REPORT OF THE AUDITOR GENERAL ON THE ACCOUNT OF

Captain Cook Hotel
For the Year Ended 31st December 2014

Kiribati National Audit Office
August 2017

KIRIBATI NATIONAL AUDIT OFFICE

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INDEPENDENT AUDITOR'S REPORT

To the Readers of Captain Cook Hotel Ltd Financial Statements for the year ended 31 December 2014

The Auditor-General, Mrs Matereta Raiman, is the auditor of Captain Cook Hotel Ltd (CCHL)

The audit covered the CCHL's compliance with the requirements of Part VII of the Public Finances (Control and Audit) Ordinance 1976, the Company Ordinance, 1979 and SOE Act, 2013 that apply to the financial statements of CCHL for the year ended 31 December 2014.

CCH's Board of Director's Responsibility.

Management is responsible for the preparation and fair presentation of the Financial Statements in accordance with Generally Accepted Accounting Practice in Kiribati, and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

In accordance with Part VII of the Public Finance (Control and Audit), 1976, our responsibility is to express an opinion on the Financial Statements. We conducted the audit in accordance with International Standards of Supreme Audit Institutions. Because of the absence of records that leads to the limitation of scope, described in the Basis for Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer Opinion

- There was significant limitation of scope noted as all accounting books, general ledgers and source documents for CCHL were not available.
- Because of the above, CCHL was not able to prepare its Financial Statements for the year ended 31st Dec, 2014.

Disclaimer Opinion.

Because of the absence of records that leads to the limitation of scope described in the Basis for Disclaimer Opinion paragraph above, I have not been able to obtain sufficient appropriate audit evidence, and accordingly I do not express an opinion on the Financial Statements of CCHL for the year ended 31st Dec, 2014.

The audit was completed on 21 August, 2017, and was the date at which our opinion was expressed.

Report on other Legal and Regulatory Requirements

CCHL was not able to prepare its Financial Statements for the year ended 2014 due to absence of records and source documents therefore indicated CCHLs non-compliance with Sec. 20 of the SOE Act, 2013.

Independence

When carrying out the audit we followed the independence requirements stipulated under section 114 (4) of the Kiribati Constitution and the requirements of the International Standards of Auditing.

Other than the audit, we have no relationship with or interests in CCH.

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Mrs. Matereta. Raiman.
Auditor General
Kiribati National Audit Office

Date 21 August 2017

CCHL

Captain Cook Hotel Limited

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06 June 2017

Auditor General
Kiribati National Audit Office
P.O. Box 63
Bairiki, Tarawa
Kiribati

Dear Madam

Re: Final Accounts 2014

Please be notified that the above could not be prepared mainly due to the followings:

1. Lack of Books of Original Entries and Electronic Copies
2. Lack of General and Subsidiary Ledgers
3. Source Documents Missing

When I first took up my appointment with CCHL towards the end of October 2014, there was no official handing over between myself and the previous incumbent. The incumbent had already left work and so I asked for the financial documents and discovered that there were no books of original entries (Journals) and ledgers (General and Subsidiary). Thus, I told the accounting staff (Mangarita Tiaon) to obtain the electronic copies of the financial documents from the previous incumbent.

Later, I was informed that the laptop used to store these financial documents was being repaired and then later reported damaged. As a second step, I asked for the source documents to be provided and discovered a significant number of missing documents.

Such information have been conveyed to my senior responsible officers at the time and also to one of your officers (Tokanikai Tiira) that it would be impossible for me to prepare the Financial Statements for 2014 from the limited or inadequate financial supporting documents available.

I hope I have provided the relevant and necessary information causing the prolonged delay in providing the Final Accounts for 2014. I would very much appreciate your kind advice on the matter.

Thank you

Yours faithfully

Ata Betero
Accountant