



**ASSETS MANAGEMENT & RECOVERY CORPORATION
(AMRC)**

**FINANCIAL STATEMENTS & REPORTS
FOR THE YEAR ENDED 31ST DECEMBER 2019**

**AUGUSTUS PROM (A.P)
AUDIT.TAX.ADVISORY.
REGISTERED AUDITORS**

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

JANUARY 2021

Content

Section	Page(s)
General Information	2
Board of Directors Report	3-4
Auditor's Report	5-7
Balance Sheet	8
Income Statement	9
Statement of Changes in Accumulated Fund	10
Cashflow Statement	11
Notes to the Financial Statements	12-21
Appendix	22

General Information

1. Board of Directors

Abdoulie Manneh	Chairman (<i>From April 2019</i>)
Sheikh Tijan Mboob	Member (<i>From April 2019</i>)
Fatou Ndey Gaye	Member (<i>From April 2019</i>)
Abdoulie Colley	Solicitor General (<i>From April 2019</i>)
Kebba Krubally	Member (<i>From April 2019</i>)
Mod Secka	Ex Officio – PS MOFEA – (<i>From April 2019</i>)
Momodou Lamin Bah	Ex Officio – Accountant General
Momodou B Jallow	Managing Director (<i>From April 2019 to July 2019</i>)
Ansumana Sanneh	Managing Director (<i>From August 2019</i>)

2. Board Secretary

Saikou Kujabi (*From April 2019*)
 Jarra Jaiteh (*From April 2019*)

3. Bankers

Trust Bank Ltd 3-4 Ecowas Avenue Banjul, The Gambia	Eco Bank (Gambia) Ltd 42 Kairaba Avenue KSMD, The Gambia
FIB Bank (Gambia) Ltd 2 Kairaba Avenue KSMD, The Gambia	AGIB Bank Ltd Becca Plaza, 5/6 Liberation Avenue Banjul, The Gambia
Guaranty Trust Bank (Gambia) Ltd 56 Kairaba Avenue KSMD, The Gambia	Mega Bank Ltd 11A Liberation Avenue Banjul, The Gambia

4. External Auditor

Augustus Prom
 Audit.Tax.Advisory.
 Registered Auditors
 3rd FL. Centenary Building
 3 Kairaba Avenue, KSMD
 The Gambia.

5. Registered Address

78/79 OAU Boulevard
 Banjul
 The Gambia

6. Solicitors

Uzome Achigbue
 South Atlantic Chambers
 External Solicitor
 55 Garba Jahumpa Road
 Bakau Newtown, The Gambia

Dandimayo Chambers
 17A Picton Street, Banjul
 The Gambia

Board of Director's Report for the Year Ended 31st December 2019

The Board of Directors of the Assets Management and Recovery Corporation (AMRC) presents their audited financial statements for the year ended 31st December 2019.

1. State of Affairs

The state of affairs of the Assets Management and Recovery Corporation is set out in the accompanying financial statements and notes on pages 8 to 21.

2. Principal Activities

The principal activities of the Corporation are to recover from the defunct Gambia Commercial and Development Bank (GCDB), all assets and liabilities not transferred to the Meridian BAIO Bank Limited (Trust Bank Gambia Limited) and to take over the management and recovery of any assets of the Government of The Gambia for which the Ministry of Finance & Economic Affairs may assign to the Corporation from time to time.

According to a Cabinet considered memorandum number CP (11 (00) 125, the mandate of AMRC was executed until such time that it is no longer deemed useful.

3. Director's Responsibility to the Financial Statements

The Companies Act, 2013 and the AMRC Act of 1992 (As Amended), requires the Corporation's Directors to prepare financial statements for each financial year, which gives a true and fair view of the Corporation's financial position and of its profit or loss as at year end.

In preparing these financial statements, the Board of 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; and*
- *Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Corporation will continue in business.*

The Directors are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any given time, the financial position of the Corporation and to enable them to ensure that they comply with Generally Accepted Accounting Principles (GAAP). They are also responsible for safeguarding the assets of the Corporation and taking reasonable steps for the prevention and detection of fraud and other irregularities.

4. Auditor's

The Corporation's external auditor, Augustus Prom-Audit. Tax. Advisory, as appointed through the National Audit Office of The Gambia for the Financial Period from 31st December 2015 to 31st December 2019 will not continue in office. The Auditors for the next financial period will be hired through the National Audit Office on Auditor Rotation Basis.

BY ORDER OF THE BOARD OF DIRECTORS


.....
Board Secretary

DATE: 22/1/2021
.....

Registered Address

78/79 OAU Boulevard
Banjul
The Gambia.



AUGUSTUS PROM
AUDIT.TAX.ADVISORY.



3 Kairaba Avenue – P O Box 587, The Gambia - Telephone (220) 4378146/ 4392376 / 4378147 – Fax (220) 4378148
E-mail: admin@augustusprom.com www.augustus-prom.gm

Auditor's Opinion

We have audited the accompanying financial statements of the Assets Management & Recovery Corporation (AMRC) which comprises of the Balance Sheet, Income Statement, Statement of Changes in Accumulated Fund, Cash Flow Statement for the year ended 31st December 2019, and notes to the Financial Statements including Accounting Policies applicable to the Corporation.

In our opinion, the financial statements give a true and fair view of the financial position of the Corporation as at 31st December 2019 and of its financial performance and cash-flows for the year ended 31st December 2019 and has been prepared in accordance with the Companies Act 2013 and AMRC Act 1992 (*As Amended*) and Generally Accepted Accounting Principles (GAAP).

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). 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 Corporation 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.

Emphasis of Matter

As stated in Note 18 of the financial statements on the Finance Lease between NAWEC and AMRC, there has been a deviation from the Accounting treatment with regard to Finance Leases – *IAS 17*. International Accounting Standards (IAS) 17 states that, at Commencement of the Lease term, the lessor should record a Finance Lease in the Balance Sheet as a Receivable, at an amount equal to the Net Investment in the Lease. With the NAWEC & AMRC arrangement, there has been no investment carried out by AMRC on these Assets due to the fact that these Assets were handed over by the Gambia Government via the Ministry of Finance & Economic Affairs (MOFEA) to AMRC and as a result, we are unable to recognize the Net Investment on the related Assets in the Balance Sheet of the Corporation. In addition, there is a lack of compliance with the Accounting Standard on Leases with regard to the treatment in the Balance Sheet of the Corporation.

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 (GAAP), and in the manner required by the Companies Act, 2013 and the AMRC Act 1992 (As Amended) 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 Corporation'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 Corporation's financial reporting process.

Auditor's Responsibilities for the Audit of 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 ISA will always detect a material misstatement when it exists. Misstatement 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 ISA, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- *Identify and assess the risk 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, intention omissions, misrepresentations, or the override of internal control.*
- *Obtain an understanding of internal control relevant to the audit in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.*
- *Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.*
- *Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to*

the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Corporation's financial statements represent the underlying transactions and events in a manner that achieves fair presentation.*

We communicate with those charged with governance 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.

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 (A.P)
AUDIT. TAX. ADVISORY.
REGISTERED AUDITORS

DATE: *22nd January* **2021**



Balance Sheet

As at 31st December 2019

	Notes	31 st Dec 2019 GMD	31 st Dec 2018 GMD
Assets			
Non-Current Assets			
Property Plant and Equipment	2	5,196,490	3,705,563
Long Term Land Investment	3	870,000	2,770,000
Total Non Current Assets		6,066,490	6,475,563
Current Assets			
Receivables	4	11,872,495	12,640,738
Foreclosed Property	14	266,012,913	266,012,913
Cash and Bank	5	2,361,831	1,934,701
Fixed Deposit Investment	16	-	39,000,000
Total Current Assets		280,247,239	319,588,352
Total Assets		286,313,729	326,063,915
Accumulated Fund & Liabilities			
Accumulated Fund			
Accumulated Fund (See Page 10)		4,817,196	50,832,292
Recognition of Foreclosed Property	14	266,012,913	266,012,913
Total Equity		270,830,109	316,845,205
Liabilities			
Current Liabilities			
Creditors & Accruals	6	10,691,587	4,426,677
Total Current Liabilities		10,691,587	4,426,677
Non Current Liabilities			
Long Term Liabilities	6a	4,792,033	4,792,033
Total Non Current Liabilities		4,792,033	4,792,033
Total Liabilities		15,483,620	9,218,710
Total Equity & Liabilities		286,313,729	326,063,915

The Financial Statements were approved by the A.M.R.C Board of Directors on

22/01/2021 and signed on its behalf by:

DIRECTOR: 

DIRECTOR: 

The notes on page 12 – 21 form an integral part of the financial statements.

Income Statement

For the year ended 31st December 2019

	<i>Notes</i>	31st Dec 2019 GMD	31st Dec 2018 GMD
Income			
Commercial Loan Recoveries	8	2,665,813	400,433
Land & Rental Income	9	8,893,000	3,298,650
Other income	10	1,131,887	8,144,322
Finance Lease Income	18	1	-
Commission Income - KAMCO		2,590,562	-
Interest on Fixed deposit investment		524,365	-
Total Income		15,805,628	11,843,405
Expenditure			
Administrative Expenses	11	10,011,649	6,692,718
Staff Cost	12	8,127,063	6,937,821
Repairs and Maintenance	13	699,346	859,789
Depreciation	2	1,568,366	1,677,252
Provision for bad debt	4c	3,450,100	-
Total Expenditure		(23,856,524)	(16,167,580)
(Loss) Before Taxation		(8,050,896)	(4,324,175)
Taxation	1.6	-	-
(Loss) After tax		(8,050,896)	(4,324,175)

The notes on page 12 – 21 form an integral part of the financial statements.

Statement of Changes in Accumulated Fund

For the Year Ended 31st December 2019

	Accumulated Fund GMD	Total GMD
Opening Balance At 1st Jan 2018	54,713,720	54,713,720
Profit for the Year (<i>See Page 9</i>)	(4,324,175)	(4,324,175)
Prior Year Adjustment (<i>See Note 7</i>)	442,747	442,747
Accumulated Fund as at 31st Dec 2018	50,832,292	50,832,292
Opening Balance At 1st Jan 2019	50,832,292	50,832,292
Loss for the Year (<i>See Page 9</i>)	(8,050,896)	(8,050,896)
Prior Year Adjustment (<i>See Note 7</i>)	(37,964,200)	(37,964,200)
Accumulated Fund as at 31st Dec 2019	4,817,196	4,817,196

The notes on page 12 – 21 form an integral part of the financial statements.

Cash Flow Statement

For the year ended 31st December 2019

		31 st Dec 2019 GMD	31 st Dec 2018 GMD
	Notes		
<u>Operating Activities</u>			
(Loss)/Profit for the year		(8,050,896)	(4,324,175)
<u>Adjustment for:</u>			
Depreciation	2	1,568,366	1,677,252
Provision for Bad Debt	4c	3,450,100	-
		<u>(3,032,431)</u>	<u>(2,646,923)</u>
Decrease/Increase in Receivable		768,243	(807,356)
Increase/Decrease in Provision		(3,450,100)	-
Increase/Decrease in Payables		6,264,910	780,027
Prior Year Adjustment	7	(37,964,200)	442,747
Net Cash Outflows from Operating Activities		<u><u>(37,413,577)</u></u>	<u><u>(2,231,505)</u></u>
<u>Investing Activities</u>			
Acquisition of Fixed Assets		(3,059,293)	(2,279,900)
Investments		40,900,000	-
Net Cash Inflow from Investing Activities		<u><u>37,840,707</u></u>	<u><u>(2,279,900)</u></u>
Net Decrease in cash and cash equivalent		427,130	(4,511,405)
Balance at 1 st Jan 2019		1,934,701	6,446,106
Balance as at 31st Dec 2019		<u><u>2,361,831</u></u>	<u><u>1,934,701</u></u>

The notes on page 12 – 20 form an integral part of the financial statements.

Notes to the Financial Statements

1. Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in the Corporation's Financial Statements.

1.1 Basis of Accounting

The Financial Statements have been prepared on an accrual basis under the historical cost convention, in accordance with the Generally Accepted Accounting Principles (GAAP), and the requirements of the Companies Act 2013 and the A.M.R.C Act 1992 (*As amended*).

1.2 Property, Plant & Equipment

Items of property, plant and equipment are stated at cost less accumulated depreciation less impairment loss and the amount of any subsequent revaluation. It is the corporation's policy to charge full year's depreciation in the year of acquisition and no charge in the year of disposal.

Depreciation is calculated and charged to the income and expenditure statement on a straight-line basis by reference to the estimated useful lives of the assets at the following rates:

<i>Motor Vehicles</i>	<i>33%</i>
<i>Buildings</i>	<i>5%</i>
<i>Computers & Equipment</i>	<i>20%</i>
<i>Furniture</i>	<i>20%</i>

1.3 Revenue Recognition

Revenue comprises sales of land, loan recovery contribution by The Gambia Government, external funding and any other income accruing on accounts. Revenue grants are recognised in the financial statements on receipts. Capital grants are recognised in equity. However, they are transferred to the income statement to meet related cost.

1.4 Employee Benefits

Obligation for contribution to the Social Security & Housing Finance Corporation administered pension scheme at a rate of 15% on employee's salary are recognised as an expense in the Income and Expenditure Statement. The contribution of GMD15 per month per employee to Social Security & Housing Finance Corporation as Industrial Injury Compensation is also recognised in the Income and Expenditure Statement.

1.5 Foreign currency Translation

Transactions in foreign currencies are converted into Dalasis at the rates of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are converted in to Dalasis at the rates of exchange ruling at the balance sheet date. All gains and losses are transferred to the income and expenditure account.

1.6 Taxation

The Corporation is exempted from income tax as an agency of the Gambia Government but is liable to pay Local Government taxes & rates in line with Section 27 of the AMRC Act 1992.

2. Fixed Assets

	Land and Building GMD	Motor Vehicle GMD	Farafenni Guest House GMD	Computers and Equipment GMD	Total GMD
Cost					
At 1 st January 2019	4,977,054	6,455,258	2,413,496	4,193,176	18,038,984
Additions	-	2,763,200	-	296,093	3,059,293
Disposals	-	-	-	(13,000)	(13,000)
At 31/12/19	<u>4,977,054</u>	<u>9,218,458</u>	<u>2,413,496</u>	<u>4,476,269</u>	<u>21,085,277</u>
Depreciation					
At 1 st January 2019	4,674,500	4,461,756	1,485,083	3,712,082	14,333,421
Charge for the year	196,657	1,075,500	120,675	175,534	1,568,366
Disposals	-	-	-	(13,000)	(13,000)
At 31/12/19	<u>4,871,157</u>	<u>5,537,256</u>	<u>1,605,758</u>	<u>3,874,616</u>	<u>15,888,787</u>
Net Book Value					
At 31/12/19	<u>105,897</u>	<u>3,681,202</u>	<u>807,738</u>	<u>601,653</u>	<u>5,196,490</u>
At 31/12/18	<u>302,554</u>	<u>1,993,502</u>	<u>928,413</u>	<u>481,094</u>	<u>3,705,563</u>

	31 st Dec 2019 GMD	31 st Dec 2018 GMD
3. Long Term Land Investment	870,000	2,770,000

The long term investment relates to investment property in which management acquired land with the intention to resell at profit.

4. Receivables

Trade receivables (See note 4a)	5,838,568	2,395,768
Staff Loans Personal	238,262	443,414
Staff Vehicle loan	1,453,437	1,280,654
Staff building loan	3,976,728	4,226,293
Ex staff debtors	1,843,682	1,941,593
Prepayments	221,283	31,669
Other Receivables (See Note 4b)	1,305,321	2,321,347
Emergency Loan	45,313	-
Credit Union Loan	400,000	-
Finance Income (See Note 18)	1	-
	15,322,595	12,640,738
Less: Provision for Doubtful Debt (See Note 4c)	(3,450,100)	-
	11,872,495	12,640,738

4a. Trade Receivables

Sale of properties	5,523,568	2,080,768
Judgement debtors	315,000	315,000
	5,838,568	2,395,768

4b. Other Receivables

1 by 6 Advance	12,150	132,100
Debt factoring	668,000	668,000
Pre-financing shipping	143,100	143,100
Accrued Interest on Fixed Deposit	-	1,201,521
KAMCO	482,071	176,626
	1,305,321	2,321,347

	31 st Dec 2019 GMD	31 st Dec 2018 GMD
4c. Provision for Bad & Doubtful Debt		
Non Moving Rent Outstanding	938,418	-
Debt factoring	668,000	-
Ex Staff Loans	1,843,682	-
	<u>3,450,100</u>	<u>-</u>

A 100% Provision was raised on the above balances due to no repayments received over the 12 Month Period.

5. Cash & Bank Balances

AGIB Bank	59,622	60,097
ECO Bank	77,608	173,920
Guaranty Trust Bank	34,773	85,463
Mega Bank	829,964	884,014
TBL Banjul	721,428	709,113
TBL Farafenni	35,754	4,914
Zenith Bank	-	13,407
Cash Imprest	2,682	3,773
FIB Bank	600,000	-
	<u>2,361,831</u>	<u>1,934,701</u>

6. Payables

Creditors	8,425,700	2,848,520
Accruals	2,265,887	1,578,157
	<u>10,691,587</u>	<u>4,426,677</u>

6a. Long Term Liabilities

	<u>4,792,033</u>	<u>4,792,033</u>
--	------------------	------------------

These are long term loans in respect of lands purchased on credit by AMRC from Limbas Holding Company Limited and repayments on these loans are as per contract.

7. Retained Earnings – Prior Year Adjustments

In 2017, there was a land sale in the Jimpex Area amounting to GMD38,000,000 Million which was recognised as Loan Income Recoveries under the Manager Fund Recovery Portfolio as at 31st December 2017. In 2018, there was an issue with this Land Sale in Jimpex due to Government imposing a ban on AMRC with regard to Sale of Land by AMRC. As a result, AMRC offered to refund the money but the buyer did not accept the refund because the sale was completed and as a result, the matter ended up in Court. In 2019, the Court Case concluded and the ruling ordered for AMRC to refund the Purchase funds to the buyer. This was effected and the turnover recognised in 2017 has been de-recognised and reversed as Prior Year. There is an additional amount of GMD35,800 charged as Prior Year Adjustment which is rent proceeds from the Farafenni Guest House and was deposited on the 17th October 2018 but it was deposited in the wrong account by the Bank. This was rectified in 2019 by the Bank therefore adjusted as prior year considering transaction relates to 2018.

	31 st Dec 2019 GMD	31 st Dec 2018 GMD
8. Loan Income-Recoveries (GCDB)		
Commercial loan recoveries	37,233	320,255
Development loan recoveries	-	15,178
Managed Fund recoveries (Note 18)	2,628,580	65,000
	2,665,813	400,433

The Loan Income recoveries relates to recoveries made by the Asset Management Recovery Corporation (AMRC) from debt the Corporation is pursuing with regard to Loan from the Gambia Commercial Development Bank (GCDB). Page 17 – 18 of this document goes into details.

9. Land & Rental Income

Rents	6,698,000	3,293,650
GCU Special a/c	-	5,000
Sale of land Lamin Kerewan	1,400,000	-
Income from Farafeni Guest House	795,000	-
	8,893,000	3,298,650

	31 st Dec 2019 GMD	31 st Dec 2018 GMD
10. Other Income		
Income from Farafenni guest house	-	786,953
Commission KAMCO/NAWEC	-	2,144,220
Bank interest	190,349	51
Sundry income	14,900	12,400
Gain on Asset disposal	300	851,100
Interest on staff loan	63,338	64,562
Recovery from Commodities Debt Written Off	863,000	1,714,200
Interest on Fixed Deposit Investments	-	2,570,836
	1,131,887	8,144,322
11. Administrative Expenses		
Adverts/Promotions	51,304	233,513
Bank service charge	546,304	100,021
Cleaning material and detergents	20,544	21,706
Donations and subscription	326,545	282,695
Entertainment	235,549	250,772
Gratuity	45,519	94,164
Honorarium	34,550	82,500
Injury compensation	9,195	8,565
Insurance Expenses	100,825	119,316
Law Books	7,400	-
Staff Vehicle Loan	525,000	-
Medical Expenses	149,579	177,152
Postage and delivery	-	1,610
Property enhancement	797,574	316,187
Stationery and printing	174,736	140,701
Telephone and Fax expenses	491,572	536,318
Utilities	524,804	551,627
Audit Fees	240,350	240,350
Director's Fees	361,000	215,000
Fuel	1,219,050	1,568,300
Sundry Expenses	27,145	10,910
Transport & Travels	68,730	133,475
Government Stamp Duty	53,204	500
Farafenni Guest House	189,538	289,201
Legal Fee Expenses	3,263,746	1,101,474
Rent & Rates	43,049	43,049
Registration Fee	2,500	100
Kamco/AMRC Expense	127,115	173,513
Madinaba Land Expenses	375,215	-
	10,011,649	6,692,718

	31 st Dec 2019 GMD	31 st Dec 2018 GMD
12. Staff Cost		
Salaries	6,925,190	6,013,945
Social Security contribution	912,330	698,047
Staff Training & Development	289,543	225,829
	<u>8,127,063</u>	<u>6,937,821</u>

13. Repairs and Maintenance

Building	84,215	110,374
Equipment	261,688	206,305
Generator repairs	5,320	32,670
Vehicle	348,123	510,440
	<u>699,346</u>	<u>859,789</u>

14. Recognition on Foreclosed Property

At the 76th Board of Directors meeting on the 27.11.2014, Management was given the approval to recognise an amount of GMD266,012,913 million in the Financial Statements of AMRC which relates to foreclosed properties that are under the management and control of AMRC. The property values recognised are based on valuations that have been done by Sphinx Associates – Project and Valuation Consultants. The breakdown is as follows;

<u>Details</u>	<u>Type of Loan</u>	<u>Valuation Amount (GMD)</u>
<i>Citro Product</i>	<i>Development Loan Properties</i>	<i>230,000,000</i>
<i>Mustapha C. Jaye</i>	<i>Development Loan Properties</i>	<i>700,000</i>
<i>Dr Ceesay</i>	<i>Managed Fund Properties</i>	<i>7,115,000</i>
<i>Mbye Njie & Sons</i>	<i>Commercial Loan Properties</i>	<i>9,820,000</i>
<i>Mbye Njie & Sons (2)</i>	<i>Commercial Loan Properties</i>	<i>3,372,913</i>
<i>Kuty Sanyang (BLK)</i>	<i>Commercial Loan Properties</i>	<i>13,980,000</i>
<i>Sheikh Gaye</i>	<i>Commercial Loan Properties</i>	<i>1,025,000</i>
Total		<u><u>266,012,913</u></u>

15. Forfeited Properties under the Management of AMRC

The forfeited properties under the Management of the AMRC were properties forfeited to the state by the various commission of inquiries established by government in 1994. The said properties were then assigned to AMRC for management.

However, it is important to note that titles to these properties were not transferred in the name of AMRC and as a result it is not captured in the Financial Statements of the Corporation. Thus the government reserves the unlimited prerogatives to take back any property it may want to occupy or otherwise.

Pages 23 to 24 has the Listing of all forfeited properties under the management of AMRC for disclosure purposes.

16. Contingent Liability

The pending legal cases are as follows;

Alhagie MC Cham V Gambia Commercial & Development Bank (SC Civil Appeal No 012/2016)
AMRC is still not in receipt of the Record of Proceedings sent to the Auditor General's Chambers, despite efforts and follow ups made to search for it and a formal request vide a letter dated 23rd June 2020, addressed to the Director of Civil Litigation.

AMRC is awaiting the commencement of the Supreme Court sittings. Meanwhile, efforts to settle out of court are at a standstill, as we are not in receipt of the comprehensive proposal, requested for, pursuant to our letter dated 2nd September, addressed to the Plaintiff's Counsel.

Landing Jadama V Baboucarr Njie (BRK/CS/274/2020)

A motion on Notice dated 4th August 2020 was filed on the same day, praying that AMRC be joined as a party to the Suit. The motion was moved on the 6th October 2020, However, the Plaintiff claimed that he was not served with the Motion, but eventually accepted service in court.

17. Events After the Reporting Period

There is no adjusting or significant non-adjusting events that have occurred between the 31st December 2019 and the date of authorisation of the Financial Statements of the Corporation.

18. Finance Lease – NAWEC/AMRC

On the 9th March 2018, the Ministry of Finance and Economic Affairs (MoFEA) and the National Water and electricity company (NAWEC) signed a Memorandum of Understanding (MoU) designed to reduce responsibility for the historical financial debt of NAWEC could service and other commitment required to assist NAWEC to return to financial viability. Article 3 (2) OF THE MoU states that “MoFEA will designate an agency that will own the assets and debt associated with Water and Sewerage service and Rural Electrification project”. On the 11th December 2019, The Government of the Gambia, through the Ministry of Finance & Economic Affairs, nominated AMRC as the Agency that will own the Assets and debts stated in the MOU. Furthermore, Article 3(3) states that “these assets will be leased back to NAWEC for a minimum lease payment and NAWEC will be the operator and maintenance of these assets”.

On the 18th of December 2019, NAWEC and AMRC entered into a Finance Lease stating the terms and conditions of the Lease which included handing over the Assets to AMRC. Furthermore, Section 6 of the Lease Agreement states that the Lessee being NAWEC, has to pay an amount of GMD 1 to the Lessor being AMRC for the duration of the Agreement.

Details of the Assets is as follows;

ASSET	TRANSFER VALUE (GMD)	DURATION OF LEASE TERM FOR THE ASSET	ASSET CLASSIFICATION
ENERGY Dev. & Access Expansion	235,523,260	15 th Oct 2016 – April 15 2031	Rural Electrification
Rural Electrification project	652,566,708	2018 - 2029	Rural Electrification
Second Phase Rural Electricity	317,850,905	2018 - 2034	Rural Electrification
Kotu Ring Water Supply	429,780,846	30 th June 2011 – 31 st Dec 2028	Water & Sewerage
Gunjur Water Supply	188,609,848	30 th June 2019 – 31 st Dec 2036	Water & Sewerage
GBA Water Supply	257,788,833	2018 - 2019	Water & Sewerage
Gunjur Rural Water Supply	1,490,825	2018 - 2026	Water & Sewerage

Furthermore, the accounting standard that is applied in such as Scenarios is IAS 17 – *Leases*. IAS 17 states that at Commencement of the Lease term, the lessor should record a Finance Lease in the Balance Sheet as a Receivable, at an amount equal to the Net Investment in the Lease (*IAS 17*). With the NAWEC & AMRC arrangement there has been no investment carried out by AMRC on these Assets due the fact that the Assets were handed over by the Gambia Government via MOFEA and as a result, we are unable to recognize the Net Investment in the Balance Sheet of the Corporation which is not in compliance with the Accounting Standard on Leases. This deviation from the Accounting Standard has been reflected in the Emphasis of Matter Paragraph in the Audit Opinion on AMRC.

However, we have recognized the GMD1 as Finance Lease Income over the Lease Term in line with IAS 17. The Leased Assets are still in the Books of NAWEC as the Lessee which is in compliance with the Accounting Standard.

APPENDIX

Appendix 1 - Off Balance Sheet Debtors – 31st December 2019

The three main debt recovery compounds of the corporation (AMRC) are the commercial loans, development loans and managed fund and are all maintained off-balance sheet due to uncertainty over the valuation of these debts. When recoveries are made the sum is recognised in the income statement as part of the receipts for that period. However, the board of directors can use their discretion to waive debts. A summary detail of debt outstanding since 1994, waiver granted and the amounts recovered during the period are outlined below:

	Commercial Loan D	Development Loan D	Managed Fund D	Total
Loans taken over from GCDB at inception	212,313,480	37,442,831	85,768,657	335,524,968
Waivers granted to 31 st March 1994	(1,195,231)			(1,195,231)
Receipts in the year ended 31 st March 1994	(13,895,873)	(431,651)	(4,539,000)	(18,866,524)
Loans Outstanding as at 31 st March 1994	197,222,376	37,011,180	81,229,657	315,463,213
Waiver granted to 31 March 1995	(1,889,831)	-	-	(1,889,831)
Received in the year ended 31 st March 1995	(23,403,586)	(2,256,865)	(1,307,245)	(26,967,696)
Loans outstanding at 31 st March 1995	171,928,959	34,754,315	79,922,412	286,605,686
Received in the year ended 31 st March 1996	(63,300,360)	(6,111)	(791,374)	(64,097,845)
Loans outstanding at 31 st March 1996	108,628,599	34,748,204	79,131,038	222,507,841
Received in the year ended 31 st March 1997	(9,512,238)	(650,000)	(500,300)	(10,662,538)
Loans outstanding at 31 st March 1997	99,116,361	34,098,204	78,630,738	211,845,303
Received in the year ended 31 st March 1998	(5,464,274)	-	(500,300)	(5,964,274)
Loans outstanding at 31 st March 1998	93,652,087	34,098,204	78,130,738	205,881,029
Included in a Suspense Account	-	-	(40,532,563)	(40,532,563)
Received in the year ended 31 st December 1998	(3,316,774)	-	(3,118,216)	(6,434,990)
Loans outstanding at 31 st December 1998	90,335,313	34,098,204	34,479,959	158,913,476
Received in the year ended 31 st December 1999	(2,994,531)	(54,000)	(1,605,669)	(4,654,200)
Loans outstanding at 31 st December 1999	87,340,782	34,044,204	32,874,590	154,259,276
Received in the year ended 31 st December 2000	(779,971)	-	(92,500)	(872,471)
Loans outstanding at 31 st December 2000	86,560,811	34,044,204	32,781,790	153,386,805
Received in the year ended 31 st December 2001	(292,151)	-	-	(292,151)
Loans outstanding at 31 st December 2001	86,268,660	34,044,204	32,781,790	153,094,654
Received in the year ended 31 st December 2002	(2,533,385)	(2,800,000)	(5,000)	(5,338,385)
Loans outstanding at 31 st December 2002	83,735,275	31,244,204	32,776,790	147,756,269
Received in the year ended 31 st December 2003	(8,501,779)	(30,665)	(33,400)	(8,565,844)
Loans outstanding at 31 st December 2003	75,233,496	31,213,539	32,743,390	139,190,425
Received in the year ended 31 st December 2004	(2,460,794)	-	(4,000)	(2,464,794)
Loans outstanding at 31 st December 2004	72,772,702	31,213,539	32,739,390	136,725,631
Received in the year ended 31 st December 2005	(8,461,320)	(500,000)	(106,700)	(9,068,020)
Loans outstanding at 31 st December 2005	64,311,382	30,713,539	32,632,690	127,657,611
Received in the year ended 31 st December 2006	(2,078,223)	(56,000)	(380,000)	(2,514,223)
Loans outstanding at 31 st December 2006	62,233,159	30,657,539	32,252,690	125,143,388
Received in the year ended 31 st December 2007	(3,165,717)	(117,750)	-	(3,283,467)
Loans outstanding at 31 st December 2007	59,067,442	30,539,789	32,252,690	121,859,921

ASSETS MANAGEMENT & RECOVERY CORPORATION (A.M.R.C)
FINANCIAL STATEMENTS & REPORTS FOR THE YEAR ENDED 31st DECEMBER 2019

Received in the year ended 31 st December 2008	(11,244,916)	(2,500)	-	(11,247,416)
Loans outstanding at 31 st December 2008	47,822,256	30,537,289	32,252,690	110,612,505
Received in the year ended 31 st December 2009	(5,521,510)	(400)	-	(5,521,910)
Loans outstanding at 31 st December 2009	42,301,016	30,536,889	32,252,990	105,090,595
Received in the year ended 31 st December 2010	(8,757,687)	-	-	(8,757,687)
Loans outstanding at 31 st December 2010	33,543,329	30,536,889	32,252,690	96,332,908
Received in the year ended 31 st December 2011	(1,461,400)	-	(700,000)	(2,161,400)
Loans outstanding at 31 st December 2011	32,081,929	30,536,889	31,552,690	94,171,508
Received in the year ended 31 st December 2012	(575,468)	-	-	(575,468)
Loans outstanding at 31 st December 2012	31,506,461	30,536,889	31,552,690	93,596,040
Received in the year ended 31 st December 2013	(444,001)	(30,000)	(200,000)	(674,001)
Loans outstanding at 31 st December 2013	31,062,460	30,506,889	31,352,690	92,922,039
Received in the year ended 31 st December 2014	(980,333)	-	-	(980,333)
Loans outstanding at 31 st December 2014	30,082,127	30,506,889	31,352,690	91,941,706
Received in the year ended 31 st December 2015	(11,502,433)	(6,093,798)	(1,492,446)	(19,088,677)
Loans outstanding at 31 st December 2015	18,579,694	24,413,091	29,860,244	72,853,029
Received in the year ended 31 st December 2016	(696,750)	-	(240,000)	(936,750)
Loans outstanding at 31 st December 2016	17,882,944	(24,413,091)	29,620,244	71,916,279
Received in the year ended 31 st December 2017	(198,046)	-	(38,080,000)	(38,278,046)
Loans Outstanding as at 31 st December 2017	17,684,898	24,413,091	(8,459,756)	33,638,233
Received in the year ended 31 st December 2018	(320,255)	(15,178)	(65,000)	(400,433)
Loan outstanding as at 31 st December 2018	17,364,643	24,397,913	(8,524,756)	33,237,800
Received in the year ended 31 st December 2019	(37,233)	-	(2,628,580)	(2,665,813)
Sale Refund	-	-	38,000,000	38,000,000
Loans Outstanding as at 31st December 2019	17,327,410	24,397,913	26,846,663	68,571,987

Appendix 2 - List of Forfeited Properties under AMRC Management

NO	NAME	TYPE	LOCATION	STATUS 1	VALUATION (GMD)
1	AbdoulieJobe	Forfeited	Fajara F. section	Developed	2,605,000.00
2.	AbdoilieKebbeh	Forfeited	Brikama	Developed	1,689,610.00
3.	Abu Denton	Forfeited	Kanifing	Developed	5,345,000.00
4.	AjiDuffehFofana	Forfeited	Kotu Layout	Developed	3,170,000.00
5.	Alh. YayaCeesay	Forfeited	112 Kairaba Avenue	Developed	23,755,000.00
6.	Babung Fatty	Forfeited	New Jeshwang	Developed	1,421,952.00
7.	Bakary B. Darboe	Forfeited	Cape Point	Developed	3,995,000.00
8.	DemboJatta	Forfeited	BundingkaKunda	Developed	1,643,444.00
9.	Jalamang Kanji	Forfeited	Kotu Layout	Developed	3,530,000.00
10.	Landing JallowSonko	Forfeited	Cape Point No. 084	Developed	5,770,000.00
11.	M. C. Cham	Forfeited/for closure	Kairaba Avenue	Developed	22,100,000.00
12.	M. C. Cham	Forfeited	17B Hill Street Banjul	Developed	1,630,000.00
13.	Momodou M. Dibba	Forfeited	Fajara	Developed	5,640,000.00
14.	Saihou S. Sabally	Forfeited	Campama Estate Banjul	Developed	3,203,275.00
15.	Saidou S. Sabally	Forfeited	Farafenni NBR	Developed	1,720,000.00
16.	Saihou S. Sabally	Forfeited	Cape Point No 100 KSMD	Developed	2,845,000.00
17.	SariangCeesay	Forfeited	Kotu Layout	Developed	5,525,000.00
18.	SariangCeesay	Forfeited	Fajara m. Section	Developed	3,079,000.00
19.	SarjoSanneh	Forfeited	Brikama	Developed	1,570,149.00
20.	Saihou S. Sabally	Forfeited	Nyaniberi Farm WCR	Developed	N/A
21.	OusmanJobe	Forfeited	TallindingKunjang	N/A	N/A
22.	OusmanJobe	Forfeited	Kanifing Estate	K080/1993	N/A
23.	OusmanJobe	Forfeited	FajiKunda KSMD	K484/1992	N/A
24.	OusmanJobe	Forfeited	LatriKundaMainpatokoto	N/A	N/A
25.	OusmanJobe	Forfeited	Kotu South	K1125/90	N/A
26.	OusmanJobe	Forfeited	Kotu South	K494/91	N/A

ASSETS MANAGEMENT & RECOVERY CORPORATION (A.M.R.C)
FINANCIAL STATEMENTS & REPORTS FOR THE YEAR ENDED 31st DECEMBER 2019

27.	OusmanJobe	Forfeited	Kotu South	K400/91	N/A
28.	OusmanJobe	Forfeited	Banjulunding	N/A	N/A
29.	OusmanJobe	Forfeited	Brikama WCR	N/A	N/A
30.	OusmanJobe	Forfeited	BrikamaNyambai	N/A	N/A
31.	OusmanJobe	Forfeited	Brikama WCR	P87/1987	N/A
32.	OusmanJobe	Forfeited	BrikamaNema	N/A	N/A
33.	NfamaraFofana	Forfeited	Soma LRR	Undeveloped	N/A
34.	NfamaraFofana	Forfeited	Sankuya	Developed	N/A
Total					<u>100,237,430 (Million GMD)</u>