REPORT OF THE AUDITOR GENERAL ON THE ACCOUNT OF

BWEBWERIKI NET LIMITED FINANCIAL STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2021.

KIRIBATI AUDIT OFFICE

November 2023

KIRIBATI AUDIT OFFICE

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Audit for an impact for the public

INDEPENDENT AUDITOR'S REPORT

To the Readers Of

BWEBWERIKI NET LIMITED

FOR THE YEAR ENDED 31ST DECEMBER 2021.

I have audited the Financial Statements of Bwebweriki Net Limited (BNL) for the year ended 31ST December 2021 as required under sec 114 (2) of the Constitution, Part VII, Sec 42(4) of the Public Finances (Control and Audit) 1981, Part IV Section 23 of the SOE Act 2013, and Sec 22(1) of the Kiribati Audit Act, 2017. The Financial Statements comprise of the following:

- Statement of Financial Performance
- Statement of Financial Position
- Statement of Cash Flow
- Statement of Changes in Equity
- Notes to the Accounts

Qualified Opinion

In my opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion:

- Audit unable to verify the existence, valuation and completeness of the cash at bank of \$816,380.22 held at the end of fiscal year 31st December 2021 due to the bank audit certificate(confirmation) were still process by the Bank and yet to be provided in due course.

I have conducted my audit in accordance with International Standards of Supreme Audit Institutions (ISSAI). My responsibilities under those standards are described in the Auditor's Responsibilities paragraph of my report. I am independent of the **Company** in accordance with the Ethical requirements that are relevant to my audit of the financial statements of the Company, and I have fulfilled my other responsibilities in accordance with these requirements. I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Board's and Management's Responsibilities for the Financial Statements.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IAS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company's or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion as required under the Public Finance (Control and Audit) Ordinance 1976 and Kiribati Audit Act, 2017. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISA/ISSAI will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission. 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 Commission to cease to continue as a going concern.

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

We communicate with 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 requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on other Legal and Regulatory Requirements

BNL first lodged its Final Account 2021 for auditing on 3rd October 2023, followed by revised final account on 11th November 2023 which indicate that BNL had fail to comply with section 20 of the SOE Act 2013.

Independence

Section 114 (4) of the Kiribati Constitution stipulates that the Auditor General shall not be subject to the direction or control of any other person or authority. Other than the audit, we have no relationship with or interest in BNL.

.... Date:29/11/2023

Mr Eriati Tauma Manaima

Auditor General

BwebwerikiNET Ltd

Ref: BNL/AG/21-012

11th November 2023

Mr Eriati Manaima
Auditor General
Kiribati Audit Office
Bairiki

Dear Sir:

SUBJECT: Bwebweriki NET Limited (BNL) 2nd Revised Annual Account for the year ended 31 December 2021

Please find attached with this letter BNL's 2nd Revised Annual Account for the period ended 31st December 2021 after taking into account a few adjustments presented for your information and auditing.

I am looking forward to working with your staff on this Account.

Should you need further information please do not hesitate to contact our office or the undersigned.

Yours faithfully;

Bwanouia T Aberaam
Finance Management Officer

Cc: Mr Ioane Koroivuki
BNL Chief Executive Officer
MCTTD, Betio, Tarawa

cc: Mr Riteti Maninraka
Chairman BNL
MCTTD, Betio, Tarawa

BWEBWERIKINET LIMITED (BNL)
INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021	2020
INCOME			
Southern Cross Management Fee	4	$ 75,085.13	$ 71,236.00
Southern Cross Pre RFS Reimbursement	5a	$ 837,069.36	
Southern Cross Post RFS Reimbursement	5b		
Southern Cross LPA Annual Maintenance fee			
Government Grant			$ 18,055.51
		$ 912,154.49	$ 89,291.51
Other Revenue			
KIR (SX NEXT) - Capacity sales			$ -
TRW (EMC) - Capacity sales			$ -
OIN - Infrastructure Lease			$ -
			$ -
KIR (SX NEXT) - IP transit			$ -
TRW (EMC) - IP transit			$ -
OIN - Colocation fees			$ -
			$ -
TOTAL REVENUE		$ 912,154.49	$ 89,291.51
EXPENDITURE			
Direct Staff Cost	6	$ 11,865.40	
Indirect Staff Cost			
Operating Cost	7	$ 34,932.58	$12,052.52
Repair & Maintenance			
Financial/Administration Cost		$ 261.40	$18,055.51
OIN Operating cost			
Kiritimati CLS Operating Cost	8	$ 818,435.16	
TOTAL Operating Expense		$865,494.54	$30,108.03
EBITDA		$ 46,659.95	$ 119,399.54
Other Expenses			
Depreciation/Amortisation	9	$ 89.02	
Exchange Gain/Loss	10	$ 7,612.72	$ 22,438.51
EBIT		$ 38,958.21	$ 96,961.03
Income tax			$ -
Net Profit After Tax		$ 38,958.21	$ 96,961.03

Approved by Chairman:

Chief Executive Officer:

BWEBWERIKINET LIMITED (BNL)

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Note	2021	2020
Current assets			
Cash and Cash equivalents	11	$ 816,380.22	$ 236,716.97
Trade and other receivables	12	$ 67,472.41	$ -
Inventories			$ -
Total Current Assets		**$ 883,852.63**	**$ 236,716.97**
Current Liabilies			
Trade and Other payables	13	$ 4,378.87	$ 199,972.00
VAT Paid		$ -	$0.00
Total Current Liabilities		$ 4,378.87	
Working Capital		**$ 888,231.50**	**$ 36,744.97**
Non Current Assets			
Property, Plant and Equipment	14	$ 4,183.73	$ -
Total Assets		**$ 888,036.36**	
Non Current Liabilities			
Deposits from Service Providers for OIN	15	$ 807,954.31	$ -
			$ -
Total Non-current Liabilities		**$ 807,954.31**	$ -
Total Liabilities		**$ 812,333.18**	
Net Assets		**$ 75,703.18**	**$ 36,744.97**
Equity			
Capital			
Reserves			
Dividends Paid			
Retained earnings	16	$ 36,744.97	$ -
Current Year Earnings		$ 38,958.21	$ 36,744.97
		$ 75,703.18	**$ 36,744.97**

Approved by Chairman

Chief Executive Officer

Bwebweriki NET Ltd
Statement of Cash Flow
as at 31 December 2021

		2021	2020
Cash Flow from Operating Activities			
Profit (Loss) before Income Tax		$ 38,958.21	
Adjustments for	Depreciation -Office equipment		
	Depreciation - Computer equipment	$ 89.02	
	Increase / (Decrease) in Account Receivable	$ (67,472.41)	
	Increase/ (Decrease) in Account Payable	$ 2,115.87	
	Increase /(Decrease) in PAYE Payable	$ 1,081.27	
	Increase / (Decrease) in KPF Payable	$ 1,181.73	
	Increase/(Decrease) in OIN Deposit - Vodafone	$ (99,973.80)	
	Increase/(Decrease) in OIN Deposit - OceanLink	$ 707,956.11	
Cash generated from operation		$583,936.00	$ 36,744.97
Interest paid		$ -	
Income Tax paid		$ -	
Net Cash Flow from Operating Activities		$583,936.00	$ 36,744.97
Cash Flow from Investing Activities			
	Purchase of Property, Plant and Equipment	$ (4,272.75)	
Net Cash Flow from Investing Activities		$ (4,272.75)	$ -
Cash Flow from Financing Activities		$ -	$ -
Net Cash Flow from Financing Activities		$ -	$ -
Net Increase/Decrease for the period		$ 579,663.25	$ 36,744.97
Cash at the Beginning of the period		$236,716.97	$ 199,972.00
Cash at the End of the period		$ 816,380.22	$ 236,716.97

Approved by Chairman:

Chief Executive Officer:

BWEBWERIKI NET LTD (BNL)
Statement of changes in Equity
for the year ended 31st December 2021

	Capital	Reserves	Retained Profits	Total Equity
Balance at 1 January 2020	$ -	$ -	$ -	$ -
Profit/(Loss) after income tax for the period	$ -	$ -	$ 36,744.97	$ 36,744.97
Dividend paid	$ -	$ -	$ -	$ -
Balance at 31 December 2020	$ -	$ -	$ 36,744.97	$ 36,744.97
Balance at 1 January 2021	$ -	$ -	$ 36,744.97	$ 36,744.97
Profit/(Loss) after income tax for the period	$ -	$ -	$ 38,958.21	$ 38,958.21
Dividend paid	$ -	$ -	$ -	$ -
Balance at 31 December 2021	**$ -**	**$ -**	**$ 75,703.18**	**$ 75,703.18**

Approved by Chairman:

Chief Executive Officer:

Notes form part of the Financial Statements for the period ending 31st December 2021

1. The Government of Kiribati created Bwebweriki NET Limited (BNL) registered on the 28th of November 2017, with a registered address of Nanikai, Tarawa in the Republic of Kiribati. BNL is a state-owned enterprise, with the aim that it will operate indefinitely providing wholesale high-speed internet to licensed service providers using submarine cables to connect the two main urban centres Kiritimati and Tarawa Islands to the global internet and to deal with its main responsibilities as mandated by the government to:

   (a) manage Kiribati's interests in the East Micronesian Cable (EMC), (b) manage the Outer Islands Network (WB P126324), c) manage the Kiritimati Southern Cross NEXT cable, and (e) be the vested owner of designated former incumbent Telecom Services Kiribati Limited (TSKL) assets such towers, masts, buildings and site electrical facilities outside of Tarawa and Kiritimati, and as the grantor of access to those assets in provision of service arrangements in Outer Islands.

   The government of Kiribati through the Ministry of Information, Communication and Transport (MICT) was providing funding for BNL operational costs to enable BNL to start up with and to improve the formation of its office capacity to achieve its main establishment. BNL is anticipated to start its commercial operations toward the end of October this financial year 2021.

   The East Micronesia Cable System (EMCS) is a jointly financed regional submarine cable system that will connect Tarawa, Nauru, and Kosrae (FSM) to Pohnpei (FSM). The proposed system will have onward connectivity through an IRU with FSMTC from Pohnpei to Guam (US) via the HANTRU-1 cable.

   The Asian Development Bank (ADB) is financing the participation of Nauru under its Improving Internet Connectivity for Micronesia Project (50348-001 approved March 2018).

   The total cost of the EMC cable system is about US$64 million including infrastructure and technical/managerial support for the three consortium countries. The Kiribati Connectivity Project (P159362) World Bank funding portion will cost US$20 million.

   Kiribati will receive a grant of US $29.5 million from ADB for the SX NEXT Project and US $20 million from the World Bank for the EMCS Project and these are disclosed in BNL's account for transparency purposes. Within the EMC agreement with Kiribati A fund of USD 300,000 was agreed to transfer from Local funding that should be in the BNL Bank account and to be treated as an Equity. It was also agreed that this fund would be in the equity that will remain in that account to meet any future damages of the submarine cable. However, this fund has not been transferred yet to the BNL account.

2. Basis of Preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles, standards, and statutory requirements in Kiribati. The financial statements are presented in the Australian currency a currency being used in Kiribati. However, any transactions involved other currencies such as New Zealand and US dollars all translated using the daily Exchange Rate used by the Local ANZ Kiribati Ltd.

The presentation of the financial statements in accordance with the GAAP, standards, and legal requirements of Kiribati requires the selection and application of consistent application accounting policies to the transactions and events. The company's principal accounting policies are set out in Note 3.

3. Accounting Policy

The financial year for the company is the fiscal year starting from January to December

3.1. Revenue recognition

Before the Kiritimati Cable Landing Station is ready for service (RFS) all costs related to the operation of the station in Kirtimati could be reimbursed from Southern Cross NEXT and the cost that BNL claimed is recognised as revenue as Pre-FRS Reimbursement since all these costs are related to the operation of the Station. All claims made by BNL before the end of June 2022 are all called pre-RFS as per the Land Party Agreement (LPA), and costs claimed thereafter are called Post- RFS Reimbursements. The Management fee is also another revenue recognised by BNL and is based on the total gross amount of the Contractors of the Station mainly CBB, South Pacific Design, and Local Contractors. Revenue is measured at the fair value of the consideration received or receivable, net of discounts and sales-related taxes collected on behalf of the government.

3.2. Tax Income

Since the company is yet to come into operation, there is no current Income Tax payable. Income tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the year. PAYE Tax Payable is the only tax obligation for the period.

3.3. Property, Plant and Equipment

Items of property, plant, and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. Once the project is completed and handed over to BNL, all these Fixed Assets will be accounted for in the Books of the Company. For the reporting period, only Office Equipment bought that are recorded in the Fixed Asset Register. The following annual rates are used for the depreciation of property, plant and equipment:

Buildings	2%
Furniture and Equipment	10% to 25%

If there is an indication that there has been a significant change in the depreciation rate useful life or residual value of an asset, the depreciation of that asset is revised to reflect the new expectation.

As per Land Party Agreement, when the project comes to an end, BNL will recognise the Kiritimati SX NEXT Cable Landing Station as one of its assets.

3.4. Trade and other receivables

Since the company is not yet offering the service, there is no sale taking place except for the reimbursement arrangement between BNL and SX NEXT for the claims that are made by Contractors. In the process, SX NEXT is the main account receivable. At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine if there is any evidence that the amounts are not recoverable. An impairment loss is recognised when evidence is identified.

3.5. Trade and other payables

The current account payables are mainly the Contractors of Kiritimati Cable Landing Station (SX) and those assist BNL in meeting its cost. The claims from Contractors do not bear interest. Foreign payables are denominated in a foreign currency and are translated into Australian Dollars, currency in use in Kiribati using the exchange rate of the ANZ Bank Kiribati Ltd rate on the date the

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With BNL now, mandated by the government to look after the Outer Islands Network (OIN) (i.e., Masts, Towers, and other fixed Assets), and with the need to develop and improve the services to the people, bids are offered to Service Providers resulting in making Deposits to the BNL, and thus treating them as other Payables since they will be reimbursed upon meeting Bids requirements.

Other Disclosure Notes

4.0. Management fee

SX Management fee

$0.00

CR000001	CR	06/01/2021 Southern Cross Management fee @10% of 139,492.0		$13,949.20
CR000002	CR	28/02/2021 Southern Cross NEXT Management fee = 10% x 116,731.3		$11,673.13
CR000003	CR	30/04/2021 Management fee from SX NEXT April = 10% x 183,997.5		$18,399.75
CR000004	CR	30/05/2021 Managment fee from outhern Cross NEXT 10% of 6,297.2		$629.72
CR000005	CR	30/06/2021 Managment fee for month June from Southern Cross NEXT		$23,473.43
CR000006	CR	30/07/2021 Management fee for July from Southern Cross NEXT		$1,856.91
CR000007	CR	30/08/2021 Managment fee for August from Southern Cross NEXT		$2,461.62
CR000008	CR	30/09/2021 Managment fee for September Southern Cross NEXT		$1,995.21
CR000009	CR	30/10/2021 Mangement fee for October from Southern Cross NEXT		$314.10
CR000010	CR	30/12/2021 Management fee for Dec from Southern Cross NEXT		$300.06
		Total:	$0.00	$75,085.13

5.0 Pre-RFS Reimbursement

Pre-RFS Reimbursement

$0.00

015 & 016	SJ	01/01/2021 Claim to Southern Cross for the reimbursement of expenses as per Pre-RFS agreement		$153,441.23
BNLInv018	SJ	01/01/2021 Claim to Southern Cross NEXT as per LPA Reimbursement		$7,017.10
BNLIn019	SJ	01/02/2021 Claim to Southern Cross NEXT as per LPA		$121,387.34
BNLIn020	SJ	01/04/2021 BNL claim for Inv020 January 2021		$6,965.01
BNLIn021	SJ	01/04/2021 BNL claim to Southern Cross as per LPA		$195,412.19
BNLIn023	SJ	01/05/2021 BNL claim (SPD) charge for the month of February 2021		$6,926.95
BNLIn022	SJ	01/06/2021 BNL claim to Southern Cross NEXT as per LPA		$7,368.57
BNLIn024	SJ	01/06/2021 BNL claim from Southern Cross as per LPA		$250,839.15
BNLInv025	SJ	20/07/2021 Claim to Southern Cross NEXT as per LPA Inv025		$20,778.02
BNLInv026	SJ	01/08/2021 BNL Claim to Southern CRoss NEXT as per LPA Inv026		$27,077.86
BNLInv027	SJ	01/09/2021 Claim to Southern Cross NEXT as per LPA Inv027		$21,947.33
BNLInv028/21	SJ	01/10/2021 BNL Claim to Southern Cross NEXT as per LPA Inv028/21		$3,455.10
BNLIn028	SJ	01/12/2021 Claim to Southern Cross NEXT for a refund of operating expreses as per LPA		$3,300.77
BNLIn031	SJ	01/12/2021 Claim to Southern Cross NEXT For BNL Buoy ceremony in Kiritimati		$4,134.51
BNLInv030	SJ	01/12/2021 Claim to Southern Cross NEXT For BNL Buoy ceremony in Kiritimati		$6,998.23
		Total	$0.00	$837,069.36

6. Direct Staff Cost

Wages and Salaries		
Months/Year	Location	Amount
May-21	Kiritimati Staff	$494.02
Jun-21	Kiritimati Staff	$637.62
Jul-21	Kiritimati Staff	$895.81
Aug-21	Kiritimati Staff	$637.62
Sep-21	Kiritimati Staff	$1,386.95
Oct-21	Kiritimati Staff	$1,611.08
Nov-21	Kiritimati Staff	$2,154.73
Dec-21	Kiritimati Staff	$4,047.57
		$11,865.40

7. Direct Operating Cost

Operating Cost		
Advertising & Marketing	$300.00	
Miscellaneous Expenses	$16,206.82	
Local and Overseas Port Charges	$288.70	
Electricity Expenses	$264.79	
Transport Expenses	$1,567.15	
Internet and Telephone Expenses	$3,843.29	
Computer Expenses	$288.00	
PAYE Tax Expense	$1,081.27	
Land Leases Expenses	$1,760.88	
Stationery	$45.00	
Superannuation (KPF) Expenses	$1,181.73	
Office Expenses	$111.20	
Local Travel Expenses	$7,915.00	
Building Permit	$78.75	
Total Operating Cost		**$34,932.58**

8. Kiritimati CLS Operating Cost

Kiritimati CLS Operating Expenses		
01/01/2021	SPD Monthly fee, Nov2020 Inv#09	$ 6,702.41
01/01/2021	Reimbursement of Building fees paid to Kiritimati Islnd council -PMU consultation 08/10/20nd council -PMU consultation	$ 8,030.00
14/01/2021	SPD monthly fee Dec 2020	$ 6,763.15
01/02/2021	Mobilisation works at CLS Kiritimati	$ 92,464.06
12/02/2021	BNL CLS Kiritimati works	$ 139,492.03
12/02/2021	Mobolisation Cost Wprks for Kiritimati CLS by CCB invoice # 204125-04	$ 25,634.90
14/02/2021	SPD monthly fee January 2021 Kiritimati CLS	$ 6,725.51
22/02/2021	CCB invoice # 204125-06 for Kiritimati CLS works variation	$ 187,732.64
23/02/2021	Reimubrsement of feees paid for /engineers inspection of Site for Compaction - Kiritimati	$ 600.00
14/03/2021	Purchase; SPD	$ 6,732.72
01/04/2021	CCB works for Kiritimati CLS	$ 14,854.29
01/04/2021	Milestone #2 Report #1	$ 7,185.73
20/04/2021	CCB Envico PTY LTD variations after Revised Contract	$ 246,089.55
16/06/2021	CCB Envico PTYLTD claims for variation works -mobilisations cost, transformer plinth, sale of assets and demobilisation ref to inv for details	$ 20,308.21
30/06/2021	Kiritimati CLS Civil Implementation Coordination	$ 21,312.74
03/08/2021	Ad hocs expenses inv # 0141 and 0134 MccCann Consulting Ltd	$ 505.00
01/09/2021	TTT invoice # 0245/21 and 0246/21 Fencing of Kiritimati CLS	$ 24,616.22
02/09/2021	Reimbursement of KIR Operating cost 09/08 No 1413 New Island traders	$ 2,686.00
	Total :	$818,435.16

9. Depreciation Expense

Asset Name	Date of acquisition	Acquisition or Orginal Cost	Depreciation	Accumulated Depreciation	Written Down Value	Estimated Life (years)	Salvage Value
1 Laptotop Kiritimati CLS	02/11/2021	$ 4,272.75	$ 89.02	$ 89.02	$ 4,183.73	4	$ -

10. Exchange Loss on Foreign Currency Translation

10. Loss o Foreign Currency Translation

Below are the Remittances from SXC that an loss on exchange was incurred

				Exchange Loss
31/03/21	Management Fee Variance			$3,273.38
20/08/2021	Southern Cross swift inward payment	Ref: T20249171071	$27,077.86	$ 2,461.62
24/09/2021	Southern Cross swift inward payment	Re:T20260573182	$21,947.33	$ 1,877.72
				$7,612.72

11. Cash and Cash Equivalent

CASH AT BANK ACCOUNT			
	Debit	Credit	Balance
Opening Balance			$ 236,716.97
Management fee from SX NEXT	$ 75,085.13		$ 311,802.10
Bank fees		$ 141.40	$ 311,660.70
Local and Overseas Port charges		$ 288.70	$ 311,372.00
Electricity Expenses		$ 264.79	$ 311,107.21
Transport expenses		$ 1,567.15	$ 309,540.06
Computer expenses		$ 288.00	$ 309,252.06
Land Lease expenses		$ 1,760.88	$ 307,491.18
Local Travel expenses		$ 7,915.00	$ 299,576.18
Buidling Permit		$ 78.75	$ 299,497.43
Wages and Salaries expenses		$ 11,865.40	$ 287,632.03
Internet and Telephone expenses		$ 2,218.62	$ 285,413.41
Southern Cross NExT Income Transfer	$ 837,069.36		$ 1,122,482.77
Miscellaneious expenses		$ 16,206.82	$ 1,106,275.95
Kiritmati CS operating expenses		$ 818,520.14	$ 287,755.81
OcenalLink Deposit OIN	$ 707,956.11		$ 995,711.92
Vodfaone Refund Deposit OIN		$ 99,973.80	$ 895,738.12
Equipment - Laptop		$ 4,272.75	$ 891,465.37
Debtor -SX NEXT		$ 75,085.15	$ 816,380.22
	$ 1,620,110.60	$ 1,040,447.35	

Bwebweriki NET Ltd

Reconciliation Report

	ID No.	Date	Memo/Payee	Deposit	Withdrawal
Account:		1-1110	Bwebweriki Net Ltd #1186903		
Date Of Bank		31/12/2021			
Last Reconciled:		31/12/2022			
Last Reconciled		$940,752.30			
	Reconciled Cheques				
	1400835	02/12/2021	Kritimati Staff		$318.81
	1400836	02/12/2021	Kritimati Staff		$486.73
	1400837	02/12/2021	Kiritimati staff		$543.65
	1400838	02/12/2021	Kiritimati Committee		$6,998.23
	1400839	16/12/2021	Kiritimati staff		$543.65
	1400840	16/12/2021	Kritimati Staff		$486.73
	1400841	16/12/2021	Kritimati Staff		$318.81
	1400843	16/12/2021	Unknown		$200.00
	1400844	16/12/2021	Tiare Areti		$867.15
	1400842	28/12/2021	Ruutii Itaaka		$795.00
	1400845	28/12/2021	Kiritimati Committee Committee		$7,019.42
	1400848	30/12/2021	Kritimati Staff		$543.65
	1400849	30/12/2021	Kritimati Staff		$486.73
	1400850	30/12/2021	Kritimati Staff		$318.81
	12	31/12/2021	ANZ Bank Kiribati Ltd		$10.60
	* GJ000010	31/12/2021	To correct overstatement of Cash at bank value Management fee already included		$75,085.13
			Total:	$0.00	$95,023.10
	Reconciled Deposits				
	CR000001	06/01/2021	Southern Cross Management fee @10%	$13,949.20	
	CR000002	28/02/2021	Southern Cross NEXT Management fee	$11,673.13	
	CR000003	30/04/2021	Management fee from SX NEXT April =	$18,399.75	
	CR000004	30/05/2021	Managment fee from outhern Cross NE)	$629.72	
	CR000005	30/06/2021	Managment fee for month June from So	$23,473.43	
	CR000006	30/07/2021	Management fee for July from Southern	$1,888.91	
	CR000007	30/08/2021	Managment fee for August from Souther	$2,461.62	
	CR000008	30/09/2021	Managment fee for September Southern	$1,995.21	
	CR000009	30/10/2021	Mangement fee for October from Southe	$314.10	
	CR000029	03/12/2021	Payment received from Southern Cross	$3,300.77	
	CR000030	03/12/2021	Payment; Southern Cross NEXT (SSCL	$6,998.23	
	CR000031	17/12/2021	Payment; Southern Cross NEXT (SSCL	$4,134.51	
	CR000010	30/12/2021	Management fee for Dec from Southern	$300.06	
	CR000015	31/12/2021	Ocean link tender security for Region 3 I	$100,000.00	
			Total:	$189,518.64	$0.00
	Reconciliation				
		AccountRight		$816,380.22	
		Add		$0.00	
		SubTotal		$816,380.22	
		Deduct		$0.00	
		Expected		$816,380.22	

12. Trade and Other Receivables

Trade Debtors				
Date	Debtors	Debit	Credit	Balance
Jan-21	Calims to Souther Cross	$160,458.33		$160,458.33
Jan-21	Settlement of Invocies by Southern Cross		$153,441.23	$7,017.10
Feb-21	Calims to Souther Cross	$121,387.34		$128,404.44
Feb-21	Settlement of Invocies by Southern Cross		$131,677.82	($3,273.38)
Apr-21	Calims to Souther Cross	$202,397.20		$199,123.82
Apr-21	Settlement of Invocies by Southern Cross		$202,397.20	($3,273.38)
May-21	Calims to Souther Cross	$6,926.95		$3,653.57
	Settlement of Invocies by Southern Cross		$6,926.95	($3,273.38)
Jun-21	Calims to Souther Cross	$258,207.72		$254,934.34
	Settlement of Invocies by Southern Cross		$258,207.72	($3,273.38)
Jul-21	Calims to Souther Cross	$20,778.02		$17,504.64
	Settlement of Invocies by Southern Cross		$23,239.64	($5,735.00)
Aug-21	Calims to Souther Cross	$27,077.86		$21,342.86
	Settlement of Invocies by Southern Cross		$27,077.86	($5,735.00)
Sep-21	Calims to Souther Cross	$21,947.33		$16,212.33
	Settlement of Invocies by Southern Cross		$23,825.05	($7,812.72)
Oct-21	Calims to Souther Cross	$3,455.10		$4,157.62
	Settlement of Invocies by Southern Cross		$3,455.10	($7,812.72)
Nov-21	Calims to Souther Cross	$14,433.51		$6,820.79
	Settlement of Invocies by Southern Cross		$14,433.51	($7,812.72)
Dec-21	Adjustment for overstatement - Management fee	$75,085.13		**$67,472.41**
		$912,154.49	**$844,682.08**	

13. Trade and other Payables

Trade payable and other payables	
Trade Creditors	$2,115.87
PAYE Tax Payable	$1,081.27
KPF Payable	$1,181.73
	$4,378.87

14. Property, Plant and Equipment

Computers	$ 4,272.75		
Accum. Depr. Computers	$ 89.02	$ 4,183.73	
Total Non-Current Assets			**$ 4,183.73**

15. Deposits from Service Providers for Outer Island Network (OIN)

Vodafone Deposit for OIN	$ (39.20)	
OceanLink Deposit for OIN	$ 807,993.51	
Total Non Current Liabilities		$ 807,954.31

16. Retained Earnings

BWEBWERIKI NET LTD (BNL)
Statement of changes in Equity
for the year ended 31st December 2021

		Retained Profits
Balance at 1 January 2020	$	-
Profit/(Loss) after income tax for the period	$	36,744.97
Dividend paid	$	-
Balance at 31 December 2020	$	36,744.97
Balance at 1 January 2021	$	36,744.97
Profit/(Loss) after income tax for the period	$	38,958.21
Dividend paid	$	-
Balance at 31 December 2021	**$**	**75,703.18**

Approved by Chairman:

Chief Executive Officer: