



SOCIAL SECURITY & HOUSING FINANCE CORPORATION (SSHFC)

**FINANCIAL STATEMENTS & REPORTS
FOR THE YEAR ENDED 31ST DECEMBER 2021**

**AUGUSTUS PROM (AP)
AUDIT. TAX. ADVISORY.
REGISTERED AUDITORS**

**OFF BERTIL HARDING HIGHWAY
KANIFING INSTITUTIONAL AREA - BAKAU
KSMD
P O BOX 587
THE GAMBIA**

JANUARY 2023

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General Information

Directors

Oreme Joiner	Chairman
Buba Sanyang	Member
Abdoulie Tamedou	Managing Director
Memunatu Junisa	Member
Abdoulie Jallow	Member
Alhagie Alieu Faal	Member
Abubacarr Darboe	Member

Secretary

Fabuka Njaay	SSHFC
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External Auditors

Augustus Prom
Audit.Tax. Advisory
Registered Auditors
Off Bertil Harding Highway
Kanifing Institutional – *Bakau*
P.O.BOX 587, The Gambia

Bankers

Standard Chartered Bank (Gambia) Ltd 8 ECOWAS Avenue Banjul, The Gambia	EcoBank (Gambia) Ltd 42 Kairaba Avenue KSMD, The Gambia
Trust Bank Limited 3-4 ECOWAS Avenue Banjul, The Gambia	VISTA Bank (Gambia) Ltd 48 Kairaba Avenue KSMD, The Gambia
Arab Gambian Islamic Bank Ltd ECOWAS Avenue Banjul, The Gambia	Mega Bank (G) Ltd 11 Liberation Avenue Banjul, The Gambia
Guaranty Trust bank (Gambia) Ltd 56 Kairaba Avenue Serrekunda, The Gambia	Skye Bank (Gambia) Ltd Kairaba Avenue KSMD, The Gambia
Access Bank (Gambia) Ltd 47 Kairaba Avenue KSMD, The Gambia	Zenith Bank (Gambia) Ltd 49 Kairaba Avenue KSMD, The Gambia
Bank Saheliene for Investment (BSIC) Kairaba Avenue Fajara, The Gambia	

Solicitors

Hawa Sisay Sabally
No 60B Antouman Faal Street
Banjul
The Gambia

Solie Law Chambers
Fajara East
KMC
The Gambia

Amie Bensouda
Fajara
KSMD
The Gambia

Actuaries

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

Registered Office

61 ECOWAS Avenue
Banjul, The Gambia.

Directors Report for the Year Ended 31st December 2021

1. The Directors present the audited financial statements of the corporation for the year ended 31 December 2021.

2. State of Affairs

The results for the year ended 31 December 2021 are as set out in the attached financial statements.

3. Principal Activities

The Corporation acts as the sole pension provider to employees in both public and private sector organisations in The Gambia. The Corporation also operates housing schemes on a mortgage or commercial basis to the general public.

4. Directors

The Directors who held office during the year are as detailed on page 2. None of the Directors who held office had any beneficial interest in the Corporation.

5. Directors Responsibilities for the Financial Statements

The Social Security and Housing Finance Corporation Act 2015 required the Directors to prepare the Financial Statements for each Financial Year which gives a true and fair view of the state of affairs of the Corporation as at the end of the financial year and of its Surplus or Deficit for that period.

In preparing these financial statements, the Directors are required to:

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

The Directors are responsible for keeping proper accounting records that 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 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.

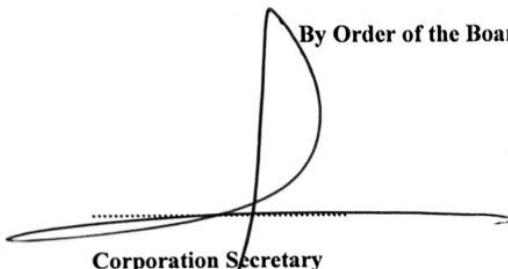
6. External Auditors

The Corporation's external auditor, Augustus Prom-Audit.Tax.Advisory (AP), has expressed their willingness to continue in office in line with the signed engagement letter covering the Financial Period years from 1st January 2021 to 31st December 2024. The Auditor General – National Audit Office is mandated to appoint the Corporation's auditors and Augustus Prom (AP) was appointed for the period as per the engagement letter.

7. Going Concern

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

By Order of the Board of Directors



Corporation Secretary

Date...30/12/22

Federated Pension Fund



Off Bertil Harding Highway, Bakau, P O Box 587, The Gambia - Telephone (220) 4378146/ 4392376 / 4378147
E-mail: admin@augustusprom.com www.augustus-prom.gm

Independent Auditors Reports to the Members of the Social Security Housing Finance Corporation on the Federated Pension Fund

Auditor's Opinion

We have audited the accompanying Financial Statements of the Federated Pension Fund under the Social Security Housing Finance Corporation (SSHFC) which comprises of the Income Statement, Statement of Financial Position, Statement of Changes in Members Fund, Cash Flow Statement and notes to the Financial Statements including a summary of significant Accounting Policies applicable to the Fund.

In our opinion, the Financial Statements give a true and fair view of the Financial Position of the Fund as at 31st December 2021 and of its Financial Performance and its Cash Flows for the year then ended in accordance with Generally Accepted Accounting Principles and in line with the requirements of the SSHFC Act 2015.

Basis of 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 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.

Other Matters

The 2020 figures in the 2021 Financial Statements was audited by DT Associates, an audit firm registered in The Gambia.

Other Information

The Directors are responsible for the other information. The other information comprises the General information and the Directors Report as required by the SSHFC 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 the fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards, and in the manner required by the SSHFC Act, 2015 and for such internal controls 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, the Directors are 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.

Auditors 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 ISAs 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 ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

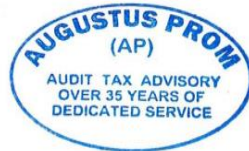
- *Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting 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 controls.*
- *Obtain an understanding of internal controls 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 internal controls.*
- *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.

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

Augustus Prom
.....
AUGUSTUS PROM (AP)
AUDIT.TAX.ADVISORY.
REGISTERED AUDITORS



Date: 4th January 2023

Federated Pension Fund

Fund Income statement

For the year ended 31 December 2021

	<i>Notes</i>	31st Dec 2021 D'000	31st Dec 2020 D'000
Income			
Investment Income	2	121,800	116,305
Other Income	3	14,088	5,693
Total Income		135,888	121,998
Expenditure			
General and Administration Expenses	4	(53,665)	(41,941)
Total Expenditure		(53,665)	(41,941)
Surplus for the year		82,223	80,057

The notes on pages 16 to 24 form part of these financial statements

Federated Pension Fund

Statement of Financial Position

As at 31 December 2021

	Notes	31 st Dec 2021 D'000	31 st Dec 2020 D'000
Assets			
Non-Current Assets			
Property, Plant & equipment	5	169,432	156,775
Equity Investments	6	900,538	900,538
Investments Properties	7	243,810	243,810
Total Non-Current Assets		1,313,780	1,301,123
Current Assets			
Loans to Member Institutes	8	7,214	13,792
Trade and other receivables	9	670,982	610,620
Other Financial Assets	10	802,396	549,489
Cash & Cash equivalent	11	16,096	109,588
Total Current Assets		1,496,689	1,283,489
Total Assets		2,810,469	2,584,612
Equity and Liabilities			
Capital and Reserves			
Members fund (See page 14)		2,155,725	1,979,544
Revenue reserves (See page 14)		6,957	6,261
Revaluation reserve (See page 14)		561,824	561,824
Total Capital & Reserves		2,724,506	2,547,629
Liabilities			
Current liabilities			
Trade and other payables	13	85,963	36,983
Total Current Liabilities		85,963	36,983
Total Equity and Liabilities		2,810,469	2,584,612

These financial statements were approved by the Board of Directors on

02nd JAN 2023 and were signed on its behalf by:

Director 

Director 

The notes on pages 16 to 24 form part of these financial statements

Federated Pension Fund

Statement of Changes in Members' Fund Reserves

As at 31 December 2021

	Members Fund D'000	Revenue Reserve D'000	Revaluation Reserve D'000	Total D'000
Balance as at 1st January 2020	1,787,632	5,363	561,824	2,354,819
Penalty	-	898	-	898
Contribution Less Benefits	111,855	-	-	111,855
Surplus for the Year	80,057	-	-	80,057
Balance as at 31st December 2020	1,979,544	6,261	561,824	2,547,629
Balance as at 1st January 2021	1,979,544	6,261	561,824	2,547,629
Penalty	-	696	-	696
Contribution Less Benefits (<i>Note 12</i>)	93,958	-	-	93,958
Surplus for the year	82,223	-	-	82,223
Balance as at 31st December 2021	2,155,725	6,957	561,824	2,724,506

The notes on pages 16 to 24 form part of these financial statements

Federated Pension Fund

Statement of Cash flows

As at 31 December 2021

<i>Notes</i>	31st Dec 2021	31st Dec 2020
	D'000	D'000
Operating Activities		
Surplus for the year	82,223	80,057
Depreciation	9,127	11,071
Loss on disposal of fixed assets	-	22
	<u>91,350</u>	<u>91,150</u>
Movement in Working Capital		
Increase in trade and other receivables	(60,362)	(63,814)
Increase/ (Decrease) in trade and other payables	48,980	25,452
	<u>79,968</u>	<u>52,788</u>
Cash Generated from Operations		
Investing activities		
(Increase) in Other Financial Assets	(252,907)	(65,030)
Disposal of Property Plant & Equipment	700	-
Purchase of Tangible fixed assets	(22,482)	(3,935)
Changes in Loan to Member Institutions	6,578	677
	<u>(268,111)</u>	<u>(68,288)</u>
Net Cash Flow from Investing Activities		
Financing Activities		
Net Contribution Members	93,958	111,855
Penalty	696	898
	<u>94,654</u>	<u>112,753</u>
Net cash flow from Financing Activities		
Net (Decrease) /Increase in cash and cash equivalent	(93,489)	97,253
Cash and cash equivalent at the beginning of the period	109,588	12,335
	<u>16,100</u>	<u>109,588</u>
Cash and Cash Equivalents at end of the Year	<u>16,100</u>	<u>109,588</u>

The notes on pages 16 to 24 form part of these financial statements

Federated Pension Fund

Notes to the financial statements

1. Principal Accounting Policies

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

a) Basis of preparation

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 SSHFC Act 2015.

b) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation. Cost includes all cost incurred in acquiring the asset plus all directly attributable costs incurred in bringing the asset to its present location and condition for the asset to become operational.

Depreciation is provided on property, plant and equipment, excluding land, at annual rates calculated to write off the cost of each asset over its estimated useful life as follows:

<i>Asset category</i>	<i>Rate per annum</i>	<i>Basis</i>
Head office building	1%	Straight line
Mainframe computer	25%	Straight line
Electricity generator	10%	Straight line
Office Equipment	20%	Reducing balance
Office Furniture & Fixtures	10%	Reducing balance
Motor vehicles	33 $\frac{1}{3}$ %	Reducing balance
Office bicycle	33 $\frac{1}{3}$ %	Reducing balance

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 pension fund re-charge in the financial statements.

c) Investments

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

Current asset 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.

Investment properties

Investment properties are stated as their revalued amounts.

Equity investment

Equity investments are stated at cost.

d) Revenue Recognition

Investment income represents interest earned on Gambia Government treasury bills, bank term deposit and dividend from equity investments. Interest on treasury bills and bank term deposits investments are accounted for on an accrual basis whereas dividend income is recognise in the financial statement when it is declared by the investee and the Corporation advice accordingly.

e) Contributions

Contributions are accounted for on accrual basis. Contributions due, but not receive at the balance sheet date are estimated on the basis of the most recent contributions received as at that date.

f) Benefits paid

Benefit paid represents all benefits claims paid during the year. This includes lump sum gratuity and periodic pension payment.

g) 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 31;29;36;04 to Housing Finance Fund, Federated Pension Fund, National Provident Fund and Industrial Injury Compensation Fund respectively.

h) Foreign Currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date.

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Gains and losses on exchange are transferred to the income statement in the period in which they arise.

i) Provisions

A provision is recognised in the financial statements when the following conditions are met:

The Corporation has a legal or constructive obligation as a result of past events; it is probable that resources embodying economic benefits will be transferred to settle the obligating and the amount can be reliably measured.

	31st Dec 2021	31st Dec 2020
	D'000	D'000
2. Investment Income		
Invest on term deposit	40,144	43,335
Dividend income	67,462	56,626
Rental income	10,317	10,560
Income on Government Bond	2,874	5,784
Gambia Government treasury bills	1,003	-
	<u>121,800</u>	<u>116,305</u>

	31st Dec 2021	31st Dec 2020
	D'000	D'000
3. Other income		
Interest on loans	1,662	1,126
Profit on sale of fixed assets	47	-
Miscellaneous Income	12,379	4,567
	<u>14,088</u>	<u>5,693</u>

This is in respect of management fees from West African Leisure group of GMD7.9 Million with the rest being various other incomes

	31st Dec 2021	31st Dec 2020
	D'000	D'000
4. General & Administrative Expenses		
Staff Cost	35,324	29,082
Administrative expenses	15,424	9,315
Depreciation	2,647	3,216
Audit	270	306
Loss on Sales of Fixed Assets	-	22
	<u>53,665</u>	<u>41,941</u>

5. Property, Plant & Equipment

	Land D'000	Buildings D'000	Motor Vehicles D'000	Office equipment & furniture D'000	Computer Equipment D'000	Plant & machinery D'000	Work in progress D'000	Total D'000
Cost/Valuation								
At 1 January 2021	66,115	69,725	33,422	24,980	113,453	5,602	2,884	316,181
Additions	-	-	2,400	1,163	8,160	-	10,759	22,482
Disposals/ Reversal	-	-	-	(176)	(550)	-	-	(726)
At 31 December 2021	66,115	69,725	35,822	25,967	121,063	5,602	13,643	337,937
Depreciation								
At 1 January 2021	-	5,967	25,993	13,601	108,288	5,555	-	159,404
Charge for the year	-	697	3,262	1,542	3,579	47	-	9,127
Disposals	-	-	-	(26)	-	-	-	(26)
At 31 December 2021	-	6,664	29,255	15,117	111,867	5,602	-	168,505
Net Book Value								
At 31 December 2021	66,115	63,061	6,567	10,850	9,196	-	13,643	169,432
At 31 December 2020	66,115	63,758	7,429	11,379	5,165	47	2,884	156,774

	31st Dec 2021	31st Dec 2020
	D'000	D'000
6. Equity investments		
Equity Investment - CFAO	550	550
Equity Investment – SCB (G) Ltd	212,818	212,818
Equity Investment - NAWEC	4,000	4,000
Equity Investment - AGIB	624	624
Equity Investment – Trust Bank	265,550	265,550
Gam Petroleum Equity	355,297	355,297
GTSC Equity	65,699	65,699
	904,538	904,538
Prov. for Impaired. NAWEC	(4,000)	(4,000)
	900,538	900,538

CFAO

This is an equity holding of 275,218 share, representing 0.82% of total CFAO shares. The value of the investment is stated at cost.

Standard Chartered Bank

SCB is the corporation's share in Standard Chartered Bank (G) LTD. The investment is stated at cost and constitutes 32,965,133 number of shares representing 16.33% of SCB shares.

Trust Bank

TRUST BANK is the corporation's share in Trust Bank (G) LTD. The investment represents the market value of 73,769,253 number of shares representing 37% of TBL shares. The valuation is obtained from the Ghana Stock Exchange Market.

Gam Petroleum

This is the Corporation's equity investment in Gam Petroleum, a petroleum storage facility in which The Corporation currently holds 15,862,500 shares valued at its most recently traded share price.

Gambia Transport Services Corporation (GTSC)

This was wholly acquired by the Corporation in 2013 currently the company serves as the national transport operator in The Gambia and part of the sub region

Arab Gambia Islamic Bank (AGIB)

The Corporation previously held some shares with AGIB. However, these shares were sold some years back in 2019 the bank notified us that they had given us some bonus shares which we used to write back the equity holding in our books.

	31st Dec 2021	31st Dec 2020
	D'000	D'000
7. Investments Properties		
Cotton Street Building	45,535	45,535
Ocean Bay Hotel	128,850	128,850
Sun Beach Hotel	69,425	69,425
	<u>243,810</u>	<u>243,810</u>

Ocean Bay Hotel and Resort

This is a 100% owned property in the hospitality industry. The property is currently leased to West African Leisure Group and managed through a Management Services Contract.

Sun Beach Hotel

This is a 100% owned property in the hospitality industry. The property is currently leased to West African Leisure Group and managed through a Management Services Contract.

Cotton Street Building

The Cotton Street Building was acquired in 1985 as an investment property and let on tenancy since inception.

	31st Dec 2021	31st Dec 2020
	D'000	D'000
8. Loans to Member Institution		
Loan to Gam. Govt. (Police Line Barracks)	675	675
Loan to Gam. Govt. (LC2012/008 John Deere)	52,226	52,226
Gambia International Airlines (GIA)	15,720	15,720
FPS Loan to GTSC	7,214	13,792
	75,835	82,413
<i>Less Provisions</i>		
Provision for GIA Loan	(15,720)	(15,720)
Provision for Gambia Government Loan	(52,226)	(52,226)
Provision Gam. Govt. (Police Line Barracks)	(675)	(675)
	7,214	13,792

Loan to 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.

Loan to Gambia Government – LC John Deere

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

Gambia International Loan (GIA Loan)

GIA loan was given in 2006 at an interest rate of 20% for 30 Months. However, the loan was restructured in July 2014 over a period of 5 Years at an interest rate of 1%.

Gambia Transport Service Corporation (GTSC)

This was a loan of GMD65.712 Million given to GTSC in March 2016 at an interest rate of 17%, payable over a period of 36 Months. However in February 2018, the outstanding balance of GMD32.856 Million was restructured for a period of another 3 years at an interest rate of 17% per Annum

	31st Dec 2021	31st Dec 2020		
	D'000	D'000		
9. Trade & Other Receivables				
Contribution Receivable	24,252	31,124		
Interfund Current Account – Housing & Provident	514,599	460,115		
Sundry Debtors	651	1,392		
Monthly Pensions Advance (Loan)	2,409	7,566		
Inc. Receivable –Rental Income	12,190	3,073		
Staff Loan	118,422	120,742		
Staff Club Loan	288	341		
General Suspense	3	-		
Staff Club payables	-	6		
	672,814	624,359		
<i>Less: Provisions</i>				
Provision for Doubtful Contributions	-	(11,907)		
For Ex Staff Loan	(1,832)	(1,832)		
	670,982	610,620		
10. Other Financial Investments				
	Cost	Interest	2021	2020
	D'000	Accrued	D'000	D'000
		D'000		
Bank term deposits	733,423	17,788	751,211	516,287
Gambia Government Bonds	31,624	1,621	33,245	33,202
Gambia Government Treasury Bills	16,937	1,003	17,940	-
	781,984	20,412	802,396	549,489

	31st Dec 2021	31st Dec 2020
	D'000	D'000
11. Cash & Cash Equivalent		
Cash at Bank	16,080	109,575
Cash at Hand	16	13
	<u>16,096</u>	<u>109,588</u>

	31st Dec 2021	31st Dec 2020
	D'000	D'000
12. Net Contribution from Members		
Contribution	243,648	245,355
Benefit and Refunds	(55,596)	(53,976)
Periodic Pension Payments	(94,094)	(79,524)
	<u>93,958</u>	<u>111,855</u>

	31st Dec 2021	31st Dec 2020
	D'000	D'000
13. Trade & Other Payables		
Interfund Loan NPF	24,124	24,124
Interfund Current Account – IICF	53,584	-
General Suspense – Contribu. Dir. Transf.	1,605	1,202
Income Tax Payable	-	-
Unclaimed Pensions	665	6,959
Deferred Pension	217	1,376
Sundry Creditors	4,995	2,649
GRA Withholding Tax	772	673
	<u>85,962</u>	<u>36,983</u>

Unclaimed Pensions

These are in respect of pensions paid but not collected by the pensioners as at year end.

General Suspense – Contribution Direct Transfers

These are direct transfers into various accounts of the Corporation pending confirmation of the source and purpose of payment for proper classification.

Gambia Revenue Authority (GRA) Withholding Tax

These are withholding tax deducted from Contractors payments but remittances to the Gambia Revenue Authority is yet to be effected by the Corporation.

National Provident Fund (NPF)



Off Bertil Harding Highway, Bakau, P O Box 587, The Gambia - Telephone (220) 4378146/ 4392376 / 4378147
E-mail: admin@augustusprom.com www.augustus-prom.gm

Independent Auditors Reports to the Members of the Social Security Housing Finance Corporation on the National Provident Fund

Auditor's Opinion

We have audited the accompanying Financial Statements of the National Provident Fund (NPF) under the Social Security Housing Finance Corporation (SSHFC) which comprises of the Income Statement, Statement of Financial Position, Statement of Changes in Members Fund and Reserve, Cash Flow Statement and notes to the Financial Statements including a summary of significant Accounting Policies applicable to the Fund.

In our opinion, the Financial Statements give a true and fair view of the Financial Position of the Fund as at 31st December 2021 and of its Financial Performance and its Cash Flows for the year then ended in accordance with Generally Accepted Accounting Principles and in line with the requirements of the SSHFC Act 2015.

Basis of 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 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.

Other Matters

The 2020 figures in the 2021 Financial Statements was audited by DT Associates, an audit firm registered in The Gambia.

Other Information

The Directors are responsible for the other information. The other information comprises the General information and the Directors Report as required by the SSHFC 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 the fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards, and in the manner required by the SSHFC Act, 2015 and for such internal controls 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, the Directors are 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.

Auditors 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 ISAs 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.

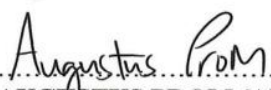
As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- *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 controls.*
- *Obtain an understanding of internal controls 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 internal controls.*
- *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.

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


.....
AUGUSTUS PROM (AP)
AUDIT.TAX.ADVISORY.
REGISTERED AUDITORS



Date: 4th January 2023

National Provident Fund

Fund Income Statement

For the Year Ended 31 December 2021

	<i>Notes</i>	31st Dec. 2021	31st Dec. 2020
		GMD'000	GMD'000
Income			
Investment Income	2	196,088	158,521
Other Income	3	184,842	17,532
Total Income		380,930	176,053
		=====	=====
Expenditure			
General and Administrative Expenses	4	(63,625)	(54,153)
Provision for Bad & Doubtful Debt	7	(1,050)	(14,824)
Total Expenditure		(64,675)	(68,977)
		=====	=====
Surplus before Interest on Members Fund		316,255	107,076
Interest on Member's Fund	13	(117,999)	(84,826)
Net Surplus for the Year		198,256	23,559
		=====	=====

The notes on pages 34 to 43 form part of these financial statements

National Provident Fund Statement of Financial Position

As at 31 December 2021

	Notes	31 st Dec 2021 GMD'000	31 st Dec 2020 GMD'000
Assets			
Non-Current Assets			
Equity investments	5	712,220	712,220
Investment property	6	888,175	862,940
Total Assets		1,600,395	1,575,160
Current Assets			
Trade and Other receivables	7	457,626	185,832
Loans to Member Institution	8	185,521	198,674
Other financial assets	9	1,650,161	1,354,146
Cash and cash equivalent	10	77,078	97,474
Total Current Assets		2,370,386	1,836,126
Total Assets		3,970,781	3,411,286
Equity & Liabilities			
Capital and Reserves			
Members' Fund – See Page 32		4,719,418	4,233,561
Revenue reserves – See Page 32		15,259	12,113
Revaluation reserve – See Page 32		352,129	352,129
Accumulated Reserve – See Page 32		(1,391,695)	(1,589,953)
Total Capital & Reserves		3,695,111	3,007,850
Liabilities - Current Liabilities			
Trade and Other payables	12	275,670	403,436
Total Current Liabilities		275,670	403,436
Total Equity and Liabilities		3,970,781	3,411,286

These financial statements were approved by the Board of Directors on

02nd JAN 2023 and were signed on its behalf by:

Director 

Director 

The notes on pages 16 to 24 form part of these financial statements

National Provident Fund Statement of changes in Members' Fund and Reserves

As at 31 December 2021

	Members Fund D'000	Revenue Reserve D'000	Revaluation Reserve D'000	Accumulated Reserve D'000	Total D'000
Balance as at 1 January 2020	3,921,304	9,411	352,129	(1,613,512)	2,669,332
Net Contribution less benefits	227,431	-	-	-	227,431
Interest on member's fund	84,826	-	-	-	84,826
Surplus for the Year	-	-	-	23,559	23,559
Penalty Contributions	-	2,702	-	-	2,702
Balance as at 31 December 2020	4,233,561	12,113	352,129	(1,589,953)	3,007,850
Balance as at 1 January 2021	4,233,561	12,113	352,129	(1,589,953)	3,007,850
Penalty Contributions	-	3,146	-	-	3,146
Contribution less benefits – <i>Note 12</i>	367,858	-	-	-	367,858
Interest on member's fund – <i>Note 13</i>	117,999	-	-	-	117,999
Surplus for the Year	-	-	-	198,258	198,258
Balance as at 31 December 2021	4,719,418	15,259	352,129	(1,391,695)	3,695,111

The notes on pages 34 to 43 form part of these Financial Statement

National Provident Fund Statement of Cash flow

For the year ended 31 December 2021

	<i>Notes</i>	31st Dec 2021 D'000	31st Dec 2020 D'000
Cash Flows from Operating Activities			
Surplus for the year before Interest on Members Fund		316,255	108,385
Movement in Working Capital			
Increase in trade and other receivables		(271,792)	(70,162)
(Decrease) /Increase in trade and other payables		(127,764)	114,497
Cash Generated from Operating Activities		(83,300)	152,720
Cash Flows from Investing Activities			
Purchase of equity investment		-	(250,625)
Increase in Other Financial Assets	8	(296,015)	(366,879)
Charges in Loan to Member Institution		3,153	28,728
Increase in Investment Properties		(25,235)	-
Net Cash (Outflows) from Investing Activities		(308,097)	(588,776)
Cash Flow from Financing activities			
Penalty		3,146	2,702
Net Contribution from Members		367,858	227,431
Net Cash Inflow from Financing Activities		371,004	230,133
Net increase in cash and cash equivalent		(20,394)	(205,923)
Cash and Cash Equivalent at the beginning of the period		97,474	303,396
Cash & Cash equivalents at End of the Year		77,080	97,474

The notes on pages 34 to 43 form part of these Financial Statements

Notes to the Financial Statements

1. Principal accounting policies

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

a) Basis of preparation

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 Social Security Act 2015.

b) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation. Cost includes all cost incurred in acquiring the asset plus all directly attributable costs incurred in bringing the asset to its present location and condition for the asset to become operational.

Depreciation is provided on property, plant and equipment, excluding land, at annual rates calculated to write off the cost of each asset over its estimated useful life as follows:

<i>Asset category</i>	<i>Rate per annum</i>	<i>Basis</i>
Head office building	1%	Straight line
Mainframe computer	25%	Straight line
Electricity generator	10%	Straight line
Office Equipment	20%	Reducing balance
Office Furniture & Fixtures	10%	Reducing balance
Motor vehicles	33 ¹ / ₃ %	Reducing balance
Office bicycle	33 ¹ / ₃ %	Reducing balance

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 pension fund re-charge in the financial statements.

c) Investments

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

Current asset 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.

Investment properties

Investment properties are stated as their revalued amounts.

Equity investment

Equity investments are stated at cost.

d) Revenue Recognition

Investment income represents interest earned on Gambia Government treasury bills, bank term deposit and dividend from equity investments. Interest on treasury bills and bank term deposits investments are accounted for on an accrual basis whereas dividend income is recognise in the financial statement when it is declared by the investee and the Corporation advice accordingly.

e) Contributions

Contributions are accounted for on accrual basis. Contributions due, but not receive at the balance sheet date are estimated on the basis of the most recent contributions received as at that date.

f) Benefits paid

Benefit paid represents all benefits claims paid during the year. This includes lump sum gratuity and periodic pension payment.

g) 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 31;29;36;04 to Housing Finance Fund, Federated Pension Fund, National Provident Fund and Industrial Injury Compensation Fund respectively.

h) Foreign Currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date.

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Gains and losses on exchange are transferred to the income statement in the period in which they arise.

i) Provisions

A provision is recognised in the financial statements when the following conditions are met:

The Corporation has a legal or constructive obligation as a result of past events; it is probable that resources embodying economic benefits will be transferred to settle the obligating and the amount can be reliably measured.

	31st Dec. 2021	31st Dec. 2020
	D'000	D'000
2. Investment Income		
Income on Bank Term Deposits	72,388	65,000
Income on Govt T Bills	13,049	13,097
Dividend Income Gam Petroleum	30,407	20,331
Rental income (NTC Complex)	29,169	6,161
Rental Income Old law Court	162	182
Lease income Ocean Bay	28,040	24,125
Income on Government Bond	22,873	29,625
	196,088	158,521
	31st Dec. 2021	31st Dec. 2020
	D'000	D'000
3. Other Income		
Corporate Loan Interest	432	1,534
Sundry Income	184,493	14,855
Student loan Interest	(83)	1,143
	184,841	17,532
	31st Dec. 2021	31st Dec. 2020
	D'000	D'000
4. General & Administrative Expenses		
Operating Expenses	40,274	37,147
Administrative Expenses	19,729	12,633
Depreciation	3,285	3,993
Audit	337	380
	63,625	54,153

	31st Dec. 2021	31st Dec. 2020
	D'000	D'000
5. Equity Investments		
Qatari Investments	133,605	133,605
Gallia Holdings	162,180	162,180
Gam Petroleum	398,608	398,607
Gambia Transport Services Corporation (<i>GTSC</i>)	246,810	246,811
	941,203	941,203
<i>Less Provision;</i>		
Qatari Equity	(66,803)	(66,803)
Gallia Holdings	(162,180)	(162,180)
	712,220	712,220

Qatari Investments

Qatari Investment relates to the Gam Food & Feed Industries (GFFI) which was a venture gone into by the Government of The Gambia. The Corporation received a Government Directive to invest into the venture and based on the direct, the total % owned by the Corporation is 65%. Currently there are high prospects of Lease, Operate and transfer agreement that is expected to generate good income for the Corporation which is currently under evaluation.

Gallia Holdings

Gallia Holdings relates to SSHFC's Investment in the joint venture between the Government of The Gambia and Gallia Holdings Ltd with regard to Investments in Ferries. The Investment was a directive from the Government of The Gambia.

Gampetroleum

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

Gambia Transport Service Corporation (GTSC)

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

	31st Dec. 2021	31st Dec. 2020
	D'000	D'000
6. Investment Property		
Old Law Court	73,415	73,415
NTC Complex	274,785	274,785
NPF Ocean Bay Equity	244,465	244,465
Sunbeach Hotel	270,275	270,275
No. 4 Russel Street	25,235	-
	888,175	862,940

Old Law Court

This is an investment property located in Banjul, acquired for rental purposes. The property is currently demolished and being appraised for a new viable options. The property, is held at its market value as at July 2019.

NTC Complex

Thus was acquired in 2012 and let out to tenants on annual basis. The property was revalued in 2018 to market value.

Ocean Bay Equity

Ocean Bay Hotel and Resort is 100% owned asset of the Corporation in the Hospitality Industry. It is currently leased to West Africa Leisure Group and managed through a Management Service Contract.

Sunbeach Hotel

Sun Beach Hotel is a 100% owned asset of the Corporation in the Hospitality Industry. It is currently leased to West Africa Leisure Group and managed through a Management Service Contract.

No. 4 Russel Street

This is an investment property located in Banjul, acquired for rental purposes. The property, is held at its market value as at 2021 during the year of purchase.

	31st Dec. 2021	31st Dec. 2020
	D'000	D'000
7. Trade & Other Receivables		
Contributions Receivable	162,905	66,130
Sundry Debtors	6,644	7,618
Interfund –HFF	227,964	96,040
Interfund loan - FPS	24,124	24,124
Rent receivables	36,939	13,127
General Suspense	100	12
	458,676	207,051
<i>Less Provisions:</i>		
Provisions for doubtful contributions	-	(21,219)
Prov. Staff Loan Default	(1,050)	-
	457,626	185,832
8. Loan to Member Institutions		
Loan to Gamcel	49,293	51,957
Loan to Gambia Government (1)	653,365	816,706
Loan to Gambia Government (2)	152,611	152,611
Loan to GGC	19,720	19,720
Loan to NAWEC	-	11,582
Loan to GPA	-	1,500
Loan to NAWEC – Generator (BOT)	74,517	74,517
Gambia Government (Police Barracks)	2,125	2,125
Loan to NAWEC (ITFC Loan)	4,675	4,795
Loan to Gambia Government (LC 2012/008 John Deere)	4,866	4,866
Loan to Gam. Govt. (OP)	141,573	141,573
Loan Guarantee GRTS	46,950	46,950
GGC Loan Guarantee	133,504	133,705
GCAA Fire Tenders & Ambulance	91,600	91,600
Loan to GFFI	1,309	1,309
NPF Loan to GTSC (2)	135,119	132,324
	1,511,225	1,687,840
<i>Less Provisions:</i>		
Loan to NAWEC	(732,556)	(896,018)
Loan to GCAA	(91,600)	(91,600)
Loan to GRTS	(46,950)	(46,950)
Loan to GGC	(153,424)	(153,424)
Loan to Gam. Govt	(299,050)	(299,050)
Loan to Gam. Govt. (Police Barracks)	(2,125)	(2,125)
	185,521	198,674

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 represent partial calls on guarantee in respect of loans taken by Gamco, GRTS and others at Trust Bank Limited which the Corporation guarantee. 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 and the loans carry no interest. These loans have been fully provided for.

GGC Loan Guarantee

The Corporation was given a directive to act as guarantor to GGC as collateral in the event of default in their loans. GGC defaulted and SSHFC had to settle the loan by liquidating investments (term deposits) and capture it as a loan to GGC. There are no loan repayment schedules or agreements and the loan carry no interest. The loan has been fully provided for.

Loan to Nawec

The loan to National Water and Electricity Company (Nawec) represents an amount of D118 Million 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 amount of D150 million awarded in the second quarter of 2010 at an interest rate of 12% with a grace period of two years.

Loans to Nawec - Generator BOT

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 of agreements. These loans carry no interest.

Gambia Government Police Barracks

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

Loans to NAWEC - ITFC

The NAWEC - ITFC relates to loan repayments 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 capture 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 Agriculture Sector. There are no loan repayment schedules or agreements and the loans carry no interest. These loans have been fully provided for.

Loan to Gambia Government (OP)

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

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 failed 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 and the loans carry no interest. These loans have been fully provided for.

GGC Loan Guarantee

The Corporation was given a directive to act as guarantor 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 repayable schedules or agreements and the loans carry no interest. The loan has been fully provided for.

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 and the loans carry no interest. These loans have been fully provided for.

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 expenditure on behalf of the Government based on directives issued with regard to the investment and to be re-paid to the Corporation. There are no loan repayment schedules or agreements and the loans carry no interest.

NPF Loan to GTSC (2)

This is a loan to GTSC for the purchase of 25 new buses during the year. The loan is to be paid over 10 years at 12% interest on reducing balance basis.

Gam. Govt. Loan Transfer (ITFC/ISDB)

This loan related to amounts previously owed by NAWEC and transferred to Gambia Government through a memorandum of understanding signed on July 16, 2020 at no interest for the period of five years commencing March 2021. Repayments are made every six months.

9. Other Financial Assets

	Cost	Interest Accrued	2021	2020
	D'000	D'000	D'000	D'000
Gambia Govt T Bills	105,497	6,136	111,633	252,510
Bank Term Deposits	1,249,002	29,696	1,278,698	841,556
Gambia Govt T Bills	250,521	9,309	259,830	260,080
	1,605,019	45,142	1,650,161	1,354,146

10. Cash & Cash Equivalent

	31st Dec. 2021	31st Dec. 2020
	D'000	D'000
Cash at Bank	77,078	97,474
	77,078	97,474

	31st Dec. 2021	31st Dec. 2020
	D'000	D'000
11. Net Contributions from Members		
Contributions	477,847	361,068
Benefits & Refunds	(109,989)	(133,637)
	<u>367,858</u>	<u>227,431</u>
12. Trade & Other Payables		
Sundry Creditors	1,271	1,757
General Suspense Contribution Direct Transfer	9,335	4,794
Inter-Fund Current Account IICF	265,065	396,885
	<u>275,670</u>	<u>403,436</u>
13. Interest on Members Funds		

This represents amounts credited to Members of the Provident Fund based on the performance of the Fund. An interest of GMD117,999 Million as at 31st December 2021 with an actual percentage of 2.60% credited to members (2020; GMD84,826 Million at 2.09%) was credited to the members accounts. The performance of the fund is arrived at by calculating the average return on members' fund, less the cost of running the fund.

Housing Finance Fund



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E-mail: admin@augustusprom.com www.augustus-prom.gm

Independent Auditors Reports to the Members of the Social Security Housing Finance Corporation on the Housing Finance Fund

Auditor's Opinion

We have audited the accompanying Financial Statements of the Housing Finance Fund under the Social Security Housing Finance Corporation (SSHFC) which comprises of the Income Statement, Statement of Financial Position, Statement of Changes in Reserves, Cash Flow Statement and notes to the Financial Statements including a summary of significant Accounting Policies applicable to the Fund.

In our opinion, the Financial Statements give a true and fair view of the Financial Position of the Fund as at 31st December 2021 and of its Financial Performance and its Cash Flows for the year then ended in accordance with Generally Accepted Accounting Principles and in line with the requirements of the SSHFC Act 2015.

Basis of 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 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.

Other Matters

The 2020 figures in the 2021 Financial Statements was audited by DT Associates, an audit firm registered in The Gambia.

Other Information

The Directors are responsible for the other information. The other information comprises the General information and the Directors Report as required by the SSHFC 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 the fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards, and in the manner required by the SSHFC Act, 2015 and for such internal controls 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, the Directors are 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.

Auditors 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 ISAs 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 ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

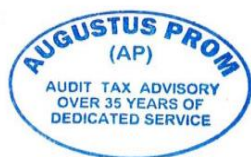
- *Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting 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 controls.*
- *Obtain an understanding of internal controls 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 internal controls.*
- *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.

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


.....
AUGUSTUS PROM (AP)
AUDIT.TAX.ADVISORY.
REGISTERED AUDITORS



Date: 4th January 2023

Housing Finance Fund Fund Income Statement

For the year ended 31 December 2021

	<i>Notes</i>	31st Dec. 2021 D'000	31st Dec. 2020 D'000
Income			
Project Income	2	15,477	66,569
Investment Income	3	7,098	7,920
Other Income	4	2,779	9,428
Total Income		25,354	83,917
Expenditure			
Project Cost	5	(3,194)	(1,168)
General and Administrative Expenses	6	(64,658)	(45,232)
Impairment of Investment Properties		(131,474)	(15,000)
Total Expenditure		(199,326)	(61,400)
(Deficit)/Surplus for the Year		(173,972)	22,517

The notes on pages 53 to 62 form part of these financial statements

Housing Finance Fund Statement of Financial Position

As at 31 December 2021

		31 st Dec. 2021 D'000	31 st Dec. 2020 D'000
Assets	<i>Notes</i>		
Non-Current Assets			
Property, plant and equipment	7	2,952	914
Equity Investments	8	28,408	42,927
Investments Properties	9	107,387	136,632
Mortgages	10a	121,809	121,810
Total Non-Current Assets		260,555	302,283
Current assets			
Mortgages	10b	64,047	47,846
Project Walk in Progress	11	-	2,962
Trade and Other Receivables	12	7,405	159,714
Other Financial Assets	13	102,906	90,364
Cash and cash equivalent	14	234,480	62,846
Total Current Assets		408,838	363,732
Total Assets		669,393	666,015
Equity and Liabilities			
Capital and Reserves			
Revaluation reserve – Page 51		82,682	82,682
Accumulated Reserves – Page 51		65,677	239,649
Total Capital & Reserves		148,359	322,331
Current liabilities			
Trade and Other Payables	15	521,034	343,684
Total liabilities		521,034	343,684
Total Equity and Liabilities		669,393	666,015

These financial statements were approved by the Board of Directors on

02nd JAN 2023 and were signed on its behalf by:

Director 

Director 

The notes on pages 16 to 24 form part of these financial statements

Housing Finance Fund Statement of changes in Reserves

As at 31 December 2021

	Accumulated Reserve D'000	Revaluation Reserve D'000	Total D'000
Balance as at 1 January 2020	217,132	81,618	298,750
Revaluation Surplus	-	1,064	1,064
Surplus for the year	22,517	-	22,517
	<hr/>	<hr/>	<hr/>
Balance as at 31 December 2020	239,649	82,682	322,331
	<hr/>	<hr/>	<hr/>
Balance as at 1 January 2021	239,649	82,682	322,331
Surplus for the year	(173,972)	-	(173,972)
	<hr/>	<hr/>	<hr/>
Balance as at 31 December 2021	65,677	82,682	148,359
	<hr/>	<hr/>	<hr/>

The Notes on Pages 53 to 62 form an integral part of these Financial Statements

Housing Finance Fund Statement of Cash Flow

As at 31 December 2021

	<i>Notes</i>	31st Dec. 2021	31st Dec. 2020
		D'000	D'000
Cash Flow from operating Activities			
Operating (Deficit)/ Profit for the year		(173,972)	22,517
Depreciation		704	3,604
(Profit)/ Loss on disposal of fixed assets		-	(678)
Impairment on Investment Property		29,245	15,000
Movement in Work in Progress		2,962	-
		<u>(141,061)</u>	<u>40,443</u>
Movement in Working Capital			
Increase in Trade and Other Receivables		152,309	(49,599)
Increase in trade and other payables		177,355	37,323
Decrease in Financial Assets		(12,542)	-
Decrease in Current Mortgages		(16,201)	14,322
		<u>159,860</u>	<u>42,489</u>
Cash Flows from Investing Activities			
Purchase of Tangible Assets		(2,742)	(273)
Changes in Financial Assets		-	(6,532)
Decrease in Investment Properties		-	(1,938)
Changes in Mortgages		-	14,220
Proceeds from the Sale of Fixed Assets		-	4,517
Decrease in Equity Investment		14,516	-
		<u>11,774</u>	<u>9,994</u>
Net Cash Flow from Investing Activities		11,774	9,994
Net (Decrease)/Increase in Cash & Cash Equivalent		171,634	52,883
Cash and Cash Equivalent at the beginning of the Period		<u>62,846</u>	<u>9,963</u>
Cash and Cash Equivalents at 31 December		234,480	62,846
		=====	=====

The notes on pages 53 to 62 form an integral part of these financial statements

Notes to the financial statements

1. Principal Accounting Policies

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

a) Basis of preparation

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 Social Security Act 2015.

b) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation. Cost includes all cost incurred in acquiring the asset plus all directly attributable costs incurred in bringing the asset to its present location and condition for the asset to become operational.

Depreciation is provided on property, plant and equipment, excluding land, at annual rates calculated to write off the cost of each asset over its estimated useful life as follows:

<i>Asset category</i>	<i>Rate per annum</i>	<i>Basis</i>
Head office building	1%	Straight line
Mainframe computer	25%	Straight line
Electricity generator	10%	Straight line
Office Equipment	20%	Reducing balance
Office Furniture & Fixtures	10%	Reducing balance
Motor vehicles	33 ¹ / ₃ %	Reducing balance
Office bicycle	33 ¹ / ₃ %	Reducing balance

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 pension fund re-charge in the financial statements.

c) Investments

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

Current asset 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.

Investment properties

Investment properties are stated as their revalued amounts.

Equity investment

Equity investments are stated at cost.

d) Revenue Recognition

Investment income represents interest earned on Gambia Government treasury bills, bank term deposit and dividend from equity investments. Interest on treasury bills and bank term deposits investments are accounted for on an accrual basis whereas dividend income is recognise in the financial statement when it is declared by the investee and the Corporation advice accordingly.

e) 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 31;29;36;04 to Housing Finance Fund, Federated Pension Fund, National Provident Fund and Industrial Injury Compensation Fund respectively.

f) Foreign Currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date.

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Gains and losses on exchange are transferred to the income statement in the period in which they arise.

g) Provisions

A provision is recognised in the financial statements when the following conditions are met:

The Corporation has a legal or constructive obligation as a result of past events; it is probable that resources embodying economic benefits will be transferred to settle the obligating and the amount can be reliably measured.

	31st Dec. 2021	31st Dec. 2020
	D'000	D'000
2. Mortgage Income		
Mortgage Interest	5,206	5,668
Mortgage sales Jabang	2,815	-
Mortgage sales Tujereng	(25)	418
Outright sales Brikama	1,525	420
Outright sales Tujereng	331	947
Outright sales Jabang	370	1,582
Outright sales Bru 2	5,255	50,934
Sales of Commercial Plots Brikama	-	6,600
	15,477	66,569
	31st Dec. 2021	31st Dec. 2020
	D'000	D'000
3. Investment Income		
Income on Gam. Govt. T. Bills	-	1,198
Bank Deposit Interest	5,315	4,277
Income on Govt. Bond	1,717	2,280
Dividend income	66	165
	7,098	7,920
	31st Dec. 2021	31st Dec. 2020
	D'000	D'000
4. Other income		
Rent income HFF Bakoteh	41	-
Rental income HFF Kanifing	17	17
Rental income Bru1/Ext	640	840
Exchange gain	-	1
Rental income Tujereng	60	80
Miscellaneous Income	631	6,779
Rental income Basse guest houses	663	618
Profit on Sales of Fixed Assets	-	678
Rental income Janjanbureh guest houses	170	170
Rental income Mansa Konko guest houses	557	245
	2,779	9,428

	31st Dec. 2021	31st Dec. 2020
	D'000	D'000
5. Project Cost		
HFF Infrastructure contract cost	2,962	-
Other contract cost	100	-
Miscellaneous expenses	107	265
Land Compensation / Purchase	25	903
	<u>3,194</u>	<u>1,168</u>

	31st Dec. 2021	31st Dec. 2020
	D'000	D'000
6. General & Administrative Expenses		
Staff Cost	30,076	28,066
Administrative expenses	30,758	13,235
Depreciation	704	3,604
Pension Fund Recharge	2,831	-
Audit Fees	289	327
	<u>64,658</u>	<u>45,232</u>

7. Property, Plant & Equipment,

	Motor Vehicles D'000	Motor Cycle D'000	Computer Equipment D'000	Fixtures & Fittings D'000	Office Equipment D'000	Total D'000
Cost/Valuation						
At 1 January 2021	2,095	433	2,788	1,101	797	7,214
Additions	1,900	120	601	61	61	2,743
Disposals	-	-	-	-	-	-
At 31 December 2021	3,995	553	3,389	1,162	858	9,957
Depreciation						
At 1 January 2021	2,051	344	2,788	557	560	6,300
Charge for the year	432	51	105	59	58	705
Disposals	-	-	-	-	-	-
At 31 December 2021	2,483	395	2,893	616	618	7,005
Net Book Value						
At 31 December 2021	1,512	158	496	546	240	2,952
At 31 December 2020	44	89	-	544	237	914

	31st Dec. 2021	31st Dec. 2020
	D'000	D'000
8. Equity Investments		
Home Finance Company	-	14,520
Standard Chartered Bank	27,396	27,396
Gambia Transport Services Corporation	1,012	1,011
	<u>28,408</u>	<u>42,927</u>
	=====	=====

Home Finance Company

Housing finance fund owns 40 percent investment in Home Financial Investment representing 1,452,000 number of shares. In 2021, the Company was liquidated voluntarily.

Standard Chartered Bank

SCB is the corporation's share in Standard Chartered Bank (G) Ltd. The investment is stated at market value and constitutes 32,965,133 number of shares representing 16.33%.

Gambia Transport Services Corporation (GTSC)

This was fully acquired by the corporation in 2013 currently the company serves as the national transport operator in the Gambia and part of the sub region.

	31 st Dec. 2021 D'000	31 st Dec. 2020 D'000
9. Investment Properties		
Bakoteh Housing Estate	15,360	15,360
Kanifing Market	14,110	14,110
Kanifing School	23,850	23,850
HFF Basse investment property	13,043	12,288
HFF Mansakonko investment property	8,705	8,705
HFF Janjanbureh investment property	5,315	5,315
Apartment Building – Bru 2	12,630	12,630
Tujereng Sample House	5,935	5,935
Land Purchase Lamin Makumbaya	30,000	30,000
Land Purchase Kanifing Industrial Area	15,000	15,000
HFF Brusubi (2) Sample House	8,439	8,439
	<u>152,387</u>	<u>151,632</u>
<i>Less Provision;</i>		
Prov.for Impaired Kanifing Indu. Inves Property	(15,000)	(15,000)
Prov. for Impaired Lamin Makumbaya prop.	(30,000)	-
	<u>107,387</u>	<u>136,632</u>

Bakoteh Market

The Bakoteh market investment property was recognised initially in 1985 at cost, after initial recognised the properties were measured and carried at fair value. However, the last revolution was in 2019

Kanifing Market / School

The Kanifing (market/school) investment property was recognised initially in 1995 at cost, after initial recognised the properties were measured and carried at fair value. However, the last revolution was in 2019

Basse, Mansakonko and Janjanbureh Guest House

The Basse, Mansakonko and Janjanbureh Guest House investment property were handed over by the Gambia Government to SSHFC to manage. These properties are valued in 2019 and are measured and carried at fair value now.

Brusubi Apartment Building PH 1&2

This investment property were initially recognised in 2009 and are measured and carried at fair value now.

Tujereng Sample House

This investment property were initially recognised in 2015 and are measured and carried at fair value now.

Lamin Makumbaya

This investment property represents 300 plots purchase from Mam Sait in 2009. The property was initially recognised at cost. In 2021, a 100% provision was raised due to a legal issue with the land in which management is unable to provide the ownership documents of the Property. .

Kanifing Industrial Area

This investment property was initially recognised in 2009 at cost. This property was on offer from the Gambia Government to purchase the land. Due to serious encroachment by Government, the land is deemed irrecoverable hence impaired.

HFF Brusubi (2) Sample House

This is a research and development project geared towards the vision of affordable housing. The property is revalued in 2019 and are measured and carried at fair value.

	31st Dec. 2021	31st Dec. 2020
	D'000	D'000
10. Mortgage Receivables		
10.A Long Term Mortgage Debtors		
Lt Mortgage debtors Bakoteh Housing Estate	36	36
Lt Mortgage debtors Kanifing Housing Estate	5,120	5,120
Lt Mortgage debtors Brusubi	25,578	25,578
Lt Mortgage debtors Tujereng Housing Estate	9,356	9,356
Lt Mortgage debtors Jabang Housing Estate	352	353
Lt Mortgage debtors BRU 1/EXT	77,268	77,268
Lt Mortgage debtors Brikama/Jamisa	4,099	4,099
	121,809	121,810
10.B Current Mortgage Debtors		
Mortgage debtors Bakoteh Housing Estate	12	21
Mortgage debtors Kanifing Housing Estate	1,603	1,164
Mortgage debtors Brusubi	24,643	19,602
Mortgage debtors Tujereng Housing Estate	3,786	1,332
Mortgage debtors Jabang Housing Estate	2,276	2,094
Mortgage debtors BRU 1/Ext	31,699	24,316
Mortgage debtors Brikama/Jamisa	5,956	5,245
	69,975	53,774
<i>Less Provisions for Bad & Doubtful Debts;</i>		
Bakoteh Mortgage Debtors	(62)	(62)
Kanifing Mortgage Debtors	(3,559)	(3,559)
Brusubi Mortgage Debtors	(2,307)	(2,307)
	64,047	47,846

	31st Dec. 2021	31st Dec. 2020
	D'000	D'000
11. Project Work in Progress		
Work in Progress infrastructure cost of Jab	-	2,962
	<u>-</u>	<u>2,962</u>

The Infrastructure Cost relates to road construction work in Jabang Housing which was completed in 2021.

	31st Dec. 2021	31st Dec. 2020
	D'000	D'000
12. Trade & Other Receivables		
HFF Infrast. Cost Kanilai	34,943	34,943
Deferred Cost compt. House Kanilai	66,532	66,532
Miscellaneous Sundry Debtors	-	2,099
Interest Suspense	1,005	26,039
Inc. Received - Brusubi Ph 2 Sale of plot	-	27,456
Inc. Received – Brik. Jamisa of commercial Plot	-	2,640
Inc. Received HFC Proceed of Liquidation	6,400	-
General Suspense	-	5
	<u>108,880</u>	<u>159,714</u>
Prov. for Impaired Lamin Makumbaya	(34,943)	-
Prov. for Impaired Infrast. Cost Kanilai	(66,532)	-
	<u>7,405</u>	<u>159,714</u>
	=====	=====

HFF Infrast. Cost Kanilai

The infrastructure cost relates to water, electricity and road construction in respect of Kanilai Housing Project. In 2021, a 100% Provision was raised in 2021 due to the recoverability of the balance being doubtful.

Deferred Cost Compt. House Kanilai

The deferred cost relates to the construction of 25 completed housing units in respect of Kanilai Housing Project. In 2021, a 100% Provision was raised in 2021 due to the recoverability of the balance being doubtful.

13. Other Financial Investment

	Cost	Interest Accrued	2021	2020
	D'000	D'000	D'000	D'000
Bank term deposit	79,500	2,780	82,280	69,741
Gambia Government Bond	20,478	148	20,626	20,623
	<u>99,978</u>	<u>2,928</u>	<u>102,906</u>	<u>90,364</u>
	<u>99,978</u>	<u>2,928</u>	<u>102,906</u>	<u>90,364</u>

31st Dec. 2021
D'000

31st Dec. 2020
D'000

14. Cash & Cash Equivalent

Cash at Bank	234,480	62,846
	<u>234,480</u>	<u>62,846</u>

31st Dec. 2021
D'000

31st Dec. 2020
D'000

15. Trade & Other Payables

HFF Contract creditors	3,178	-
Sundry Creditors	3,175	4,963
Advance payment towards Mortgage	-	4,838
Dept. of Lands & Survey	94	23,359
HFF Client Legal Fees Payable	-	290
Deferred Income JHE	-	2,815
General Suspense	(14)	-
Inter Fund Account – <i>See Note 15a</i>	514,601	307,419
	<u>521,034</u>	<u>343,684</u>

15a. Inter Fund Account

The Inter Fund balance relates to recurrent expenses apportioned from FPS, IICF and NPF to be paid by the Housing Fund. There is a loan from the then FiBank settled on behalf of HFF by NPF.

Industrial Injury Compensation Fund



Off Bertil Harding Highway, Bakau, P O Box 587, The Gambia - Telephone (220) 4378146/ 4392376 / 4378147
E-mail: admin@augustusprom.com www.augustus-prom.gm

Independent Auditors Reports to the Members of the Social Security Housing Finance Corporation on the Industrial Injury Compensation Fund

Auditor's Opinion

We have audited the accompanying Financial Statements of the Industrial Injury Compensation Fund under the Social Security Housing Finance Corporation (SSHFC) which comprises of the Income Statement, Statement of Financial Position, Statement of Changes in Members Fund and Reserves, Cash Flow Statement and notes to the Financial Statements including a summary of significant Accounting Policies applicable to the Fund.

In our opinion, the Financial Statements give a true and fair view of the Financial Position of the Fund as at 31st December 2021 and of its Financial Performance and its Cash Flows for the year then ended in accordance with Generally Accepted Accounting Principles and in line with the requirements of the SSHFC Act 2015.

Basis of 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 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.

Other Matters

The 2020 figures in the 2021 Financial Statements was audited by DT Associates, an audit firm registered in The Gambia.

Other Information

The Directors are responsible for the other information. The other information comprises the General information and the Directors Report as required by the SSHFC 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 the fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards, and in the manner required by the SSHFC Act, 2015 and for such internal controls 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, the Directors are 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.

Auditors 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 ISAs 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 ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

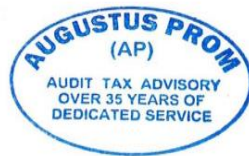
- *Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting 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 controls.*
- *Obtain an understanding of internal controls 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 internal controls.*
- *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.

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

Augustus Prom
.....
AUGUSTUS PROM (AP)
AUDIT.TAX.ADVISORY.
REGISTERED AUDITORS



Date: 4th January 2023

Industrial Injury Compensation Fund Fund Income Statement

For the year ended 31 December 2021

	<i>Notes</i>	31st Dec. 2021 GMD'000	31st Dec. 2020 GMD'000
Income			
Investment Income	2	14,137	17,178
Other Income	3	15,050	569
Total Income		29,187	17,747
Expenditure			
General and Administration Expenses	4	(8,173)	(6,659)
Total Expenditure		(8,173)	(6,659)
Surplus for the year		21,014	11,088

The notes on pages 72 to 78 form part of these financial statements

Industrial Injury Compensation Fund Statement of Financial Position

As at 31 December 2021

	Notes	31 st Dec. 2021 D'000	31 st Dec. 2020 D'000
Assets			
Non-Current Assets			
Investments	5	2,085	2,085
Equity Investment	6	58,221	58,221
Total Non-Current Assets		60,306	60,306
Current Assets			
Loans to Other Institutions	7	-	-
Trade and Other Receivables	8	100,714	137,209
Other Financial Assets	9	200,756	108,090
Cash and Cash Equivalent	10	3,663	25,188
Total Current Assets		305,133	270,487
Total Assets		365,439	330,793
Equity and Liabilities			
Capital and Reserves			
Members Fund – See Page 70		351,105	315,459
Revenue Reserve – See Page 70		1,234	1,150
Revaluation Reserve – See Page 70		12,421	12,421
Total Capital & Reserves		364,760	329,030
Liabilities			
Current Liabilities			
Trade and Other payables	12	679	1,763
Total Equity and Liabilities		365,439	330,793

These financial statements were approved by the Board of Directors on

02nd JAN 2023 and were signed on its behalf by:

Director 

Director 

The notes on pages 16 to 24 form part of these financial statements

Industrial Injury Compensation Fund Statement of Changes in Members' Fund and Reserves

As at 31 December 2021

	Members Fund D'000	Revenue Reserve D'000	Revaluation Reserve D'000	Total D'000
Balance as at 1 January 2020	286,305	166	12,421	298,892
Net contribution for the year	18,066	-	-	18,066
Penalty Payment	-	984	-	984
Surplus for the year	11,088	-	-	11,088
Balance as at 31 December 2020	315,459	1,150	12,421	329,029
Balance as at 1 January 2021	315,459	1,150	12,421	329,029
Net contribution for the year	14,632	-	-	14,632
Penalty Payment	-	84	-	84
Surplus for the year	21,014	-	-	21,014
Balance as at 31 December 2021	351,105	1,234	12,421	364,760

The notes on pages 72 to 78 form part of these financial statement

Industrial Injury Compensation Fund Statement of Cash Flow

As at 31 December 2021

	<i>Notes</i>	31st Dec 2021 D'000	31st Dec 2020 D'000
Operating activities			
Surplus for the year		21,014	11,088
		21,014	11,088
Movement in working capital			
Decrease in trade and other receivables		36,495	(66,114)
Decrease in trade and other payables		(1,081)	(19,751)
Net Cash flow used in Operating Activities		56,428	(74,777)
Investing activities			
Increase in Financial Assets		(92,669)	74,723
Net Contributions from Members		14,632	18,066
Prior year Adjustment		-	-
Penalty Contribution		84	984
		14,716	19,050
Net (Decrease) /Increase in Cash and Cash equivalent		(21,525)	18,996
Cash and Cash Equivalent at the beginning of the period		25,188	6,192
Cash and Cash Equivalents at 31st December		3,663	25,188

The notes on pages 72 to 78 form part of the financial statements

Notes to the Financial Statements

1. Principal Accounting Policies

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

a) Basis of preparation

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 SSHFC Act.

b) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation. Cost includes all cost incurred in acquiring the asset plus all directly attributable costs incurred in bringing the asset to its present location and condition for the asset to become operational.

Depreciation is provided on property, plant and equipment, excluding land, at annual rates calculated to write off the cost of each asset over its estimated useful life as follows:

<i>Asset category</i>	<i>Rate per annum</i>	<i>Basis</i>
Head office building	1%	Straight line
Mainframe computer	25%	Straight line
Electricity generator	10%	Straight line
Office Equipment	20%	Reducing balance
Office Furniture & Fixtures	10%	Reducing balance
Motor vehicles	33 ¹ / ₃ %	Reducing balance
Office bicycle	33 ¹ / ₃ %	Reducing balance

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 pension fund re-charge in the financial statements.

c) Investments

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

Current asset 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.

Investment properties

Investment properties are stated as their revalued amounts.

Equity investment

Equity investments are stated at cost.

d) Revenue Recognition

Investment income represents interest earned on Gambia Government treasury bills, bank term deposit and dividend from equity investments. Interest on treasury bills and bank term deposits investments are accounted for on an accrual basis whereas dividend income is recognise in the financial statement when it is declared by the investee and the Corporation advice accordingly.

e) Contributions

Contributions are accounted for on accrual basis. Contributions due, but not receive at the balance sheet date are estimated on the basis of the most recent contributions received as at that date.

f) Benefits paid

Benefit paid represents all benefits claims paid during the year. This includes lump sum gratuity and periodic pension payment.

g) 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 31;29;36;04 to Housing Finance Fund, Federated Pension Fund, National Provident Fund and Industrial Injury Compensation Fund respectively.

h) Foreign Currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date.

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Gains and losses on exchange are transferred to the income statement in the period in which they arise.

i) Provisions

A provision is recognised in the financial statements when the following conditions are met:

The Corporation has a legal or constructive obligation as a result of past events; it is probable that resources embodying economic benefits will be transferred to settle the obligating and the amount can be reliably measured.

	31st Dec. 2021	31st Dec. 2020
	D'000	D'000
2. Investment Income		
Gambia Government treasury bills	2,697	3,001
Income on Term Deposit	5,229	4,803
Dividend Income	2,725	1,999
Rental Income	182	183
Income on Gambia Government Bonds	3,304	7,192
	<u>14,137</u>	<u>17,178</u>
	<u>14,137</u>	<u>17,178</u>
	31st Dec. 2021	31st Dec. 2020
	D'000	D'000
3. Other income		
Miscellaneous Income	15,050	569
	<u>15,050</u>	<u>569</u>
	<u>15,050</u>	<u>569</u>
	31st Dec. 2021	31st Dec. 2020
	D'000	D'000
4. General & Administrative expenses		
Staff cost	4,758	4,248
Administrative expenses	3,012	1,926
Pension Fund Recharge (Depreciation)	365	443
Audit	37	42
	<u>8,173</u>	<u>6,659</u>
	<u>8,173</u>	<u>6,659</u>

	31st Dec. 2021	31st Dec. 2020
	D'000	D'000
5. Investment		
Ocean Bay Hotel and Resort	2,085	2,085
	<u>2,085</u>	<u>2,085</u>
	=====	=====

Ocean Bay Hotel and Resort is a 100% Subsidiary of the Corporation. This investment is split between the Federated Pension Fund, National Provident Fund and Industrial Injury Compensation Fund.

	31st Dec. 2021	31st Dec. 2020
	D'000	D'000
6. Equity Investment		
Gam petroleum	39,221	39,221
Gambia transport Service Company	19,000	19,000
	<u>58,221</u>	<u>58,221</u>
	=====	=====

Gam-petroleum

This is the Corporation's equity investment in Gam Petroleum storage facility in which 2.6% of the Investment was funded by the Industrial Injury Compensation Fund.

Gambia Transport Service Corporation

Gambia Transport Service Corporation on 2013. Currently the company serves as the national transport operator in The Gambia. This investment is split between the Federated Pension Fund, National Provident Fund and Industrial Injury Compensation Fund.

	31st Dec. 2021	31st Dec. 2020
	D'000	D'000
7. Loan to Member Institutions		
Gambia Civil Aviation Authority (GCAA)	35,250	35,250
Loan to Gam Government – Office of the President	15,000	15,000
GGC Loan Guarantee	69,000	69,000
	119,250	119,250
<i>Less Provision for Bad & Doubtful Debt;</i>		
Gambia Civil Authority (GCAA) Loan	(35,250)	(35,250)
Gambia Government - Office of The President	(15,000)	(15,000)
GGC Loan Guaranty	(69,000)	(69,000)
	-	-

Gambia Civil Aviation Authority

These are loans to GCAA as per Directives from the Government of The Gambia for the purchase of Tenders and Ambulances for Banjul International Airport. There are no loan repayment schedules or agreements and no interest charged.

Loan to Gambia Government – Office of the President

These loans to the Government of the Gambia represents partial calls on guarantee in respect of loans taken by GAMTEL, GAMCO and GRTS at Trust Bank Limited which the Corporation guaranteed. These guarantees and loans were based on Government directives received. There are no loan repayment schedules or agreements and no interest charged.

GGC Loan Guarantee

The Corporation was given a directive to act as a 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 repayments schedules or agreements and no interest charged.

	31 st Dec. 2021 D'000	31 st Dec. 2020 D'000
8. Trade and Other Receivables		
Contribution Receivables	9,618	3,033
Sundry Debtors and Prepayments	97	95
Rental Income Receivable	244	61
Inter-fund current Acc.NPF/Housing	34,818	146,713
Inter-fund Current Acc. Housing	2,354	2,353
General Suspense		
Inter fund Current Acc. Pension fund	53,584	-
	<u>100,714</u>	<u>152,255</u>
	=====	=====
<i>Less Provision for Bad and Doubtful Debt</i>		
Provision for Doubt Contribution	-	(15,046)
	<u>100,714</u>	<u>137,209</u>
	=====	=====

9. Other Financial Assets

	Cost D'000	Int. Accrued D' 000	31-Dec-21 D'000	31-Dec-20 D'000
Gambia Government Treasury bills	41,353	1,969	43,322	38,848
Gambia Government Bonds	37,382	1,314	38,696	38,655
Bank Term Deposit	115,230	3,508	118,738	30,587
	<u>193,965</u>	<u>6,791</u>	<u>200,756</u>	<u>108,090</u>
	=====	=====	=====	=====
			31 st Dec. 2021 D'000	31 st Dec. 2020 D'000

10. Cash & Cash Equivalent

Cash at Bank	3,663	25,188
	<u>3,663</u>	<u>25,188</u>
	=====	=====

	31st Dec. 2021	31st Dec. 2020
	D'000	D'000
11. Net Contribution from Members		
Contribution	16,398	19,301
Benefit and Refunds	(585)	(916)
Period Pension Payment	(1,181)	(319)
	<u>14,632</u>	<u>18,066</u>
	=====	=====
	31st Dec. 2021	31st Dec. 2020
	D'000	D'000
12. Trade and Other Payable		
Unclaimed Pension	-	176
General Suspense	1	1
Inter fund Current Acc. Pension fund	-	850
Gen. Susp. Contribution Dir. Transferred	677	736
	<u>679</u>	<u>1,763</u>
	=====	=====

Consolidated Income Statement & Balance Sheet

Consolidated Income Statement

For the year ended 31 December 2021

	31st Dec 2021	31st Dec 2020
	D'000	D'000
Income		
Investment Income	339,123	299,924
Project Income	15,477	66,569
Other Income	216,759	33,222
Total Income	571,359	399,715
Expenditure		
Project Cost	(3,194)	(1,168)
General & Administrative Expenses	(190,121)	(127,544)
Provision for Bad & Doubtful Debt	(1,050)	-
Impairment of Investment Properties	(131,471)	-
Total Income	(325,836)	(128,712)
Surplus before Impairment	245,523	271,003
Impairment of Equity Investment	-	-
Interest on Members Fund	(117,999)	(84,826)
Net Money Available for Investment	127,524	186,177

Consolidated Net Assets Statement

As at 31 December 2021

	31 st Dec 2021 D'000	31 st Dec 2020 D'000
Assets –Non Current Assets		
Property, plant and Equipment	172,384	157,689
Equity Investments	1,699,387	1,713,906
Investment Properties	1,241,457	1,245,467
Mortgages	121,809	121,810
Total Non Current Assets	3,235,037	3,238,870
Current Assets		
Trade and other receivables	1,236,727	1,093,369
Loans to Member Institutes	192,735	212,466
Other Financial assets	2,756,219	2,102,089
Mortgages	64,047	47,846
Project Work in progress	-	2,962
Cash and cash equivalent	331,317	295,096
Total Current Assets	4,581,045	3,753,834
Total Assets	7,816,082	6,992,706
Equity and Liabilities		
Capital & Reserves		
Members Fund	7,226,248	6,528,564
Revenue reserve	23,450	19,524
Revaluation reserve	1,009,056	1,009,056
Accumulated Fund	(1,326,018)	(1,350,304)
Total Capital & Reserves	6,932,736	6,206,840
Current Liabilities		
Trade and other payables	883,346	785,867
Total Liabilities	883,346	785,867
Total Equity and Liabilities	7,816,082	6,992,706