

Independent Auditor's Report

To the Share Holders of Gambia International Airlines

Opinion

We have audited the financial statements of Gambia International Airlines set out on pages 9 to 23, which comprise the statement of financial position as at 31st December 2018, the statement of profit or loss, the statement of changes in equity and the statement of cash flows for the year then ended, and the 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 Entity and its financial performance and its cash flows for the year then ended in accordance with the requirements of the Companies Act 2013.

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 entity in accordance with the Independent Regulatory Board for Auditors *Code of Professional Conduct for Registered Auditors* (IRBA Code), which is consistent with the International Ethics Standards Board for Accountants *Code of Ethics for Professional Accountants* (Part A and B), together with other ethical requirements that are relevant to our audit of the financial statements in The Gambia, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. Key audit matters have been included in the Management Letter.



Accord Associates

Manjonka House
Kanifing Estate Block A6
Jimpex Road (Opp. NEA Office)
P.O. Box 2124 Serrekunda
KMC, The Gambia

Tel: +220 4380961 / 7225706 / 9721228
info@accordassociatesgm.com
www.accordassociatesgm.com

Other Information

The directors are responsible for the other information. The other information comprises the Directors' Report in the Financial Report which we obtained prior to the date of this auditor's report. 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 any form of assurance 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 on the other information that we obtained prior to the date of this auditor's report, 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 these financial statements in accordance with the requirements of the Companies Act 2013 and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the Entity'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 Entity 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:

- Identified and assessed 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.
- Obtained 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 entity's internal control.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Concluded 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 entity'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 entity to cease to continue as a going concern.
- Evaluated 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.

Manjonka House
Kanifing Estate Block A6
Jimpex Road (Opp. NEA Office)
P.O. Box 2124 Serrekunda
KMC, The Gambia

Tel: +220 4380961 / 7225706 / 9721228
info@accordassociatesgm.com
www.accordassociatesgm.com

•Obtained sufficient appropriate audit evidence regarding the financial information of the entity or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.
We communicated with management 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.

Accord Associates
Accord Associates

Chartered Accountants
Registered Auditors
Banjul The Gambia

28 December
Date..... 2019

GAMBIA INTERNATIONAL AIRLINES LTD



Income Statement

for the year ended 31st December 2018

	Notes	31-Dec-18 GMD'000	31-Dec-17 GMD'000
Revenue	2	298,225	396,615
Cost of Sales	3	(150,753)	(289,957)
Gross Profit		147,472	106,658
Grant released Income	15	7802	392
Other operating income	4	55	94
Administration costs	22	(123,072)	(120,116)
Depreciation	24	(16,542)	(14,343)
Net operating expenses		(131,757)	(133,973)
Net operating profit/(loss)		15,714	(27,315)
Interest received and similar income	7	994	4492
Interest expenses and similar charges	8	(13,895)	(10,684)
Profit/(loss) before tax		(12,901)	(6,192)
Profit and loss before tax		2,813	(33,507)
Taxation	9	(1,779)	(1,976)
Profit /(loss) for the year		1,034	(35,483)

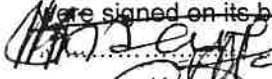
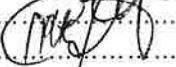

These notes on pages 13 to 23 form part of these financial statements



Statement of Financial Position
as at 31 December 2018

Assets		31-Dec-18 GMD'000	31-Dec-17 GMD'000
Non Current Assets			
Property, Plant & Equipment	24	247,249	243,955
Total non current Asset		247,249	243,955
Current Asset			
Trade & Other Receivables	11	72,530	67,909
Inventories	10	1,186	886
Cash at bank and in hand	19	9,503	13,474
Total current assets		83,219	82,269
Total Asset		330,468	326,224
Equity and Liabilities			
Capital and Reserve			
Share capital	17	16,766	16,766
Retained Earnings	18	-19,511	-17,362
		-2,745	-596
Non current Liabilities			
Borrowings	12	146,733	157,856
Grant income deferred	13	73,236	77,038
		219,969	234,894
Current Liabilities			
Trade and other payable	16	82,757	75,232
Taxation	9	13,600	13,357
Bank Overdraft	23	16,886	3,336
		113,243	91,925
Total Equity and Liability		330,468	326,224

These financial statements were approved by the Board of Directors on2019 and

are signed on its behalf by:
 Chairperson
 Managing Director
 Director

These notes on pages 13 to 23 form part of these financial statements

Statement of Changes in Equity
for the year ended 31st December 2018

	Share Capital GMD'000	Retained Earnings GMD'000	Total GMD'000
At 01 January 2018	16,766	-20,545	-3,779
Profit for the year		1,034	1,034
At 31 December 2018	16,766	-19,511	-2,745
At 01 January 2017	16,766	18,121	34,887
Loss for the year		-35,483	-35,483
At 31 December 2017	16,766	-17,362	-596

Statement of cash flow
for the year ended 31 December 2018

	Note	31-Dec-18 GMD'000	31-Dec-17 GMD'000
Operating activities			
Operating profit/(loss)		15,714	-27,315.00
Adjustment		-93	3,197.00
Depreciation	24	16,542	14,343
profit on disposal	4	55	77
Retained earnings adjustment		-	-
operating profit before working capital changes		32,218	-9,698
(increase)/decrease in inventories	11	-300	-151
Decrease/(increase) in receivables	12	-6,223	1,012
Increase/(decrease) in payables	15	7,525	12482
Cash generated from operation		33,220	3,645
Interest received	7	994	4,492
Interest paid	8	-13,895	-10,684
Corporation tax paid	9	-1,536	-1,021
Cash flow from operating activities		18,783	-3,568
Investing activities			
Acquisition of property, plant and equipment	10	-19,433	-23,800
Proceed from disposal of fixed assets	4		94
Cash flows from investing activities		-19,433	-23,706
Financing activities			
(Decrease)Increase in long term borrowing	13	-11,123	-57,712
Increase in grant	15	7,802	-392
Cash flow from financing activities		-3,321	-58,104
Net increase/(decrease) in cash and cash equivalents		-3,971	-85,378
Cash and cash equivalents at 1 January		13,473	98,851
Cash and cash equivalents	18	9,503	13,473
as at 31 December			

These notes on pages 13 to 23 form part of these financial statements