensation Fund. Actuarial valuation of the Schemes is yet to be completed for the year ended 31st December 2017.

Directors and directors interest

The members of the board of directors are as detailed on page 5.

None of the Directors who held office during the year had any beneficial financial interest in the affairs of the Corporation. The Directors are required to serve for an initial period of three years, but are eligible for re-appointment or election after the expiration of this period.

Going Concern

The directors confirm that it is appropriate to adopt the going concern basis in preparing the financial statements.

Auditors

The auditors are appointed by the Auditor General.

By Order of the Board of Directors

Secretary

Date 27th December 2018

Report of the independent auditors- Federated Pension Fund

To the members of Social Security and Housing Finance Corporation

Opinion

We have audited the financial statements of Social Security and Housing Finance Corporation's Federated Pension Fund, which comprise the statement of financial position as at 31st December 2017, and the statement of profit or loss and other comprehensive income, statement of changes in equity and 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, the financial statements present fairly, in all material respects, the financial position of the Corporation's Federated Pension Fund as at 31st December 2017, and its financial performance and cash flows for the year then ended in accordance with Generally Accepted Accounting Principles and have been properly prepared in accordance with the requirements of the Social Security and Housing Finance Corporation Act 2015.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the 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.

Emphasis of matter

We draw attention to the disclosure on Actuarial Report in the Director's Report; the Actuarial Report for the year under review was due in December 2017. Section 30 of the SSHFC Act 2015 requires the Corporations to conduct periodic actuarial valuations at least every three years for the purpose of maintaining adequate financial resources in relation to the Social Security Scheme. Up to the time of reporting, the Actuarial valuation of the Scheme is yet to be completed. Our opinion is not qualified in respect of this matter.

Other Information

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Social Security and Housing Finance Corporation Act 2015, the Activity Report presented to the National Assembly Public Enterprise Committee. 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 Social Security and Housing Finance Corporation Act 2015 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 Company'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 Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- 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 Company'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 Company 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.

DT Associates

DT Associates

Chartered Accountants

Registered Auditors

Aji Penda Sankareh

Partner

Date 27th December 2018



Income Statement - Federated Pension fund

for the year ended 31 December 2017
(In thousands of Gambian Dalasi)

	Notes	31-Dec-17 D.000	31-Dec-16 D.000
Income			
	2	69,945	56,536
Investment income	3	8,363	9,582
Other income			
Total income		78,308	66,118
Expenditure			
General and administrative expenses	4	(49,351)	(64,963)
Provision for doubtful debts	8	(16,253)	(52,928)
Royalties	5	-	(992)
Total expenditure		(65,604)	(118,883)
Surplus(Deficit)for the year		12,704	(52,765)

The notes form part of these financial statements.




Balance Sheet- Federated Pension fund

as at 31 December 2017
(In thousands of Gambian Dalasi)

Assets	Notes	31-Dec-17 D.000	31-Dec-16 D.000
Non - current assets			
Property, plant and equipment	9	81,843	84,129
Equity investment	7	456,620	456,620
Investment properties	6	231,935	231,935
Total non - current assets		770,398	772,684
Current assets			
Loans to member institutes	8	34,558	65,414
Trade and other receivables	10	465,615	443,702
Other financial assets	11	279,447	196,855
Cash at bank and in hand	12	16,805	12,280
Total current assets		796,425	718,251
Total assets		1,566,823	1,490,935
Equity and liabilities			
Capital and reserves			
Members fund		1,531,280	1,451,372
Revenue reserves		3,932	3,932
Revaluation reserves		21,825	21,825
Total equity		1,557,037	1,477,129
Current liabilities			
Trade and other payables	13	9,786	13,806
Total equity and liabilities		1,566,823	1,490,935

These financial statements were approved by the Board of Directors on 27th Dec. 2018 and signed on its behalf by:


..... Director


..... Director

The notes form part of these financial statements.



Statement of changes in members' fund and reserves - Federated Pension fund

for the year ended 31 December 2017
(In thousands of Gambian Dalasi)

	Members Fund D.000	Revenue Reserve D.000	Revaluation Reserve D.000	Total D.000
Balance as at 1st January 2016	1,418,223	3,932	21,825	1,443,980
Prior year adjustment	28,991	-	-	28,991
Restated opening balance	1,447,214	3,932	21,825	1,472,971
Contributions less benefits	56,923	-	-	56,923
Deficit for the year	(52,765)	-	-	(52,765)
Balance as at 31 December 2016	1,451,372	3,932	21,825	1,477,129
Balance as at 1st January 2017	1,451,372	3,932	21,825	1,477,129
Contributions less benefits	67,204	-	-	67,204
Surplus for the year	12,704	-	-	12,704
Balance as at 31 December 2017	1,531,280	3,932	21,825	1,557,037

The notes form part of these financial statements.



Statement of cash flows - Federated Pension Fund

for the year ended 31 December 2017
(In thousands of Gambian Dalasi)

	Notes	31-Dec-17 D.000	31-Dec-16 D.000
Surplus(Deficit) for the year		12,704	(52,765)
Depreciation		11,789	8,950
(Profit)/loss on disposal of fixed assets		213	(21)
Changes in royalties provision		(311)	26
		<u>24,395</u>	<u>(43,810)</u>
Movements in working capital			
Changes in trade and other receivables		(21,913)	44,142
Changes in trade and other payables		(4,020)	246
		<u>1,538</u>	<u>578</u>
Cash flows from investing activities			
Changes in bank term deposits		(82,592)	(46,805)
Purchase of tangible fixed assets		(19,644)	(19,736)
Proceeds from sale of fixed assets		10,239	-
Changes in loan to member institutions		30,856	(15,399)
Changes in Equity investments		-	221,987
Changes in investment properties		-	(221,561)
Prior year adjustment		-	28,991
		<u>(61,141)</u>	<u>(52,523)</u>
Cash flows from financing activities			
Net contribution members'		67,204	56,923
		<u>67,204</u>	<u>56,923</u>
Net cash from financing activities			
Net increase in cash and cash equivalents	12	4,525	4,978
Cash and cash equivalents at the beginning of the financial year	12	12,280	7,302
		<u>16,805</u>	<u>12,280</u>
Cash and cash equivalents at the end of the financial year			

The notes form part of these financial statements.



Notes (forming part of the financial statements) - Federated pension fund

1. Accounting policies

1.1 Basis of accounting

The financial statements have been prepared under the historic cost convention and in accordance with Generally Accepted Accounting Principles and the Companies ACT 2013.

1.2 Property, plant and equipment

Property, plant and equipments are depreciated by installments over their estimated useful lives. The installments are calculated to reduce the assets to their residual values at the end of the depreciation period. Motor vehicles, Electricity generator and Head Office Building are depreciated using the straight line method. The rest are charged using reducing method. The following depreciation rates are used and are applied consistently:

Mainframe computer	25%
Electricity generator	10%
Head office building	1%
Office equipment	20%
Office furniture and fixtures	10%
Motor vehicles	33.3%
Office bicycle	33.3%

Fixed assets purchased by the Federated Pension Fund is fully capitalized and depreciated over their useful economic life under the Federated Pension Fund account. The total costs of assets purchased are apportioned over the useful economic life in the ratio 32:36:20:12 to Federated Pension, National Provident Fund, Housing Finance Fund and Injuries Compensation Fund respectively.



1.3 Investments

Investments held by the Corporation at the Balance sheet date are valued as follows:

a) Current asset investment

Where it is the intention of the Corporation to hold investments to maturity, they are valued at cost. No account is taken of market value whether higher or lower than cost except for Treasury Bills and Discount Notes which are stated at cost plus accrued interest.

b) Investment properties

Investment properties are stated at their revalued amounts.

c) Equity investment

Equity investments are stated at cost.

1.4 Investment income

Investment income is accounted for on an accruals basis.

1.5 Contributions

Contributions are accounted for on an accruals basis. Contributions due, but not received, at the Balance sheet date are estimated on the basis of the most recent contributions received as at that date.

1.6 Allocation of expenditure

Each fund is charged with expenditure, which specifically relates to it. Other recurrent expenditure initially borne by the Pension Fund is apportioned in the ratio 20% to the Housing fund and the balance 40:45:15 between the Pension, National Provident, and Industrial Injuries Compensation Funds respectively. The Computer Department's running costs are similarly apportioned in the ratio 20% to the Housing fund and the balance 40:45:15.

1.7 Benefits paid

Benefits paid represent all benefit claims paid during the year. This includes lump sum gratuity and periodic pension payment.

1.8 Foreign currencies

Foreign currency transactions are accounted for at the rate of exchange prevailing on the date the transaction took place. Monetary assets and liabilities denominated in foreign currencies at the Balance Sheet date are translated at the year-end rates and any differences arising are accounted for in the revenue account.



2. Investment income

	31-Dec-17 D.000	31-Dec-16 D.000
Interest on term deposit	34,045	23,487
Dividend income	32,338	32,049
Rental income	3,562	1,000
	<u>69,945</u>	<u>56,536</u>

3. Other income

	31-Dec-17 D.000	31-Dec-16 D.000
Interest on loans	7,207	8,908
(Loss) / profit on sale of fixed assets	(213)	21
Miscellaneous Income	673	653
Income on Govt Bonds	508	-
Income on Govt Tbills	188	-
	<u>8,363</u>	<u>9,582</u>

4. General and administrative expenses

	31-Dec-17 D.000	31-Dec-16 D.000
Staff cost	20,170	19,585
Administrative expenses	25,149	42,328
Pension fund recharge	3,773	2,791
Audit	259	259
Provision for doubtful debts	16,253	-
	<u>65,604</u>	<u>64,963</u>



5. Royalties

	31-Dec-17 D.000	31-Dec-16 D.000
1.5% of gross income	-	992
	<u>-</u>	<u>992</u>

Royalties are charged on 1.5% of total investment and other income.

6. Investment Properties

	31-Dec-17 D.000	31-Dec-16 D.000
Cotton street building	10,374	10,374
Ocean Bay Hotel	178,272	178,272
Sunbeach Hotel	43,289	43,289
	<u>231,935</u>	<u>231,935</u>

7. Equity Investment

	31-Dec-17 D.000	31-Dec-16 D.000
Equity investment-CFAO	550	550
Equity investment-SCB(G)LTD	24,407	24,407
Equity investment-NAWEC	4,000	4,000
Equity investment-Trust Bank	117,396	117,396
Equity investment: Gamco	15,600	15,600
Gam Petroleum Equity	248,569	248,569
GTSC Equity	65,698	65,698
	<u>(15,600)</u>	<u>(15,600)</u>
prov. for impairt. Gamco invest.	(4,000)	(4,000)
Prov. for impaired -Nawec		
	<u>456,620</u>	<u>456,620</u>

GAMCO

A 100% provision of the investment in Gamco has been made as the company has been fully liquidated.



Ocean Bay Hotel and Resort

Ocean Bay Hotel and Resort is 100% owned by the Corporation and has been leased for a period of 10 years.

Sunbeach Hotel

Sunbeach Hotel located at Cape Points, forms part of the Corporations Investments in the Hotel Industry, the Corporation owns 100% of the equity.

Gam- Petroleum

The Gam-Petroleum Investment is the Corporations investment share in the Petroleum Storage Facility in which the approval was granted by a Government Directive.

GTSC

Gambia Transport Service Corporation (GTSC), the former Gambia Public Transport Company (GPTC) has been acquired by the corporation and named after Gambia Transport Service Corporation (GTSC) which is a 100% Subsidiary of the Corporation.

NAWEC

A 100% provision of the investment in NAWEC has been made.

8. Loans to member institution/ Government of The Gambia

	31-Dec-17 D.000	31-Dec-16 D.000
Loan to Gam. Govt. (Police line barracks)	675	675
Loan to Gam. Govt. (lc2012/008 John Deere)	52,226	52,226
FPS current loan: Gambia Food and Feed Industries (GFFI)	1,702	1,702
Gambia Family Planning Association (GFPA)	27	27
Gambia International Airlines (GIA)	16,253	16,253
FPS loan to Gambia Transport Service Corporation (GTSC)	32,856	47,459
	103,739	118,342
Less :		
Provision for GIA loan	(16,253)	-
Provision for Gambia Government Loan	(52,226)	(52,226)
Provision Gambia Family Planning Association (GFPA)	(27)	(27)
Provision Gam. Govt. (Police line barracks)	(675)	(675)
	34,558	65,414

Gambia Government Police Barracks

The Gambia Government Police Barracks is expenditures incurred by the Corporation on behalf of the Government with regard to Improvements at the Police Barracks. This was a directive from the Gambia Government. There were no loan repayment schedules or agreements. This loan carries no interest.



Gambia Government Loan

This was a Government directive for a loan to be given to the Gambia Government. There was no loan repayment schedule or agreement and the loan carries no interest.

Gambia Food & Feed Industries (GFFI)

GFFI is a venture gone into by the Government of The Gambia to invest in the food and feed industry. This was expenditures for the operation of GFFI agreed at board level between the shareholders, SSHFC, GPA and GNPC. There is no repayment schedule or agreement. This loan carries no interest.

Gambia Family Planning Association (GFPA)

The loan to Gambia Family Planning Association represents an outstanding balance of the loan which was issued in 2002.

Gambia International Airlines (GIA)

Gambia International Airlines (GIA) loan was given in 2006 at an interest rate of 2015 for 30 months. However, the loan was restructured in July 2014 over a period of 5 years at an interest rate 1%

Gambia Transport Service Corporation (GTSC)

This was a loan of D65, 712,500 given to GTSC in March, 2016 at an interest rate of 17%, payable over a period of 36 months.

9. Property, plant and equipment

	Land & Building	Motor vehicles	Office equipment & furniture	Computer equipment	Plant & machinery	Work in progress	Total
	D.000	D.000	D.000	D.000	D.000	D.000	D.000
Cost							
At 1 January 2017	51,008	28,853	19,525	98,125	5,602	3,799	206,912
Additions	-	11,810	2,813	5,021	-	-	19,644
Transfers	-	-	-	3,799	-	(3,799)	-
Disposal	-	(11,859)	(987)	(472)	-	-	(13,318)
At 31 December 2017	51,008	28,804	21,351	106,473	5,602	-	213,238
Depreciation							
At 1 January 2017	4,039	17,456	7,598	90,198	3,492	-	122,783
Charge for the year	512	4,937	1,628	4,331	381	-	11,789
Disposal	-	(2,902)	(275)	-	-	-	(3,177)
At 31 December 2017	4,551	19,491	8,951	94,529	3,873	-	131,395
Net book values							
At 31 December 2017	46,457	9,313	12,400	11,944	1,729	-	81,843
At 31 December 2016	46,969	11,397	11,927	7,927	2,110	3,799	84,129



10. Trade and other receivables

Notes	31-Dec-17 D.000	31-Dec-16 D.000
Contributions receivable	11,400	23,105
Dividend receivable	8,060	8,060
Interfund current account - Housing/IICF/Provident	329,660	300,152
Sundry debtors	1,770	175
Prepayments	-	692
Staff loans	130,806	127,973
Student loan	1,203	1,213
Staff club loan	1,097	1,500
Withholding Tax	788	-
	484,784	462,870
Less: provisions		
For doubtful contribution arrears	(11,907)	(11,907)
For ex staff loans	(7,262)	(7,261)
	465,615	443,702

11. Other financial investments

	Cost D.000	Interest Accrued D.000	31-Dec-17 D.000	31-Dec-16 D.000
Bank term deposit	233,800	12,076	245,876	196,855
Gambia Government Bonds	15,000	508	15,508	-
Gambia Government Treasury Bills	17,875	188	18,063	-
	266,675	12,772	279,447	196,855

12. Analysis of the cash and bank balance

	31-Dec-17 D.000	31-Dec-16 D.000	Changes in year D.000
Cash at bank	16,784	12,275	4,509
Cash in hand	21	5	16
	16,805	12,280	4,525



13. Current liabilities

	31-Dec-17 D.000	31-Dec-16 D.000
Unclaimed pensions	4,272	3,320
Deferred pensions	4,340	4,340
Gambia Government Royalties	-	17
Sundry creditors	1,174	4,012
Other liabilities	-	2,117
	<u>9,786</u>	<u>14,151</u>

14. Net contributions from members

	31-Dec-17 D.000	31-Dec-16 D.000
Contributions	155,454	153,989
Benefit and refunds	(31,024)	(36,874)
Periodic pension payments	(57,226)	(60,192)
	<u>67,204</u>	<u>56,923</u>

Report of the Independent Auditors National Provident Fund

To the members of Social Security and Housing Finance Corporation

Opinion

We have audited the financial statements of Social Security and Housing Finance Corporation's National Provident Fund, which comprise the statement of financial position as at 31st December 2017, and the statement of profit or loss and other comprehensive income, statement of changes in equity and 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, the financial statements present fairly, in all material respects, the financial position of the Corporation as at 31st December 2017, and its financial performance and cash flows for the year then ended in accordance with Generally Accepted Accounting Principles and have been properly prepared in accordance with the requirements of the Social Security and Housing Finance Corporation Act 2015.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the 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.

Other Information

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Social Security and Housing Finance Corporation Act 2015. 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 Social Security and Housing Finance Corporation Act 2015 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 Company'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 Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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 Company's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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 Company'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 Company 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.

DT Associates
DT Associates
Chartered Accountants
Registered Auditors
Aji Penda Sankareh
Partner

Date *27th December* 2018



Income Statement - National Provident Fund

for the year ended 31 December 2017

(In thousands of Gambian Dalasi)

	Notes	31-Dec-17 D.000	31-Dec-16 D.000
Income			
Investment income	2	69,972	60,417
Other income	3	11,778	14,086
Total income		81,750	74,503
Expenditure			
General and administrative expenses	4	(60,050)	(66,832)
Interest expense	5	(1,878)	(19,479)
Royalties	6	-	1,118
Bad debt provision	8	(2,125)	(1,455,276)
Impairment of equity investment		(40,545)	(147,893)
Interest on members' funds	7	-	-
Total expenditure		(104,598)	(1,690,598)
Deficit for the year		(22,848)	(1,616,095)




Balance Sheet- National Provident Fund

as at 31 December 2017
(In thousands of Gambian Dalasi)

		31-Dec-17 D.000	31-Dec-16 D.000
Assets	Notes		
Non - current assets			
Equity Investments	9	457,313	497,858
Investment property	8	618,926	618,926
Total non - current assets		1,076,239	1,116,784
Current assets			
Trade and other receivables	10	132,906	74,634
Loans to member institutions	11	226,703	283,641
Other financial assets	12	494,846	306,848
Cash at bank and in hand	13	16,424	19,507
Total current assets		870,879	684,630
Total assets		1,947,118	1,801,414
Equity and liabilities			
Capital and reserves			
Members fund		3,556,030	3,349,157
Revenue reserves		3,333	3,333
Revaluation reserves		63,289	63,289
Accumulated reserves		(1,680,646)	(1,657,797)
Total equity		1,942,006	1,757,982
Current liabilities			
Trade and other payables	14	5,112	43,432
Total equity and liabilities		1,947,118	1,801,414

These financial statements were approved by the Board of Directors on 27th Dec. 2018 and signed on its behalf by:


..... Director


..... Director

The notes form part of these financial statements.



Statement of changes in members' fund and reserves – National Provident Fund

for the year ended 31 December 2017
(In thousands of Gambian Dalasi)

	Members Fund D.000	Revenue Reserve D.000	Revaluation Reserve D.000	Accumulated Reserve D.000	Total D.000
Balance as at 1st January 2016	3,221,918	3,333	63,289	(41,702)	3,246,838
Contributions less benefits	127,239	-	-	-	127,239
Deficit for the year	-	-	-	(1,616,095)	(1,616,095)
Balance as at 31 December 2016	3,349,157	3,333	63,289	(1,657,797)	1,757,982
Balance as at 1st January 2017	3,349,157	3,333	63,289	(1,657,797)	1,757,982
Contributions less benefits	206,878	-	-	-	206,878
Deficit for the year	-	-	-	(22,848)	(22,848)
Prior year adjustment	(5)	-	-	(1)	(6)
Balance as at 31 December 2017	3,556,030	3,333	63,289	(1,680,646)	1,942,006

The notes form part of these financial statements.



Statement of cash flows – National Provident Fund

for the year ended 31 December 2017
(In thousands of Gambian Dalasi)

	Notes	31-Dec-17 D.000	31-Dec-16 D.000
Deficit for the year		(22,848)	(1,616,321)
Movements in working capital			
(Increase)/Decrease in trade and other receivables		(58,270)	91,315
(Decrease)/ Increase in trade and other payables		(38,320)	(25,632)
Prior year adjustment		(6)	-
Cash generated from operations		(119,446)	65,684
Cash flows from investing activities			
Purchase of equity investment		40,545	654,222
Purchase of Investment		-	(507,473)
Decrease in bank term deposit		(187,998)	(166,035)
Loans to member institution and others		56,938	1,450,728
Net cash used in investing activities		(90,515)	1,431,442
Cash flows from financing activities			
Net contribution members'		206,878	127,239
Net cash from financing activities		206,878	127,239
Net increase/(decrease) in cash and cash equivalents	14	(3,083)	8,043
Cash and cash equivalents at the beginning of the financial year	14	19,507	11,464
Cash and cash equivalents at the end of the financial year		16,424	19,507

The notes on pages form part of these financial statements.



Notes (forming part of the financial statements) - National Provident fund

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are material in relation to the National Provident Fund financial statements.

1.1 Basis of accounting

The financial statements have been prepared under the historic cost convention and modified by the revaluation of certain assets and in accordance with Generally Accepted Accounting Principles and the Companies ACT 2013.

1.2 Property, plant and equipment

Fixed assets purchased by the Federated Pension Fund is fully capitalized and depreciated over their useful economic life under the Federated Pension Fund account. The total costs of assets purchased are apportioned over the useful economic life in the ratio 32:36:20:12 to Federated Pension, National Provident Fund, Housing Finance Fund and Injuries Compensation Fund respectively.

The National Provident, Housing, and Industrial Injuries Compensation Funds are charged proportionate amounts in respect of depreciation on fixed assets purchased by the Pension Fund. This is shown as a Pension Fund re-charge in the financial statements.

1.3 Investments

Where it is the intention of the Corporation to hold investments to maturity, they are valued at cost. No account is taken of market value whether higher or lower than cost except for Treasury Bills and Discount Notes which are stated at cost plus accrued interest.

1.4 Investment income

Investment income is accounted for on an accruals basis.



1.5 Contributions

Contributions are accounted for on an accruals basis. Contributions due, but not received, at the Balance Sheet date are estimated on the basis of the most recent contributions received as at that date.

The rates used are as follows:

·	Employee's contribution	5% of employee's basic salary
·	Employer's contribution	10% of employee's basic salary

1.6 Allocation of expenditure

Each fund is charged with expenditure, which specifically relates to it. Other recurrent expenditure initially borne by the Pension Fund is apportioned in the ratio 20% to the Housing fund and the balance 40:45:15 between the Pension, National Provident, and Industrial Injuries Compensation Funds respectively. The Computer Department's running costs are similarly apportioned in the ratio 20% to the Housing fund and the balance 40:45:15.

1.7 Benefits paid

Benefits paid represent all benefit claims paid during the year. This includes payment of NPF balances, partial withdrawals, and refund of non-statutory contributions received.

1.8 Foreign currencies

Foreign currency transactions are accounted for at the rate of exchange prevailing on the date the transaction took place. Monetary assets and liabilities denominated in foreign currencies at the Balance Sheet date are translated at the year-end rates and any differences arising are accounted for in the revenue account.

2. Investment income

	31-Dec-17 D.000	31-Dec-16 D.000
Income on term deposits	48,217	40,116
Income on Govt. treasury bills	4,109	4,126
Dividend income- Gambia Petroleum	4,893	5,200
Rental income- NTC Complex	7,045	7,821
Lease income- Ocean Bay	4,560	3,154
Income on Govt Bonds	1,148	-
	<u>69,972</u>	<u>60,417</u>



3. Other income

	31-Dec-17 D.000	31-Dec-16 D.000
Corporate loan interest	10,107	12,907
Sundry income	1,671	1,179
	<u>11,778</u>	<u>14,086</u>

4. General and administrative expenses

	31-Dec-17 D.000	31-Dec-16 D.000
Staff cost	23,247	22,015
Administrative expenses	32,253	41,388
Pension fund recharge	4,244	3,139
Audit	306	292
	<u>60,050</u>	<u>66,834</u>

5. Interest expense

	31-Dec-17 D.000	31-Dec-16 D.000
Trust Bank loan	1,878	19,479
	<u>1,878</u>	<u>19,479</u>

6. Royalties

	31-Dec-17 D.000	31-Dec-16 D.000
1.5% of gross income	-	1118
	<u>-</u>	<u>1,344</u>

Royalties are charged on 1.5% of total investment and other income, excluding contributions received and receivable.



7. Bad Debt Provision

Bad debt provision of D147 million relates to 50% provision for Gallai and Qatari investments.

Bad debt provision of D1.455 Billion relates to 100% provision for Gambia Government Loan, GGC Loan, GRTS Loan, GCAA Loan and NAWEC Loan.

8. Investment Properties

		31-Dec-17 D.000	31-Dec-16 D.000
Old Law Court	8a.	11,153	11,153
NTC Complex	8b.	100,300	100,300
Ocean Bay Hotel and Resort		338,948	338,948
Sunbeach Hotel		168,525	168,525
		<u>618,926</u>	<u>618,926</u>

9a. Old Law Court was acquired in 1992 for rental but currently demolished.

9b. NTC Complex was acquired in 2012 and let out to various tenants on an annual basis.

9. Equity investments

	31-Dec-17 D.000	31-Dec-16 D.000
Qatari equity	133,605	133,605
Gallia Holdings	162,180	162,180
Investment in Gampetroleum	103,156	103,156
Gambia Transport Service Corporation (GTSC)	246,810	246,810
	<u>645,751</u>	<u>645,751</u>
Less Provision:		
Qatari	(66,803)	(66,803)
Gallia	(121,635)	(81,090)
	<u>457,313</u>	<u>497,858</u>

Ocean Bay Hotel and Resort is 100% owned by Social Security and Housing Finance Corporation and has been leased for a period of 10 years to BP Investment Group FZE. This investment was acquired in 2003.



Qatari Investment relates to Gam Food & Feed Industries (GFFI) which was a venture gone into by the Government of The Gambia in 2010. The Corporation received a Government directive to invest in the venture. Shareholding of the Corporation is 65%.

Gallia Holdings relates to SSHFC investment in the joint venture between the Government of The Gambia and Gallia Holdings Ltd in 2011 with regard to investment in ferries. The investment was a directive from the Government of the Gambia.

The Gam- Petroleum Investment is the Corporation's investment share in the Petroleum Storage Facility in which the approval was granted by a Government Directive.

Sunbeach Hotel is 100% owned by Social Security and Housing Finance Corporation. This investment was acquired in 2012.

The former Gambia Public Transportation Company (GTSC) was wholly acquired by the Corporation in 2013 and named after Gambia Transport Service Corporation (GTSC).



10. Trade and other receivables

	31-Dec-17	31-Dec-16
	D.000	D.000
Contributions receivable	93,674	65,142
Sundry Debtors and prepayments	23,537	36,524
Interfund - FPS//HFF/IICF	30,645	(10,919)
Rent receivable	6,269	5,106
	154,125	95,853
Less Provisions:		
Doubtful contributions	(21,219)	(21,219)
	132,906	74,634

11. Loans to Member Institutions/Government of the Gambia

	31-Dec-17	31-Dec-16
	D.000	D.000
Loan to Gamcel	87,712	93,446
Loan to GAM.GOV'T	152,611	152,611
Loan to GGC	19,720	19,720
Loan to NAWEC	78,814	105,392
Loan to GPA	58,867	81,367
NAWEC GENERATOR (BOT)	74,517	74,517
Loan to GAM GOVT.(POLICE BARRACKS)	2,125	2,125
Loan to NAWEC (ITFC/ISDB)	821,501	821,501
Loan to GAM GOVT.(LC 2012/008 JOHN DEERE)	4,866	4,866
Loan to GAM GOVT.(OP)	141,573	141,573
Loan(GAURANTEE) GRTS	46,950	46,950
GGC Loan GUARANTEE	92,995	92,995
GCCA (FIRE TENDERS & AMBULANCE)	100,543	100,543
Loan to GFFI	1,309	1,311
	1,684,103	1,738,917
Less Provision:		
Loan to GAM.GOV'T	(152,611)	(152,611)
Loan to GGC	(19,720)	(19,720)
NAWEC GENERATOR (BOT)	(74,516)	(74,517)
Loan to NAWEC (ITFC/ISDB)	(821,501)	(821,501)
Loan to GAM GOVT.(LC 2012/008 JOHN DEERE)	(4,866)	(4,866)
Loan to GAM GOVT.(OP)	(141,573)	(141,573)
Loan(GAURANTEE) GRTS	(46,950)	(46,950)
GGC Loan GUARANTEE	(92,995)	(92,995)
GCCA (FIRE TENDERS & AMBULANCE)	(100,543)	(100,543)
Loan to GAM GOVT.(POLICE BARRACKS)	(2,125)	-
	226,703	283,641



Loan to Gamcel

The loan to Gamcel was a directive to the Corporation to give a loan to Gamcel to upgrade their Internet Facility.

Loan to Gambia Government

These loans to the government of The Gambia represents partial calls o guarantee in respect of loans taken by GAMTEL, Gamco and GRTS at Trust Bank Limited which the Corporation guaranteed. It also takes into account other loans taken by the Government. These guarantees and loans were based on Government directives received. There are no loan repayment schedules or agreements. These loans carry no interest.

GGC Loan Guarantee

The Corporation was given a directive to act as guarantee to GGC as collateral in the event of default in their loans. GGC defaulted and SSHFC had to settle the loan and capture it as a loan to GGC. There are no loan repayment schedules or agreements. These loans carry no interest.

Loans to NAWEC

The loan to National Water and Electricity Company (NAWEC) represents an amount of D188million awarded during the last quarter of 2007 at an interest rate of 17% per annum and repayable over four years from December 2008.

Loan to GPA

The loan to GPA represents an amount of D150million awarded in the second quarter of 2010 at an interest rate of 12% with a grace period of two years.

Loans to NAWEC – Generator Build Operate and Transfer

In October 2010, SSHFC and the Gambia Government signed an engineering Procurement Construction (EPC). An agreement for the installation, testing and commission of two existing HFO- fired generators at the Brikama Power Plant. There are no loan repayment schedules or agreements. These loans carry no interest.

Gambia Government Police Baracks

The Gambia Government Police Baracks is expenditures incurred by the Corporation on behalf of the Government with regards to improvements at the Police Baracks. This was a directive from the Government and all expenditures have been grouped under the Government of The Gambia, Police Baracks. There are no loan repayment schedules or agreements. These loans carry no interest.

Loans to NAWEC – ITFC

The NAWEC – ITFC relates to loan repayments of NAWEC to the Islamic Trade Finance Corporation in which NAWEC did not meet up with repayment obligations. The Corporation had to step in to settle the repayments based on directives from the Government of The Gambia and now captured as a loan to NAWEC. There are no loan repayment schedules or agreements. These loans carry no interest.

Loan to Gambia Government – (LC John Deere)

These loans are loans to The Gambia Government in which a directive was given for the corporation to settle the LC with regard to the John Deere agricultural machinery ordered to boost the Agricultural Sector. There are no loan repayment schedules or agreements. These loans carry no interest.



Loan to Gambia Government (OP)

The loan to The Government of The Gambia represents an amount of D41.8million awarded in the first quarter of 2010. An additional amount of USD 1million was granted in March 2011, USD 0.2million and D6.4million were awarded in June 2011 and August 2011 respectively. There are no loan repayment schedules or agreements. These loans carry no interest.

Loan to GRTS

The loan to Gambia Radio and Television Services represents a guarantee SSHFC made in respect of a loan granted by Trust Bank Limited to GRTS. GRTS fail to meet their repayment obligations and the Bank debited SSHFC's account. SSHFC classified the amount as a loan to GRTS. There are no loan repayment schedules or agreements. These loans carry no interest.

GGC Loan Guarantee

The Corporation was given a directive to act as guarantee to GGC as collateral in the event of default in their loans. GGC defaulted and SSHFC had to settle the loan and capture it as a loan to GGC. There are no loan repayment schedules or agreements. These loans carry no interest.

GCAA Fire Tenders & Ambulances

These are loans to GCAA as per directives from the Government to finance the purchase of Fire Tenders & Ambulances for Banjul International Airport. There are no loan repayment schedules or agreements. These loans carry no interest.

Loans to Gam Food & Feed Industries (GFFI)

GFFI is a venture gone into by The Government of The Gambia to invest in Food and Feed Industry. This was expenditures on behalf of the Government based on directives incurred with regard to the investment and to be repaid to the Corporation. There are no loan repayment schedules or agreements. These loans carry no interest.

12. Other financial assets

Other financial assets include;

	Cost D.000	Interest accrued D.000	31-Dec-17 D.000	31-Dec-16 D.000
Gambia Government Treasury Bills	105,978	-	105,978	-
Bank term deposits	292,900	26344	319,244	306,848
Gambia Govt Bonds	68,476	1,148	69,624	-
	467,354	27,492	494,846	306,848



13. Analysis of the balances of cash as shown in the Statement of financial position

	31-Dec-17 D.000	31-Dec-16 D.000	Changes in year D.000
Cash at bank	16,424	19,507	(3,083)
	<u>16,424</u>	<u>19,507</u>	<u>(3,083)</u>

14. Trade and other payables

	31-Dec-17 D.000	31-Dec-16 D.000
Sundry creditors	25	9
Other liabilities	4,352	4,352
Royalties	735	1,424
Trust Bank loan	-	37,647
	<u>5,112</u>	<u>43,432</u>

15. Net contributions from members

	31-Dec-17 D.000	31-Dec-16 D.000
Contributions	293,138	227,391
Benefit and refunds	(86,260)	(100,153)
	<u>206,878</u>	<u>127,238</u>

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Report of the independent auditors- Housing Finance Fund

To the members of Social Security and Housing Finance Corporation- Housing Finance Fund

Opinion

We have audited the financial statements of Social Security and Housing Finance Corporation's Housing Finance Fund, which comprise the statement of financial position as at 31st December 2017, and the statement of profit or loss and other comprehensive income, statement of changes in equity and 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, the financial statements present fairly, in all material respects, the financial position of the Corporation as at 31st December 2017, and its financial performance and cash flows for the year then ended in accordance with Generally Accepted Accounting Principles and have been properly prepared in accordance with the requirements of the Social Security and Housing Finance Corporation Act 2015.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the 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.

Other Information

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Social Security and Housing Finance Corporation Act 2015. 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 Social Security and Housing Finance Corporation Act 2015 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 Company'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 Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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 Company's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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 Company'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 Company 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.

DT Associates

DT Associates
Chartered Accountants
Registered Auditors
Aji Penda Sankareh
Partner

Date *27th December* 2018



Income Statement - Housing Finance Fund

for the year ended 31 December 2017
(In thousands of Gambian Dalasi)

	Notes	31-Dec-17 D.000	31-Dec-16 D.000
Mortgage income	2	52,117	84,936
Investment income	4	10,783	10,891
Other income	5	5,215	2,768
Net project cost		68,115	98,595
Project cost	3	(9,139)	(41,093)
General & administrative expenses	6	(38,954)	(52,689)
Royalties	7	-	1,479
Total expenditure		(48,093)	(95,261)
Surplus for the year		20,022	3,334





Balance Sheet- Housing Finance Fund

as at 31 December 2017
(In thousands of Gambian Dalasi)

	Notes	31-Dec-17 D.000	31-Dec-16 D.000
Assets			
Non - current assets			
Property, plant and equipment	10	941	1,188
Equity investments	9	30,756	30,756
Investment properties	8	96,031	90,214
Mortgages- noncurrent receivables	11	154,617	180,721
Total non - current assets		282,345	302,879
Trade and other receivables	13	103,780	103,828
Other financial assets	14	95,637	66,973
Mortgages- current receivables	11	65,681	40,227
Project work in progress	12	2,962	10,314
Cash at bank and in hand	16	42,661	15,359
<i>Total Assets current</i>		310,721	236,701
Total assets		593,066	539,580
Equity and liabilities			
Capital and reserves			
Revaluation reserves		13,417	13,417
Accumulated reserves		195,693	175,656
Total equity		209,110	189,073
Current liabilities			
Trade and other payables	15	383,956	350,507
Total liabilities		383,956	350,507
Total equity and liabilities		593,066	539,580

These financial statements were approved by the Board of Directors on 27th Dec. 2018 and signed on its behalf by:

 Director

 Director

The notes form part of these financial statements.



Statement of changes in members' fund and reserves – Housing Finance Fund

for the year ended 31 December 2017
(In thousands of Gambian Dalasi)

	Brusubi Estate D.000	Accumulated Reserve D.000	Revaluation Reserve D.000	Total D.000
Balance as at 1st January 2016	-	190,564	13,417	203,981
Prior year adjustment		(18,227)		(18,227)
Restated Opening balance	-	172,337	13,417	185,754
Surplus for the year	-	3,334	-	3,334
Balance as at 31 December 2016	-	175,671	13,417	189,088
Balance as at 1st January 2017	-	175,671	13,417	189,088
Surplus for the year	-	20,022	-	20,022
Balance as at 31 December 2017	-	195,693	13,417	209,110

The notes form part of these financial statements.



Statement of cash flows – Housing Finance Fund

for the year ended 31 December 2017
(In thousands of Gambian Dalasi)

	Notes	31-Dec-17 D.000	31-Dec-16 D.000
Operating profit		20,022	3,334
Depreciation		301	507
loss on sale of fixed asset		-	3,358
Share price devaluation		-	10,158
		20,323	17,357
Movements in working capital			
(Increase)/ Decrease in trade and other receivables		48	18,942
Increase/ (Decrease) in trade and other payables		33,464	13,762
Prior year adjustment		-	(18,227)
		33,512	14,492
Cash generated from operations		53,835	31,834
Cash flows from investing activities			
Purchase of tangible fixed assets		(54)	-
(Increase)/ Decrease in bank term deposit		(28,664)	(38,576)
Increase in investment		(5,817)	(56,638)
Changes in investment properties		26,104	-
Changes in mortgages		(25,454)	-
Increase/(Decrease) in project cost work in progress		7,352	65,973
		(26,533)	(29,241)
Cash flows from financing activities			
Net cash from financing activities		-	-
Net increase/(decrease) in cash and cash equivalents	14	27,302	2,593
Cash and cash equivalents at the beginning of the financial year		15,359	12,766
Cash and cash equivalents at the end of the financial year		42,661	15,359

The notes form part of these financial statements.



Notes (forming part of the financial statements) - Housing Finance Fund

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are material in relation to the Housing Finance Fund financial statements.

1.1 Basis of accounting

The financial statements have been prepared under the historic cost convention and modified by the revaluation of certain assets and in accordance with Generally Accepted Accounting Principles and the Companies ACT 2013.

1.2 Property, plant and equipment

Property, plant and equipments are depreciated by installments over their estimated useful lives. The installments are calculated to reduce the assets to their residual values at the end of the depreciation period. Motor vehicles, Electricity generator and Head Office Building are depreciated using the straight line method. The rest are charged using reducing method. The following depreciation rates are used and are applied consistently:

Mainframe computer	25%
Electricity generator	10%
Head office building	1%
Office equipment	20%
Office furniture and fixtures	10%
Motor vehicles	33.3%
Office bicycle	33.3%

Fixed assets purchased by the Federated Pension Fund is fully capitalized and depreciated over their useful economic life under the Federated Pension Fund account. The total costs of assets purchased are apportioned over the useful economic life in the ratio 32:36:20:12 to Federated Pension, National Provident Fund, Housing Finance Fund and Injuries Compensation Fund respectively.



1.3 Investments

Investments held by the Corporation at the Balance sheet date are valued as follows:

d) Current asset investment

Where it is the intention of the Corporation to hold investments to maturity, they are valued at cost. No account is taken of market value whether higher or lower than cost except for Treasury Bills and Discount Notes which are stated at cost plus accrued interest.

e) Investment properties

Investment properties are stated at their revalued amounts.

f) Equity investment

Equity investments are stated at cost.

1.4 Investment income

Investment income is accounted for on an accruals basis.

1.5 Allocation of expenditure

Each fund is charged with expenditure, which specifically relates to it. Other recurrent expenditure initially borne by the Pension Fund is apportioned in the ratio 20% to the Housing fund and the balance 40:45:15 between the Pension, National Provident, and Industrial Injuries Compensation Funds respectively. The Computer Department's running costs are similarly apportioned in the ratio 20% to the Housing fund and the balance 40:45:15.

1.6 Foreign currencies

Foreign currency transactions are accounted for at the rate of exchange prevailing on the date the transaction took place. Monetary assets and liabilities denominated in foreign currencies at the Balance Sheet date are translated at the year-end rates and any differences arising are accounted for in the revenue account.



2. Mortgage income

	31-Dec-17 D.000	31-Dec-16 D.000
Mortgage interest	32,272	33,233
Mortgage sales Brikama	2971	1,502
Mortgage sales Tujereng	1114	7,144
Outright sales Brikama	68	300
Outright sales Tujereng	1642	3,684
Outright sales Jabang	900	5,828
Outright sales Bru 1/Ext	7,100	5,500
Mortgage sales Brusubi Extension 1	-	295
Sale of commercial plots Tujereng	300	7,365
Sale of commercial plots Jabang	4,100	15,985
Sale of commercial plots B/Jamisa	1,650	4,100
	<u>52,117</u>	<u>84,936</u>

3. Project cost

	31-Dec-17 D.000	31-Dec-16 D.000
Infrastructure contract cost	7,352	20,973
Operational Cost	-	80
Other contract cost	203	275
Miscellaneous expenses	217	3,312
Land compensation / purchase	1,367	16,453
	<u>9,139</u>	<u>41,093</u>

4. Investment income

	31-Dec-17 D.000	31-Dec-16 D.000
Income on Gambia Government T/bills	4,835	4,108
Bank deposit interest	5,237	6,727
Dividend income	-	56
Income on Govt bonds	711	-
	<u>10,783</u>	<u>10,891</u>



5. Other income

	31-Dec-17 D.000	31-Dec-16 D.000
Rental income Bakoteh	11	17
Rental income Kanifing	272	119
Rental income Bru1/Ext	814	900
Exchange Gain	2,319	13
Miscellaneous income	61	276
Rental income guest house	995	1,443
Profit on sale of fixed assets	(1)	-
RENTAL INCOME: JANJANBUREH GUEST HOUSES	539	-
RENTAL INCOME: MANSA KONKO GUEST HOUSES	197	-
RENTAL INCOME: KEREWAN GUEST HOUSES	8	-
	<u>5,215</u>	<u>2,768</u>

6. General & Administrative expenses

	31-Dec-17 D.000	31-Dec-16 D.000
Staff cost	13,735	12,198
Administrative expenses	22,386	38,079
Depreciation	2,663	2,250
Audit fees	170	162
	<u>38,954</u>	<u>52,689</u>

7. Royalties

	31-Dec-17 D.000	31-Dec-16 D.000
1.5% of gross income	-	1,479
	<u>-</u>	<u>1,479</u>

Royalties are charged on 1.5% of total investment and other income, excluding contributions received and receivable.

8. Investment properties

	31-Dec-17 D.000	31-Dec-16 D.000
Bakoteh Housing estate	6,560	6,560
Kanifing Market	9,183	8,989
Kanifing school	3,116	3,116
Basse investment properties	2,590	2,590
Mansakonko investment property	5,300	5,300
Janjanbureh investment property	8,268	8,268
Apartment Building- Bru 2	1,733	1,733
Tujereng sample house	8,838	8,658
Land purchase Lamin Mamkumbaya	30,000	30,000
Land purchase Kanifing industrial area	15,000	15,000
HFF BRUSUBI(2) SAMPLE HOUSE	5,443	-
	96,031	90,214

Bakoteh Market

The Bakoteh market investment property was recognized initially in 1985 at cost. After initially recognition the properties were measured and carried at fair value. However the last revaluation was in 2009.

Kanifing Market /school

The kanifing (market/school) investment properties were initially recognized in 1995 at cost. After initially recognition the properties were measured and carried at fair value. However the last revaluation was in 2009.

Basse , Mansakonko and Janjangburreh Guest House

The Basse , Mansakonko and Janjangburreh Guest house investment properties were handed over by the Gambia government to SSHFC to manage . These properties are still measured and carried at cost. They are yet to be revalued.

Brusubi Apartment Building PH1 & 2

This investment properties was initially recognized in 2009, measured and carried at cost ever since.

Tujereng Sample House

This investment was initially recognized in 2015 at cost. However, the property is yet to be revalued.

Lamin Makumbaya

This investment properties represent 300 plots purchase from Mam Sait in 2009. The property was initially recognized at cost. However the property is yet to be revalued.

Kanifing Industrial Area

This investment property was initially recognized in 2009 at cost. This property was an offer from



Gambia government to purchase the land. However, the property is yet to be revalued.

9. Equity investment

	31-Dec-17	31-Dec-16
	D.000	D.000
Home Finance Company	14,520	14,520
Standard Chartered Bank	15,225	15,225
Gambia Transport Service Corporation	1,011	1,011
	<u>30,756</u>	<u>30,756</u>

10. Property, plant and equipment

Cost	Motor vehicles D.000	Motor cycle D.000	Computers D.000	Fixtures & Fittings D.000	Office equipment D.000	Total D.000
At 1st Jan 2017	3,085	334	2,788	862	530	7,599
Additions	-	-	-	30	24	54
At 31 Dec 2017	3,085	334	2,788	892	554	7,653
Depreciation						
At 1st Jan 2017	2,840	215	2,628	389	339	6,411
Charge for the year	81	39	98	45	38	301
Disposal	-	-	-	-	-	-
At 31 Dec 2017	2,921	254	2,726	434	377	6,712
Net book values						
At 31 Dec 2017	164	80	62	458	177	941
At 31st Dec 2016	245	119	160	473	191	1,188



11. Mortgage receivables

	31-Dec-17 D.000	31-Dec-16 D.000
Long term mortgage debtors		
Mortgage debtors Bakoteh Housing Estate	36	36
Mortgage debtors Kanifing	5,120	5,120
Mortgage debtors Brusubi	25,578	31,059
Mortgage debtors Tujereng Housing Estate	24,912	33,009
Mortgage debtors Jabang Housing Estate	10,472	14,108
Mortgage debtors Bru1/Ext	77,268	82,361
Mortgage debtors Brikama/ Jamisa	11,231	15,028
	<u>154,617</u>	<u>180,721</u>
Current mortgage debtors		
Bakoteh mortgage debtors	41	41
Kanifing mortgage debtors	613	787
Brusubi mortgage debtors	24,321	16,251
Tujereng mortgage debtors	15,735	12,911
Jabang mortgage debtors	9,884	6,920
Brikama Jamisa mortgage debtors	20,164	7,627
Brusubi phase 1 Ext mortgage debtors	1,179	1,946
	<u>71,937</u>	<u>46,483</u>
Less provisions for bad and doubtful debt		
Bakoteh mortgage debtors	(62)	(62)
Kanifing mortgage debtors	(3,887)	(3,887)
phase 1/ Ext mortgage debtors	(2,307)	(2,307)
	<u>65,681</u>	<u>40,227</u>

12. Project work-in - progress

	31-Dec-17 D.000	31-Dec-16 D.000
HFF WORK-IN-PROG INFRASTR. COST Tujereng	-	1,495
HFF WORK-IN-PROG INFRASTR. COST Jabang	2,962	2,962
HFF WORK-IN-PROG INFRASTR. COST Brikama	-	5,857
	<u>2,962</u>	<u>10,314</u>



13. Other receivables

	31-Dec-17	31-Dec-16
	D.000	D.000
HFF INFRAST. COST KANILAI	34,943	34,943
DEFERRED COST COMPT. HOUSE KANILAI	66,532	66,532
MISCELLANEOUS SUNDRY DEBTORS	2,305	2,353
	<u>103,780</u>	<u>103,828</u>

14. Other financial assets

Other financial assets include:	Cost D.000	Accrued interest D.000	31-Dec-17 D.000	31-Dec-16 D.000
Gambia Government treasury bills	42,297	4,030	46,327	26,592
Bank term deposit	21,000	2,853	23,853	40,381
Investment in Bonds	24,746	711	25,457	
	<u>88,043</u>	<u>7,594</u>	<u>95,637</u>	<u>66,973</u>

15. Trade and other payables

	31-Dec-17 D.000	31-Dec-16 D.000
HFF contract creditor	10,927	10,927
Sundry creditors	4,590	6,829
HFF client legal fees payable	655	1,054
Royalties	7,443	7,443
deferred income	2,830	7,905
Unallocated receipts	547	529
Inter fund account	356,964	315,805
	<u>383,956</u>	<u>350,492</u>



16. Analysis of the balances of cash as shown on the statement of financial position

	31-Dec-17 D.000	31-Dec-16 D.000	Changes in year D.000
Cash at bank	42,661	15,359	27,302
	<u>42,661</u>	<u>15,359</u>	<u>27,302</u>

Report of the Independent Auditors Industrial Injuries Compensation Fund

To the members of Social Security and Housing Finance Corporation- Injury Compensation Fund

Opinion

We have audited the financial statements of Social Security and Housing Finance Corporation's Injury Compensation Fund, which comprise the statement of financial position as at 31st December 2017, and the statement of profit or loss and other comprehensive income, statement of changes in equity and 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, the financial statements present fairly, in all material respects, the financial position of the Corporation as at 31st December 2017, and its financial performance and cash flows for the year then ended in accordance with Generally Accepted Accounting Principles and have been properly prepared in accordance with the requirements of the Social Security and Housing Finance Corporation Act 2015.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the 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.

Emphasis of matter

We draw attention to the disclosure on Actuarial Report in the Director's Report; the Actuarial Report for the year under review was due in December 2017. Section 30 of the SSHFC Act 2015 requires the Corporations to conduct periodic actuarial valuations at least every three years for the purpose of maintaining adequate financial resources in relation to the Social Security Scheme. Up to the time of reporting, the Actuarial valuation of the Scheme is yet to be completed. Our opinion is not qualified in respect of this matter.

Other Information

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Social Security and Housing Finance Corporation Act 2015. 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 Social Security and Housing Finance Corporation Act 2015 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 Company'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 Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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 Company's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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 Company'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 Company 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.

DT Associates

DT Associates
Chartered Accountants
Registered Auditors
Aji Penda Sankareh
Partner

Date *27th December* 2018



Income Statement - Injuries Compensation Fund

for the year ended 31 December 2017
(In thousands of Gambian Dalasi)

	Notes	31-Dec-17 D.000	31-Dec-16 D.000
Income			
Investment income	2	26,574	26290
Other Income	3	55	62
		<hr/>	<hr/>
Total income		26,629	26,352
		<hr/>	<hr/>
Expenditure			
General and administrative expenses	4	(19,419)	(22,051)
Provision for doubtful debt			(119,250)
Royalties	5	-	(395)
		<hr/>	<hr/>
Total expenditure		(19,419)	(141,696)
		<hr/>	<hr/>
		<hr/>	<hr/>
Surplus/ (deficit) for the year		7,210	(115,344)
		<hr/>	<hr/>




Balance Sheet- Injuries Compensation Fund

as at 31 December 2017
(In thousands of Gambian Dalasi)

	Notes	31-Dec-17 D.000	31-Dec-16 D.000
Non - current assets			
Investment Properties	6	3,539	3,539
Equity investments	7	44,346	44,346
Current assets			
Other financial assets	8	216,227	146,393
Loans to member institution	7	-	-
Trade and other receivables	9	4,923	37,786
Cash at bank and in hand	11	2,622	19,470
Total current assets		223,772	203,649
Total assets		271,657	251,534
Equity and liabilities			
Members fund		271,075	250,929
Revenue reserve		23	23
Total equity and liabilities		271,098	250,952
Current liabilities			
Trade and other payables	10	559	582
Total equity and liabilities		271,657	251,534

These financial statements were approved by the Board of Directors on 27th Dec. 2018 and signed on its behalf by:

 Director

 Director

The notes form part of these financial statements.



Statement of changes in members' fund and reserves – Injuries Compensation Fund

for the year ended 31 December 2017
(In thousands of Gambian Dalasi)

	Members Fund D.000	Revenue Reserve D.000	Total D.000
Balance as at 1st January 2016	365,893	23	365,916
Prior year adjustment	(11,000)	-	(11,000)
Restated Opening Balance	354,893	23	354,916
Contributions less benefits	11,380	-	11,380
Deficit for the year	(115,344)	-	(115,344)
Balance as at 31 December 2016	<u>250,929</u>	<u>23</u>	<u>250,952</u>
Balance as at 1st January 2017	250,929	23	250,952
Opening balance difference	8	-	8
Contributions less benefits	12,928	-	12,928
Surplus for the year	7,210	-	7,210
Balance as at 31 December 2017	<u>271,075</u>	<u>23</u>	<u>271,098</u>

The notes form part of these financial statements.

Statement of cash flows – Injuries Compensation Fund

for the year ended 31 December 2017
(In thousands of Gambian Dalasi)

	Notes	31-Dec-17 D.000	31-Dec-16 D.000
Surplus for the year		7,210	(115,344)
Net contributions from members'		12,928	11,380
Prior year adjustment		8	(11,000)
		<hr/>	<hr/>
Movements in working capital		20,146	(114,964)
Increase in trade and other receivables		32,863	13,217
Decrease in trade and other payables		(23)	(104)
		<hr/>	<hr/>
		32,840	13,113
Cash generated from operations		52,986	(101,851)
Cash flows from investing activities			
Decrease in bank deposits		(69,834)	(10,182)
Increase in loan to member institution		-	119,250
		<hr/>	<hr/>
Net cash used in investing activities		(69,834)	109,068
Net increase in cash and cash equivalents		(16,848)	7,217
Cash and cash equivalents at the beginning of the financial year		19,470	12,253
		<hr/>	<hr/>
Cash and cash equivalents at the end of the financial year		<u>2,622</u>	<u>19,470</u>

The notes form part of these financial statements.



Notes (forming part of the financial statements) - Injuries Compensation Fund

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are material in relation to the Industrial Injuries Compensation Fund financial statements.

1.1 Basis of accounting

The financial statements have been prepared under the historic cost convention and modified by the revaluation of certain assets and in accordance with Generally Accepted Accounting Principles and the Companies ACT 2013.

1.2 Property, plant and equipment

Fixed assets purchased by the Federated Pension Fund is fully capitalized and depreciated over their useful economic life under the Federated Pension Fund account. The total costs of assets purchased are apportioned over the useful economic life in the ratio 32:36:20:12 to Federated Pension, National Provident Fund, Housing Finance Fund and Injuries Compensation Fund respectively.

1.3 Investments

Where it is the intention of the Corporation to hold investments to maturity, they are valued at cost. No account is taken of market value whether higher or lower than cost except for Treasury Bills and Discount Notes which are stated at cost plus accrued interest.

1.4 Investment income

Investment income is accounted for on an accruals basis.

1.5 Contributions

Contributions are accounted for on an accrual basis. No provision has been made for outstanding contributions at the Balance Sheet.

Employees' contribution is 1% of gross pay or D15.00 maximum payable by the employer.



1.6 Allocation of expenditure

Each fund is charged with expenditure, which specifically relates to it. Other recurrent expenditure initially borne by the Pension Fund is apportioned in the ratio 20% to the Housing fund and the balance 40:45:15 between the Pension, National Provident, and Industrial Injuries Compensation Funds respectively. The Computer Department's running costs are similarly apportioned in the ratio 20% to the Housing fund and the balance 40:45:15.

1.7 Benefits paid

Benefits paid represent all benefit claims paid during the year. No provision is made for unsettled but valid claims at the Balance Sheet date.

1.8 Foreign currencies

Foreign currency transactions are accounted for at the rate of exchange prevailing on the date the transaction took place. Monetary assets and liabilities denominated in foreign currencies at the Balance Sheet date are translated at the year-end rates and any differences arising are accounted for in the revenue account.

2. Investment income

	31-Dec-17 D.000	31-Dec-16 D.000
Gambia Government Treasury bills	439	2,552
Income on term deposit	24,582	23,429
Dividend income	673	309
Income on Gambia Govt Bonds	880	-
	<u>26,574</u>	<u>26,290</u>

3. Other income

	31-Dec-17 D.000	31-Dec-16 D.000
Miscellaneous income	55	62
	<u>55</u>	<u>62</u>



4. General administrative expenses

	31-Dec-17 D.000	31-Dec-16 D.000
Staff cost	8,687	8,125
Administrative expenses	9,216	132,032
Depreciation	1,414	1,047
Audit	102	97
	<u>19,419</u>	<u>141,301</u>

5. Royalties

	31-Dec-17 D.000	31-Dec-16 D.000
1,5% of gross income	-	395
	<u>-</u>	<u>395</u>

6. Investment properties

	31-Dec-17 D.000	31-Dec-16 D.000
Ocean Bay Hotel and Resort	3,539	3,539
	<u>3,539</u>	<u>3,539</u>

Ocean Bay Hotel and Resort is 100% owned by the Corporation. This investment is split between Federated Pension Fund, National Provident Fund and Industrial Injuries Compensation Fund.

31% share holding in Gampetroleum was purchased in 2008. 2.6% of this was funded from the Industrial Injury Compensation Fund.

The former Gambia Public Transportation Company (GTPC) was wholly acquired by the Corporation in 2013 and named after Gambia Transport Service Corporation (GTSC).



7. Equity investment

	31-Dec-17 D.000	31-Dec-16 D.000
Gampetroleum	25,346	25,346
Gambia Transport Service Corporation	19,000	19,000
	<u>44,346</u>	<u>44,346</u>

8. Loans to member Institutions/Government of The Gambia

	31-Dec-17 D.000	31-Dec-16 D.000
Gambia Civil Aviation Authority (GCAA)	35,250	35,250
Gambia Government (Office of The President)	15,000	15,000
GGC loan Guarantee	69,000	69,000
	<u>119,250</u>	<u>119,250</u>
Less:		
Provision Gambia Civil Aviation Authority (GCAA) loan	(35,250)	(35,250)
Provision Gambia Government (Office of The President)	(15,000)	(15,000)
Provision GGC loan Guarantee	<u>(69,000)</u>	<u>(69,000)</u>
	<u>-</u>	<u>-</u>

GCAA

This was a loan issued to GCAA in 2012 for lighting and pavement works contract at an interest rate of 12% for a period of 24 months.

GGC loan guarantee

The Corporation was given a directive to act as guarantee to GGC as collateral in the event of default in their loans. GGC defaulted and SSHFC had to settle the loan and capture it as a loan to GGC. There are no loan repayment schedules or agreements. These loans carry no interest.



9. Other financial assets

Other financial assets include:

	Cost D.000	Accrued interest D.000	31-Dec-17 D.000	31-Dec-16 D.000
Gambia Government treasury bills	5,961	291	6,252	-
Gambia Govt. Bonds	29,000	880	29,880	-
Bank term deposit	167,690	12,405	180,095	146,393
	<u>202,651</u>	<u>13,576</u>	<u>216,227</u>	<u>146,393</u>

10. Trade and other receivables

	31-Dec-17 D.000	31-Dec-16 D.000
Contribution receivable	23,300	26,251
Inter-fund current Acc- NPF	34,991	54,721
Inter- fund current Acc.Housing fund	13,518	13,943
Inter fund current Acc.Pension fund	(54,193)	(44,436)
Inter fund loan-IICF/HFF	2,353	2,353
	<u>19,969</u>	<u>52,832</u>
Less: Provision for doubtful contributions	(15,046)	(15,046)
	<u>4,923</u>	<u>37,786</u>

11. Trade and other payables

	31-Dec-17 D.000	31-Dec-16 D.000
Unclaimed pension	91	91
Sundry creditors	-	23
Royalties payable	468	468
	<u>559</u>	<u>582</u>

12. Analysis of the balances of cash as shown on the Statement of financial position

	31-Dec-17 D.000	31-Dec-16 D.000	Changes in year D.000
Cash at bank	2,622	19,470	(16,848)
	<u>2,622</u>	<u>19,470</u>	<u>(16,848)</u>

13. Net contributions from members

	31-Dec-17 D.000	31-Dec-16 D.000
Contributions	14,296	12,435
Benefit and refunds	(981)	(576)
Periodic pension payments	(387)	(479)
	<u>12,928</u>	<u>11,380</u>



Consolidated Revenue Account

for the year ended 31 December 2017

(In thousands of Gambian Dalasi)

	31-Dec-17 D.000	31-Dec-16 D.000
Income		
Investment income	177,274	154,134
Mortgage income	52,117	84,936
Other income	25,411	26,498
Total income	254,802	265,568
Expenditure		
Project cost	9,139	41,093
General and administrative expenses	167,774	206,538
Interest expense	1,878	19,479
Interest on members funds		
Royalties	-	3,984
Provision for Bad debt	18,378	1,627,454
Impairment of equity investment	40,545	147,893
Total expenditure	(237,714)	(2,046,438)
Net new money available(unavailable) for investment	17,088	(1,780,870)



Consolidated Balance Sheet

as at 31 December 2017
(In thousands of Gambian Dalasi)

	31-Dec-17 D.000	31-Dec-16 D.000
Non - current assets		
Property, plant and equipment	82,784	85,317
Equity Investments	989,035	1,029,580
Investment properties	950,431	944,614
Mortgages	154,617	180,721
	<u>2,176,867</u>	<u>2,240,232</u>
Current assets		
Trade and other receivables	707,224	659,950
Loans to member institutions	261,261	349,055
Other financial assets	1,086,157	717,069
Mortgages	65,681	40,227
Project work in progress	2,962	10,314
Cash at bank and in hand	78,512	66,616
	<u>2,201,797</u>	<u>1,843,231</u>
Total current assets	2,201,797	1,843,231
Total assets	4,378,664	4,083,463
Equity and liabilities		
Capital and Reserves		
Members fund	5,358,385	5,051,458
Revenue reserve	7,288	7,288
Revaluation reserve	98,531	98,531
Accumulated funds	(1,484,953)	(1,482,126)
	<u>3,979,251</u>	<u>3,675,151</u>
Current liabilities		
Trade and other payables	399,413	408,312
	<u>399,413</u>	<u>408,312</u>
Total liabilities	399,413	408,312
Total equity and liabilities	4,378,664	4,083,463