REPORT OF THE AUDITOR GENERAL ON THE ACCOUNT OF

Central Pacific Producers Limited
For The Year Ended 30th April 2010

Kiribati National Audit Office
April 2015

KIRIBATI NATIONAL AUDIT OFFICE

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Audit for an impact for the public

INDEPENDENT AUDIT REPORT

To the readers of Central Pacific Producers Limited For the year ended 30th April 2011

Report on the Financial Statements

The Auditor-General, Mrs Matereta B Raiman, is the auditor of Central Pacific Producers Limited (CPPL).

I have audited the accompanying financial statements of Central Pacific Producers Limited for the year ended 30th April 2011. The financial statements comprise:

- the balance sheet as at 30th April 2011, and
- the profit and loss statement,
- the Statement of Cash Flow and a summary of significant accounting policies and other explanatory information.

Management's and Board's Responsibility for the Financial Statements

Management and the Governing Board are responsible for the preparation and fair presentation of these financial statements in accordance with Generally Accepted Accounting Practices, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor General's Responsibility

It is my responsibility to form an independent opinion, based on my audit, on these financial statements prepared in Accrual basis and to report in accordance with the Constitution and Part VII of the Public Finance (Control and Audit) 1976.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAI) and Generally Accepted Auditing Practises as applicable in Kiribati, to obtain reasonable assurance whether the financial statements are free of material misstatement. I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinion.

Basis for Adverse Opinion

1. Financial Statements

   Because of the limitations of scope in CPPL's 30th April 2010 financial statements in relation to its overstated Operating expenditures and understated liabilities, and the fact that audit adjustments had not yet taken into account, the retained earnings for 2010 had been materially misstated.

   Additionally, the following issues were noted in CPPL's 30th April 2011 account.

   <u>Prior Period Items</u>

   I was unable to verify the accuracy of the PPI balance of $389,979 and consequently the correctness of Net Profits. The balance was not properly supported as no supporting documents were provided to back up the balance.

2. Significant control weaknesses

There were significant control weaknesses identified in CPPL's records and processes, as follows:

- There was no attendance register that would be very helpful in assessing the rate of punctuality and absentisms.
- CPPL did not indicate receipt numbers been deposited each day making it hardly possible to determine total deposits for each day.
- Local Debtors listing did not match with the stated figure in the account.
- Discarded fish records was poorly maintained being the register book was not up to date, transporting of fish was not strictly monitored.
- Agency disbursement transactions were not coded separately according to the type of services provided.

Adverse Opinion

Because of the significant effects of the matters described in the Basis for Adverse Opinion paragraph above, in my opinion, the financial statements of Central Pacific Producers Limited, **DO NOT** give a true and fair view, in accordance with Generally Accepted Accounting practise in Kiribati. An adverse opinion was therefore issued on the financial statements.

Report on Other Legal and Regulatory Requirements

As CPPL did not maintain proper accounts and records, this represents the breach of Section 63 (1) of the Company Ordinance 1979.

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Mrs Matereta B Raiman

Auditor General

Kiribati National Audit Office

Bairiki Tarawa

21/4/2015

CPP Ltd
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Betio Tarawa
Republic of Kiribati

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25 March 2011

TO: Auditor General
Kiribati National Audit Office
Bairiki
Tarawa

Dear Sir

Re: Financial Statement ended 30 April 2010

As reguired under the company law we hereby submit the full financial report covering 12 months period for the year ended of 30 April 2010

There are three Financial Statement provided,the reports consist of the followings

1.Balance sheet
2.Profit & Loss Statement
3.Cash Flow Statement
4.Notes for Explanations

Should you need more details,please do not hestitate to contact us.

Yours sincerely,

Teroutaki Kabubuke
Finance Manager
For General Manager

CC:,Permanent Secretary MNRD

Central Pacific Producers LTD
Statement of Financial Performance
For the Year ended 30 April 2010

		Apr,10-May,09	Apr,09 -May.08	Apr,08-May,07	Apr,07-May,06
	Notes	2010	2009	2008	2007
		$	$	$	$
Sales	1	619,124.61	366,308.61	309,320.33	263,368.38
Less Cost of Sales	2	77,790.96	78,177.62	47,770.62	123,223.61
Gross Profit		**541,333.65**	**288,130.99**	**261,549.71**	**140,144.77**
Plus Operating Revenue					
Agency	3	908,985.88	1,174,881.77	771,508.32	533,256.49
Administration fee (crewing)		14,412.97	6,574.85	22,800.00	10,000.00
Charter	29	178,022.53	151,510.00	86,530.46	623,894.46
Freight&handiling	28	657,281.81	415,074.04	454,039.79	422,255.74
Hire		1,125.00	1,397.25	2,941.36	1,901.65
Seafare		134,704.67	117,513.39	45,123.80	163,285.86
storage		30,550.80	6,809.66	137.10	320.00
Ice		21,574.40	16,921.10	12,191.00	16,355.60
interest on IBD		1,135.92	1,522.29	879.84	214.52
Fishing gear		353.15	835.10	32,964.93	2,702.50
Catering & Processing	27	60,530.77	25,093.04	17,652.94	19,816.20
Rental		3,850.00	15,759.00	14,350.00	25,586.45
Sundry revenue	4	9,848.26	1,583.21	36,337.49	3,599.48
Seacucumber/Seaweed		240,464.31		26,535.37	
Canoe lease outer island				26,005.81	
other revenue		55,852.79	25,155.65	15,584.90	5,679.72
		2,318,693.26	**1,960,630.35**	**1,565,583.11**	**1,828,868.67**
Total Revenue		**2,860,026.91**	**2,248,761.34**	**1,827,132.82**	**1,969,013.44**
Less Operating Expenses					
Staff Salary/wages	5	390,118.94	349,149.02	404,091.73	340,341.24
Stationary		18,435.71	16,996.09	27,360.95	20,786.36
Telephone etc		36,329.49	31,148.49	41,689.31	36,612.15
Overseas travelling		400.00	3,403.00	7,953.76	2,900.18
Local travelling & transport	6	37,214.80	2,054.90	45,667.14	7,464.15
Fuel & Oil	7	653,553.49	556,447.27	375,489.84	356,425.49
Repair & Maintenance	8	42,147.15	131,056.25	90,443.80	142,782.92
Ration	26	94,327.44	50,016.75	36,203.52	54,375.41
Subsidised rent		7,422.60	7,409.91	3,738.00	3,969.00
KPF Expenses		22,780.30	23,882.05	22,762.53	19,371.12
Advertisement & Postage		1,965.60	4,081.87	2,927.25	15,163.67
Freight expenses		3,517.95	546.85	4,320.46	2,787.04
Port charges		20,289.54	10,931.26	1,008.60	29,295.88
Board of Directors expenses		3,925.00	4,030.00	5,685.00	10,260.89
Entertainment		4,345.88	3,447.90	6,630.76	3,187.42
Interest & Comission exp		446.00	482.80	179.40	18,526.74
Survey expenses		1,000.00	1,390.00	475.00	
Training			620.00	276.25	
Bank charges	24	41,339.14	37,406.14	15,725.35	25,642.45
Custom		1,797.70	8,301.40	1,840.20	1,494.29
Insurance			5,484.02	17,401.77	22,239.50
Doubtful debts					200,407.11
Depreciation	19	445,813.37	463,139.88	378,755.45	469,666.07
Overtime/Extra hour		28,065.58	13,771.85	18,132.02	11,788.80
Leave grant		17,875.00	18,875.00	17,570.61	15,721.61
Licence		8,078.40	10,893.00	8,169.00	1,491.00
Electricity				61,845.92	7,839.66
Disbursement		10,000.00			
Hire expense		15,586.95	7,129.19	37,097.67	7,862.01
Marine allowances		13,797.76	22,848.50		848.80
Sundry expenses	9	5,407.38	28,880.38	10,238.85	7,696.22

Central Pacific Producers LTd
Statement of Financial Position
As at 30 April 2010

	Notes	Apr,10-May,09 2010	Apr 09-May 08 2009	Apr 08-May 07 2008	Apr 07-May 06 2007
Current Assets					
Cash at Bank		(277,416.71)	(104,523.72)	(121,052.47)	(249,564.73)
Petty Cash		469.65	530.55	264.75	43.85
Trade accounts receivable	13	1,890,799.83	1,223,019.53	893,858.42	860,794.98
Sundry accounts receivable	14	13,880.63	30,289.26	38,668.82	31,165.05
Inventory		25,560.59	5,358.84	3,283.84	13,202.06
Stock of Spare Parts		86,535.14	2,527.43	15,339.60	25,193.50
Stock of Fishing Gears		26,409.80	37,298.30	5,944.80	83,301.58
Stock of Catering Gears		989.00	989.00	3,792.85	6,811.60
		1,767,227.93	**1,195,489.19**	**840,100.61**	**770,947.89**
Less Current Liabilities					
Accounts Payable	20	403,608.39	200,275.32	170,004.19	183,307.59
Sundry Accounts Payable	15	6,327.32	10,702.35	9,016.61	(1,447.27)
Accrued Expenses	21	37,366.75	27,112.10	35,408.46	5,375.45
Other Creditors	30	(163,835.18)			
		283,467.28	**238,089.77**	**214,429.26**	**187,235.77**
Working Capital		**1,483,760.65**	**957,399.42**	**625,671.35**	**583,712.12**
Plus Non-Current Assets	16	2,404,411.37	2,762,643.69	2,472,698.07	2,766,345.20
Plus IBD		72,785.15	71,649.23	70,126.94	11,913.11
Net Assets		**3,960,957.17**	**3,791,692.34**	**3,168,496.36**	**3,361,970.43**
Represented by the Following :					
Paid Up share		500.00	500.00	500.00	500.00
Retained Earnings fwd	17	(1,621,521.38)	(2,117,900.69)	(2,117,900.69)	(1,924,426.62)
Net Profit for the year		542,864.83	496,379.31		
Government Aids Reserve	18	5,039,113.72	5,412,713.72	5,285,897.05	5,285,897.05
		3,960,957.17	**3,791,692.34**	**3,168,496.36**	**3,361,970.43**

The attached notes form part of this Financial Report.

Chairman
Board of Directors

24/3/11
Dates

Directors
Board of Directors

24 - 3 - 11
Dates

Materials		1,059.90	707.30	3,051.05	5,729.65
Subsistence allowance		2,605.70	1,448.10	3,378.75	3,232.00
Special imprest					
Audit fee		500.00	12,900.00		
Charge & shift allowance	22	4,062.08	2,606.10	2,205.67	3,599.90
stevedoring		15,914.92	13,615.90	10,590.88	42,456.90
Accountancy fee				3,858.70	3,390.00
subscription				300.00	5,226.76
Seacucumber & Sweed exp	25	119,834.10	34,077.55	44,312.55	10,524.84
Service charge			(1,300.00)	2,600.00	1,800.00
Berthing & derating			50.00		
Catering & Processing exp	23	34,706.93	20,464.96	3,230.04	7,025.19
Crewing service					110,631.71
Legal fee		2,750.00	2,985.00	2,065.00	
Debtors adjustment	10	365,040.16	62,859.23	162,399.50	
Stock adjustment	11	10,888.50	(13,360.05)	90,229.43	
Total Expenses		**2,483,343.46**	**1,950,877.86**	**1,971,901.71**	**2,030,564.13**
Net Operating Profit (Loss)		**376,683.45**	**297,883.48**	**(144,768.89)**	**(61,550.69)**
Plus Non -Operating expense					
PPI	12	(273,486.67)	(174,687.50)	(48,705.18)	(73,712.59)
Less: Non- Operating revenue					
Other revenue					
Government Aids released		439,668.05	373,183.33		
Net Profit (Loss)		**542,864.83**	**496,379.31**	**(193,474.07)**	**(135,263.28)**

Central Pacific Producers LTd
Cash Flow Statement
For the year ended 30 April 2010

	Notes	Apr 10-May 09	Apr 09-May 08	Apr 08-May 07
		2010	2009	2008
		$	$	$
Cash Flows from Operating Activities				
Receipts from Customers		2,937,817.87	2,939,234.07	2,454,917.53
Receipts from Other Operating revenue				
Payments on Other Operating expenses		(3,153,087.66)	(2,742,617.54)	2,171,041.42
Payments to Suppliers & Employees				
	1	**(215,269.79)**	**196,616.53**	**283,876.11**
Cash Flows from Investing Activities				
interest on IBD		1,135.92	1,522.29	879.84
Acquisition of Long term assets		87,581.05	(675,797.76)	(87,786.28)
		88,716.97	(674,275.47)	(58,213.83)
Transfer to IBD				
Subsidy		(66,068.05)	500,000.00	
Cash used in in investing activities		**22,648.92**	**(174,275.47)**	**(145,120.27)**
Cash Flow from financing				
Loan repayment				
Cash receipts from financing activities	2			
Net increase/(Decrease) in cash		(192,620.87)	22,341.06	138,755.85
plus cash at the beginning of the pereiod		(84,326.19)	(106,667.25)	(245,423.10)
Cash at end of period		**(276,947.06)**	**(84,326.19)**	**(106,667.25)**
Note 1				
Reconciliation of Net Profit to net cash equivalent for the year ended 30/04 /10				
Net Profit (Loss) for the year		542,864.83	378,899.06	(340,127.91)
Depreciation		(445,813.37)	604,750.74	520,290.39
PPI		273,486.67	(174,687.50)	
Accrued Expenses		(37,366.75)	27,112.10	30,033.01
interest on IBD		(1,135.92)	1,522.29	(879.84)
Aid released		439,668.05	(373,183.33)	
		771,703.51	**464,413.36**	**209,315.65**
Increase in trade creditors		(45,377.51)	57,637.83	(36,761.02)
Increase in Accounts Receivable		(667,780.30)	(373,645.56)	(12,210.62)
Increase in stock		(73,343.70)	14,855.90	(22,836.31)
Increase in sundry accounts receivable		(23,203.77)	4,696.16	(11,459.57)
Decrease in other currents assets		(172,892.99)	16,330.13	131,649.41
Increase in sundry creditors		(4,375.03)	12,328.71	26,178.57
		(215,269.79)	**196,616.53**	**283,876.11**
Note 2				
Reconciliation of Cash and cash equivalent as at 30 /04/10				
Petty Cash		469.65	730.55	1,264.75
Cash at Bank		(277,416.71)	(85,056.74)	(107,932.40)
		(276,947.06)	**(84,326.19)**	**(106,667.65)**

General Notes to the Financial Statement Year ended

30 April 2010

1.Principle accounting Policies

The financial statement are prepared under the historical cost convention and comply with the international accounting standards:

The significant accounting policies are:

(a) Depreciation

Fixed assets are depreciated on a straight line method to write off the cost/valuations over the expected useful life of the assets.

The rate used are as follow

Office equipment	20%
Plant & machinery	15%
Furniture & fittings	25%
Scale & coolers	20%
Motor Vehicle	20%
Vessels	5%
Ice makers	20%
SSB radio	20%
Buildings	5%
Boat & canoes	15%

(b) Aids item

Aids receive in the form of fixed assets, from the Government of Kiribati and other government agencies are credited to government aids reserve account,in the balance sheet annually a sum equivalent to the amount charge as depreciation for these fixed assets is released to retained earnings through a profit & Loss.

(c) Revenue

Revenue represents the amount received from the fish sales and other services are shown on the P&L

(d) Expenses

They have provided of some note for the explanation as attached with this Financial Statement

Notes to Financial Reports		Apr,10-May,09	Apr 09-May 08	Apr 08-May 07	Apr 07-May 06
		2010	2009	2008	2007
1	**Sales**		$	$	$
	Sales fish	49,185.37	73,301.89	35,645.80	80,584.37
	Discarded fish	495,565.67	253,030.04	208,857.02	88,010.46
	Fillet	6,759.21	8,556.63		4,568.72
	Tuna Jery	7,510.62	4,704.90	56,991.26	574.50
	Tuna Loin				88,965.83
	Fish Ball				664.50
	Smoke fish/Seaworm		14.40	144.00	
	Clam	13,665.63	2,513.10	806.40	
	Eel	5,682.98	1,753.41	563.30	
	Salted fish/Anga ibo		57.22	70.05	
	Octopus	5,176.55	7,930.65	4,532.65	
	Lobster	15,413.32	6,502.85	744.35	
	Prawn			965.50	
	P/tail	20,165.26	6,907.30		
		619,124.61	**365,272.39**	**309,320.33**	**263,368.38**
2	**Cost of Sales**				
	Inventory (1 may 2009)	5,358.84	3,283.84	13,202.06	36,940.19
	Plus Purchases	97,992.71	80,252.62	37,852.40	99,485.48
		103,351.55	**83,536.46**	**51,054.46**	**136,425.67**
	Less inventory (30 April 10	25,560.59	5,358.84	3,283.84	13,202.06
		77,790.96	**78,177.62**	**47,770.62**	**123,223.61**
3	**Agency revenue**				
	Total Revenue	2,737,693.46	1,872,682.13	**1,998,726.24**	**1,319,275.72**
Less :	Total Exp for Agency During the Year	1,828,707.58	855,000.36	**1,227,217.92**	**786,019.23**
	Agency revenue	**908,985.88**	**1,017,681.77**	**771,508.32**	**533,256.49**
Add:	Agency&Management fees	14,412.97	157,200.00		
	Actual income	**923,398.85**	**1,174,881.77**		
4	**Sundry revenue**				
	Packing material/Plastic bags sales		1.50	4.00	300.25
	Surplus/commission	142.10	4.55	2,506.10	338.23
	Handiling			33,557.39	2,800.00
	Band saw				15.00
	Sundry revenue	8,674.16	957.66		
	Damage recovery	1,032.00	619.50	270.00	146.00
		9,848.26	**1,583.21**	**36,337.49**	**3,599.48**
	Expenses				
5	**Salary wages expense**				
	Staff Wages	356,086.14	341,632.32	367,346.92	276,633.60
	Temporary/Cassuals	34,032.80			9,579.53
	Cassuals		7,516.70	36,744.81	54,128.11
		390,118.94	**349,149.02**	**404,091.73**	**340,341.24**
6	**Local travelling & transport**				
	Local travelling	7,350.50	(174.80)	1,612.20	2,917.00
	Vehicles Fuel & oil	24,359.25		42,843.64	4,547.15
	Seasonal ticket /transport	5,505.05	2,229.70	1,211.30	
		37,214.80	**2,054.90**	**45,667.14**	**7,464.15**

7	**Fuel & Oil**				
	Fuel & Oil & for transport		27,953.45		40,077.99
	Fuel & Oil & for Moa, Tiaroa,Ben,	465,859.82	361,545.12	322,666.40	273,029.02
	Fuel & oil for Teriena/ Generator/Boat	10,226.69	15,828.84	15,004.29	43,318.48
	Generator	155,047.28	135,323.56	20,780.80	
	Outer island fuel	22,419.70	15,796.30	17,038.35	
		653,553.49	**556,447.27**	**375,489.84**	**356,425.49**
8	**Repair & Maintenance**				
	Building & Eguipment	10,268.15	12,094.87	12,136.25	8,353.46
	Moamoa	11,443.08	108,565.02	79,229.06	134,429.46
	Tebenebene/Tiaroa	6,792.45	2,885.80	2,761.05	
	Teriena	44.50	65.60	1,492.50	
	Vehicles	7,169.15	14,789.85	21,330.10	
	Gold store &Part acess& Generator	5,509.32	7,591.85	2,270.30	
	Office Eguipemt outer Island	920.50	9,533.85	4,835.60	
	Adjustment & CRJ			(33,611.06)	
		42,147.15	**155,526.84**	**90,443.80**	**142,782.92**
9	**Sundry Expense**				
	Cash refund/sales reimbursement		14,055.65	4,922.45	6,090.22
	Cargo recovery	39.95	4,657.60	3,179.80	1,584.00
	Fishing gear exp		685.00	1,800.00	22.00
	others	5,367.43	920.27	336.60	
		5,407.38	**20,318.52**	**10,238.85**	**7,696.22**
10	**Debtors adjustment**				
	diffirent between the control and the				
	Listing				
	Control	719,865.08	735,970.40	1,482,940.28	
	Less: Total receipt as at 30/4/10			587,017.08	
	Total o/s debts balance			895,923.20	
	List of debtors as provided				
	as at 30/4/10	680,656.55	482,751.03	733,523.70	
	Sub Total	**39,208.53**	**253,219.37**	**162,399.50**	
	D/ADJ		62,859.23		
	PPI		190,360.14		
	Overseas Control	1,734,879.57			
	Listing	1,409,047.94			
	Sub Total	**325,831.63**			
	Ledger Total	**365,040.16**			
11	**Stock adjustment for spare parts and gears**				
	diffirent between the control and the				
	stock list counting as at 30/4/10				
	opening stock 1/5/09	37,298.30	25,077.25	115,306.68	
	closing stock 30/4/10	(26,056.65)	38,437.30	(25,077.25)	
		11,241.65	**(13,360.05)**	**90,229.43**	
	Less: Total receipt as at 30/4/10	-353.15			
		10,888.50			

12	**PPI**				
	Being expense related to				
	previous year agency expenses	268,486.67			
	Kiribati high commissioner	5,000.00		27,380.50	
	Fiji ships			21,324.68	
	adjustment for Creditors		62,195.30		
		273,486.67	**62,195.30**	**48,705.18**	
13	**Trade Accounts receivable**				
	Debtors control (Local)	680,656.55	673,111.17	735,970.40	815,250.68
	Debtors control (overseas)	1,409,047.94	494,335.72	271,078.85	245,951.41
		2,089,704.49	1,167,446.89	1,007,049.25	1,061,202.09
	Less:Provision for Doubtful Debts	(198,904.66)	(198,904.66)	(198,904.66)	(200,407.11)
		1,890,799.83	**968,542.23**	**808,144.59**	**860,794.98**
14	**Sundry Accounts receivable**				
	Staff Imprest control	2,451.26	24,697.04	24,697.04	20,125.05
	Staff fish adv &Salary and others	2,401.26	5,592.22	5,592.22	11,040.00
	Staff salary advance	2,232.97	**30,289.26**	**30,289.26**	**31,165.05**
	Other debtors	6,795.14			
		13,880.63			
15	**Sundry Accounts Payable**				
	Sundry accounts payable			937.90	3,812.58
	Sundry accounts Payable Tax	2,572.76		(1,207.59)	(1,576.95)
	Sundry accounts Payable DBK			(19.50)	30.00
	Sundry accounts Payable KPF Contrib	1,877.28		1,877.28	(1,856.45)
	Sundry accounts Payable KPF Subs	1,877.28			(1,856.45)
	Sundry accounts Payable staff Banking			(163.27)	
	Sundry accounts payable Staff BOK L			(712.36)	
	Sundry accounts payable mobile			770.00	
	House rent Payable			658.00	
		6,327.32		**2,140.46**	**(1,447.27)**
17	**Retained Earnings**				
	Balance Forward	(1,621,521.38)	(2,117,900.69)	(1,924,426.62)	(1,789,163.34)
	plus Net Profit/(Loss)	545,131.63	496,379.31	(193,474.07)	(135,263.28)
	Balance	**(1,076,389.75)**	**(1,621,521.38)**	**(2,117,900.69)**	**(1,924,426.62)**
18	**Government Aids Reserve**				
	Aids in the form of fixed assets are credited to the Government aids reserve				
	in the statement of Financial Position				
	Balance forward	5,412,713.72	5,285,897.05	5,285,897.05	5,285,897.05
		66,068.05	500,000.00	**5,285,897.05**	**5,285,897.05**
	Government Aids released	(439,668.05)	(373,183.33)		
		5,039,113.72	**5,412,713.72**		
27	**Catering & Processing income**				
	Processing sales	17,767.09			
	Catering & Canteen sales	42,763.68			

		60,530.77			
28	**Freight & Handiling**				
	MV Moamoa	633,921.34			
	MV Tebenebene	23,360.47			
		657,281.81			
21	**Accruals expense**				
	Benebene repair	6,000.00			
	Agency exp	12,441.95			
	Ration & water	3,586.00			
	Paye	2,572.76			
	KPF Contr	1,877.28			
	KPF Subs	1,877.28			
	Telephone exp	2,511.48			
	Audit fee	1,500.00			
	PPI	5,000.00			
		37,366.75			
22	**Charge &shift allowance**				
	Acting &charge allowance	1,588.33			
	shift & abnormal allowance	2,473.75			
		4,062.08			
23	**Catering & Processing expense**				
	Catering & CanteenPurchase	28,539.98			
	Processing Purchase	6,166.95			
		34,706.93			
24	**Bank charges**				
	Limit renewal fee O/D	9,000.00			
	Dishonor chqs & fees	7,199.97			
	Debit interest O/D	18,939.97			
	Handiling fees	1,122.80			
	Line fees	1,670.00			
	Transaction fees	816.00			
	Other charges	2,590.40			
		41,339.14			
25	**Seaweed Expense**				
	Seaweed Purchases	115,628.10			
	Seaweed Expense	4,206.00			
		119,834.10			
26	**Ration**				
	Moamoa ration	72,104.10			
	Benebene ration	22,223.34			
		94,327.44			

29	**Charter**				
	MV Moamoa	133,500.00			
	MV Tebenebene	44,522.53			
		178,022.53			
30	**Other Creditors**	USD			
	San Nanumea	8,224.72			
	FCF	20,054.58			
	Tuvalutuna	16,961.71			
	Pacific Star	101,915.75			
		147,156.76			
	AUD rate used .8982	**163,835.18**			

CPPL

Schudule of Assets Ended 30 April 2010

Note,16 & 19

Non-Current Assets

	Office	Plant	Furnture	Scale	Motor	Vessels	Ice	SSB	Buidings	Boat	Total
	Equip	Machinery	Fittings	Coolers	Vehicle		Maker	Radio		Canoes	
	20%	15%	25%	20%	20%	5%	20%	20%	5%	15%	
Cost/Valuation											
Bal as at 1/5/09	42.660.92	279,458.50	3,710.00	63,500.00	226,100.00	4,422,944.91	443,000.00	9,000.00	3,705,295.00	577,154.00	9,772,823.33
Added during the Period	7,398.00					47,022.80		1,950.00	17,609.15	13,601.10	87,581.05
Adjustment											-
Bal as at 30/4/10	50,058.92	279,458.50	3,710.00	63,500.00	226,100.00	4,469,967.71	443,000.00	10,950.00	3,722,904.15	590,755.10	9,860,404.38
Depreciation											
Bal as at 1/5/09	42,660.92	279,458.50	3,710.00	63,500.00	193,840.00	3,925,758.14	443,000.00	9,000.00	1,472,098.08	577,154.00	7,010,179.64
Charged during the Period	1,479.60				32,260.00	223,498.39		390.00	186,145.21	2040.17	445,813.37
Adjustment											-
Bal as at 30/4/10	44,140.52	279,458.50	3,710.00	63,500.00	226,100.00	4,149,256.53	443,000.00	9,390.00	1,658,243.29	579,194.17	7,455,993.01
Net Book Value											
As at 30/4/10	5,918.40	-	-	-	-	320,711.18	-	1,560.00	2,064,660.86	11,560.93	2,404,411.37
As at 30/4/09				-	32,260.00	497,186.77	-		2,233,196.92		2,762,643.69

Note 20

CENTRAL PACIFIC PRODUCER LTD

LIST OF CREDITORS AS AT 30 April 2010

SUPPLIERS	2005	2006	2007	2008	2009	2010	BALANCE	REMARKS
GOVERNMENT COMPANIES								
BKL	$ 32,080.45	$ 5,524.45	$ 3,816.55				$ 41,421.45	
KOIL		$ 776.00					$ 776.00	
KPA	$ 4,890.65	$ 793.07	$ 24,212.25	$ 6,992.45		$ 268,486.67	$ 305,375.09	COURT CASE
PUB				$ 9,729.30			$ 9,729.30	
BSL	$ 13,884.85						$ 13,884.85	
BPA			$ 1,641.20				$ 1,641.20	
AUDIT OF GENERAL	$ 8,400.00						$ 8,400.00	
KIRIBATI HIGH COMMISSION		$ 22,380.50					$ 22,380.50	
Grand Total	$ 59,255.95	$ 29,474.02	$ 29,670.00	$ 16,721.75		$ 268,486.67	$ 403,608.39	

CPPL Consolidated

Balance Sheet as at 30 April 2010

			Apr,10-May,09	Apr,09-May,08	Apr,08-May,07
	2010	2010	2010	2009	2008
	CPPL HQ	Xmas			
Current Assets					
Cash in & at Bank	(277,416.71)	7,510.92	(269,905.79)	(85,056.74)	(107,932.40)
Petty Cash	469.65	400.00	869.65	730.55	1,264.75
Trade Accounts Receivable	1,890,799.83	347,866.65	2,238,666.48	1,508,170.33	1,134,405.77
Sundry Accounts Receivable	13,880.63	7,638.49	21,519.12	40,454.98	45,151.14
Inventory	25,560.59	37,945.18	63,505.77	32,307.62	47,163.52
Stock of Spare Parts	86,535.14		86,535.14	2,527.43	15,339.60
Stock of Fishing Gears	26,409.80		26,409.80	37,298.30	5,944.80
Stock of Catering Gears	989.00		989.00	989.00	3,792.85
Imprest		6,623.25			
	1,767,227.93	**407,984.49**	**2,175,212.42**	**1,537,421.47**	**1,145,130.03**
Less : Current Liabilities					
Accounts Payable	403,608.39		403,608.39	227,642.02	170,004.19
Sundry Accounts Payable	6,327.32	46,631.06	52,958.38	12,402.59	24,731.30
Accrued Expenses	37,366.75		37,366.75	27,112.10	35,408.46
Other Creditors	(163,835.18)				
	283,467.28	**46,631.06**	**330,098.34**	**267,156.71**	**230,143.95**
Working Capital	**1,483,760.65**	**361,353.43**	**1,845,114.08**	**1,270,264.76**	**914,986.08**
Add : Non-Current Assets	**2,404,411.37**	**883,006.16**	**3,287,417.53**	**3,786,122.09**	**3,637,207.33**
Add: IBD	**72,785.15**		**72,785.15**	**71,649.23**	**70,126.94**
Net Worth	**3,960,957.17**	**1,244,359.59**	**5,205,316.76**	**5,128,036.08**	**4,622,320.35**
Represented by the Following:					
PaidUp Share/Capital Reserve	500.00		500.00	1,673,692.67	1,673,692.67
Retained Earnings fwd	(1,621,521.38)	(370,700.63)	(1,992,222.01)	(1,958,370.31)	(2,337,269.37)
Net Profit(Loss)	542,864.83	(58,132.45)	484,732.38		
Government Aids Reserve	5,039,113.72	1,673,192.67	6,712,306.39	5,412,713.72	5,285,897.05
	3,960,957.17	**1,244,359.59**	**5,205,316.76**	**5,128,036.08**	**4,622,320.35**

Explanation note are provided in their separate Account

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Chairman

Board of Directors

24/3/11

Dates

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Directors

Board of Directors

24 - 3 - 11

Dates

CPPL Consolidated

Profit & Loss Statement as at 30 April 2010

	CPPL HQ	**Xmas**	**Apr,10-May,09** **2010**	**Apr,09-May,08** **2009**	**Apr,08-May,07** **2008**
Sales	619,124.61	95,617.33	714,741.94	540,569.12	628,348.52
Less: Cost of Sales	77,790.96	48,214.59	126,005.55	180,681.34	237,951.54
Gross Profit	**541,333.65**	**47,402.74**	**588,736.39**	**359,887.78**	**390,396.98**
Plus : Operating Revenue					
Agency	908,985.88	303,115.11	1,212,100.99	1,283,326.53	808,081.39
Administration fee from Crewing	14,412.97		14,412.97	6,574.85	22,800.00
Charter	178,022.53	21,924.10	199,946.63	157,510.00	110,230.46
Freight & Handling	657,281.81	81,798.59	739,080.40	536,277.79	528,173.66
Hire	1,125.00	25,710.00	26,835.00	18,041.10	29,805.91
Seafare	134,704.67	123,295.77	258,000.44	145,750.54	74,799.65
storage	30,550.80	1,871.00	32,421.80	10,182.61	15,847.75
Ice	21,574.40	6,481.50	28,055.90	24,597.20	21,539.65
interest on IBD	1,135.92		1,135.92	1,522.29	879.84
Fishing gear	353.15		353.15	835.10	32,964.93
Catering & Processing	60,530.77		60,530.77	25,093.04	17,652.94
N [illegible]hare from Fisherman		811.41	811.41	1,662.94	
Rental	3,850.00		3,850.00	15,759.00	14,350.00
Sundry income	9,848.26	7,592.33	17,440.59	9,126.31	37,208.24
Other income &Audit adjustment	55,852.79	309,307.25	365,160.04	162,405.65	72,783.87
Seacucumber/Seaweed	240,464.31		240,464.31		26,535.37
Canoe lease outer island			-		26,005.81
	2,318,693.26	**881,907.06**	**3,200,600.32**	**2,398,664.95**	**1,839,659.47**
Total Revenue	**2,860,026.91**	**929,309.80**	**3,789,336.71**	**2,758,552.73**	**2,230,056.45**
Less Operating Expenses					
Staff Salary/wages	390,118.94	73,697.15	463,816.09	429,018.90	517,403.19
Stationary	18,435.71	3,319.65	21,755.36	18,710.78	29,425.77
Telephone etc	36,329.49	10,238.88	46,568.37	34,068.02	44,346.52
Overseas Travelling	400.00		400.00	3,403.00	7,953.76
Local travelling & transport	37,214.80	3,214.60	40,429.40	5,943.40	47,135.64
Fuel & Oil	653,553.49	40,158.46	693,711.95	830,018.34	420,270.17
Repair & Maintenance	42,147.15	71,653.51	113,800.66	148,052.95	110,191.61
Ration	94,327.44	614.70	94,942.14	56,163.35	36,203.52
Subsidised rent	7,422.60	441.83	7,864.43	7,963.80	4,233.84
KPF Expense	22,780.30	6,071.15	28,851.45	29,568.71	30,930.77
Advertisement & Postage	1,965.60		1,965.60	4,081.87	2,927.25
Freight expenses	3,517.95		3,517.95	29,455.36	53,523.29
Port charges	20,289.54		20,289.54	10,931.26	1,008.60
BOD & Advisory exp	3,925.00		3,925.00	4,030.00	5,685.00
Entertainment	4,345.88	1,145.40	5,491.28	3,447.90	7,611.06
interest & Commission exp	446.00		446.00	482.80	179.40
Survey expenses	1,000.00		1,000.00	1,390.00	475.00
Training			-	620.00	276.25
Bank charges	41,339.14	2,108.44	43,447.58	38,967.48	16,887.96
Custom	1,797.70		1,797.70	8,301.40	1,840.20
insurance			-	5,484.02	17,401.77
Doubtful Debts			-		

Central Pacific Producers LTD
Consolidated Cash Flow Statement
For the year ended of 30 April 2010

	Notes	Apr,10-May,09 2010	Apr,09-May,08 2009	Apr,08-May,07 2008
			$	$
Cash Flows from Operating Activities				
Receipts from Customers		3,915,342.26	2,939,234.07	2,454,917.53
Receipts from Other Operating revenue				
Payments on Other Operating expenses		(3,946,296.93)	(2,742,617.54)	(2,171,041.42)
Payments to Suppliers & Employees				
	1	**(30,954.67)**	**196,616.53**	**283,876.11**
Cash Flows From investing Activities				
interest on IBD		1,135.92	1,522.29	879.84
Acquisition of Long term assets		(88,823.15)	(675,797.76)	(87,786.28)
Transfer to IBD				(58,213.83)
Subsidy		(66,068.05)	500,000.00	
Cash used in investing activities		(153,755.28)	**(174,275.47)**	**(145,120.27)**
Cash Flow from financing				
Loan Repayment				
Cash receipts from Financing activities				
Net increase/(Decrease) in cash		(184,709.95)	22,341.06	138,755.85
plus cash at the beginning of the period		(84,326.19)	(106,667.25)	(245,423.10)
Cash at end of period	2	**(269,036.14)**	**(84,326.19)**	**(106,667.25)**
Note 1				
Reconciliation of Net Profit to net cash equivalent for the year ended 30/4/10				
Net Profit (Loss) for the Year		484,732.38	378,899.06	(340,127.91)
Depreciation		587,527.71	604,750.74	520,290.39
PPI		(273,486.67)	(174,687.50)	
Accrued expenses		(36,366.75)	27,112.10	30,033.01
interest on IBD		1,135.92	1,522.29	(879.84)
Aid released		(439,668.05)	(373,183.33)	
		323,874.54	**464,413.36**	**209,315.65**
Increase in trade creditors		175,966.37	57,637.83	(36,761.02)
Increase in Accounts Receivable		(730,496.15)	(373,645.56)	(12,210.62)
Increase in stock		31,198.15	14,855.90	(22,836.31)
Increase in sundry accounts receivable		18,935.86	4,696.16	(11,459.57)
Decrease in other current assets		184,849.05	16,330.13	131,649.41
Increase in sundry creditors		(35,282.49)	12,328.71	26,178.57
		(30,954.67)	**196,616.53**	**283,876.11**
Note 2				
Reconciliation of Cash and cash equivalent as at 30/4/10				
Petty cash		869.65	730.55	1,264.75
Cash at Bank		(269,905.79)	(85,056.74)	(107,932.40)
		(269,036.14)	**(84,326.19)**	**(106,667.65)**

Depreciation	445,813.37	141,714.34	587,527.71	604,750.74	520,290.39
Overtime	28,065.58	4,549.05	32,614.63	25,265.60	22,889.57
Leave Grant	17,875.00	6,479.20	24,354.20	24,875.00	21,820.61
Licence	8,078.40	734.00	8,812.40	11,591.50	9,114.00
Electricity		14,980.56	14,980.56	8,794.50	61,845.92
Hire expense	15,586.95	11,865.80	27,452.75	7,129.19	37,097.67
Ma[illegible] allowance	13,797.76		13,797.76	22,848.50	488.55
Sundry expense	5,407.38		5,407.38	28,880.38	10,238.85
Materials	1,059.90		1,059.90	707.30	3,051.05
Subsistence Allowance	2,605.70	1,135.00	3,740.70	2,048.10	3,378.75
Audit fee	500.00		500.00	12,900.00	
Charge,Acting & Shift allowance	4,062.08	4,902.38	8,964.46	5,649.79	3,177.03
stevedoring	15,914.92		15,914.92	13,615.90	10,590.88
Accountancy fee			-		3,858.70
Subscription			-		300.00
Seacucumber/Sweed exp	119,834.10		119,834.10	34,943.30	44,312.55
Service charge			-	(1,300.00)	2,600.00
Catering & Processing exp	34,706.93		34,706.93	20,464.96	3,230.04
Berthing & derating			-	50.00	
A[illegible]cy service exp		106,075.15	106,075.15	32,185.42	30,050.60
Other exp		1,663.50	1,663.50		3,461.89
Legal fee	2,750.00		2,750.00	2,985.00	2,065.00
Debtors adjustment	365,040.16		365,040.16	62,859.23	162,399.50
Stock adjustment	10,888.50		10,888.50	(13,360.05)	90,229.43
Export fee		145.00	145.00	161.80	269.25
Vessel exp		298,284.45	298,284.45		118,808.38
Disbursement	10,000.00		10,000.00		
Seaweed exp from Tabuaeran		182,250.05	182,250.05		
Total Expenses	**2,483,343.46**	**987,442.25**	**3,470,785.71**	**2,578,149.50**	**2,521,479.18**
Net Operating Profit & (Loss)	**376,683.45**	**(58,132.45)**	**318,551.00**	**180,403.23**	**(291,422.73)**
Plus Non -operating expense					
PPI	(273,486.67)		(273,486.67)	(174,687.50)	(48,705.18)
Less Non-Operating revenue					
Other revenue					
Government aids released	439,668.05		439,668.05	373,183.33	
Net Profit & (Loss)	**542,864.83**	**(58,132.45)**	**484,732.38**	**378,899.06**	**(340,127.91)**

①

CPPL Xmas Branch

Balance Sheet as at 30 April 2010	Notes	Apr,10-May,09	Apr,09-May,08
		2010	2009
		Xmas	Xmas
Current Assets			
Cash on & at Bank		7,510.92	19,466.98
Petty Cash		400.00	200.00
Trade Accounts Receivable		347,866.65	285,150.80
Sundry Accounts Receivable		7,638.49	10,165.72
Inventory	8	37,945.18	26,948.78
Stock of Spare Parts			
Stock of Fishing Gears			
Stock of Catering Gears			
Imprest	9	6,623.25	
		407,984.49	**341,932.28**
Less : Current Liabilities			
Accounts Payable			27,366.70
Sundry Accounts Payable	10	46,631.06	1,700.24
Accrued Expenses			
		46,631.06	**29,066.94**
Working Capital		**361,353.43**	**312,865.34**
Add : Non-Current Assets	12	**883,006.16**	**1,023,478.40**
Add: IBD			
Net Worth		**1,244,359.59**	**1,336,343.74**
Represented by the Following:			
PaidUp Share			
Retained Earnings fwd		(370,700.63)	(219,368.68)
Net Profit (Loss)		(58,132.45)	(117,480.25)
Government Aids Reserve		1,673,192.67	1,673,192.67
		1,244,359.59	**1,336,343.74**

Explanation note are provided

....
Chairman
Board of Directors

24/3/11
Dates

....
Directors
Board of Directors

24-3-11
Dates

(2)

CPPL Xmas Branch

Profit & Loss Statement as at 30 April 2010

	Note	Apr,10-May,09 2010 Xmas Branch	Apr,09-May,08 2009 Xmas Branch	Total
Sales		95,617.33	174,260.51	269,877.84
Less: Cost of Sales		48,214.59	102,503.72	150,718.31
Gross Profit	11	**47,402.74**	**71,756.79**	**119,159.53**
Plus : Operating Revenue				
Agency		303,115.11	108,444.76	411,559.87
Administration fee from Crewing				-
Charter		21,924.10	6,000.00	27,924.10
Freight & Handling		81,798.59	121,203.75	203,002.34
Hire		25,710.00	16,643.85	42,353.85
Seafare		123,295.77	28,237.15	151,532.92
storage		1,871.00	3,372.95	5,243.95
Ice		6,481.50	7,676.10	14,157.60
interest on IBD				-
Fishing gear				-
Catering & Processing				-
Net share from Fisherman		811.41	1,662.94	2,474.35
Rental				-
Sundry income	1	7,592.33	7,543.10	15,135.43
Other income	2	309,307.25	137,250.00	446,557.25
Seacucumber				-
Canoe lease outer island				-
				-
		881,907.06	**438,034.60**	**1,319,941.66**
				-
Total Revenue		**929,309.80**	**509,791.39**	**1,439,101.19**
Less Operating Expenses				
Staff Salary/wages		73,697.15	79,869.88	153,567.03
Stationary		3,319.65	1,714.69	5,034.34
Telephone etc		10,238.88	2,919.53	13,158.41
Overseas Travelling				-
Local travelling & transport		3,214.60	3,888.50	7,103.10
Fuel & Oil	3	40,158.46	273,571.07	313,729.53
Repair & Maintenance	4	71,653.51	16,996.70	88,650.21
Ration		614.70	6,146.60	6,761.30
Subsidised rent		441.83	553.89	995.72
KPF Expense		6,071.15	5,686.66	11,757.81
Advertisement & Postage				-
Freight expenses			28,908.51	28,908.51
Port charges				-
BOD & Advisory exp				-
Entertainment		1,145.40		1,145.40

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interest & Commission exp				-
Survey expenses				-
Training				-
Bank charges		2,108.44	1,561.34	3,669.78
Custom				-
insurance				-
Doubtful Debts				-
Depreciation		141,714.34	141,610.86	283,325.20
Overtime		4,549.05	11,493.75	16,042.80
Leave Grant	5	6,479.20	6,000.00	12,479.20
Licence		734.00	698.50	1,432.50
Electricity		14,980.56	8,794.50	23,775.06
Hire expense		11,865.80		11,865.80
Marine allowance				-
Sundry expense				-
Materials				-
Subsistence Allowance		1,135.00	600.00	1,735.00
Audit fee				-
Charge,Acting & Shift allowance,Bonus	6	4,902.38	3,043.69	7,946.07
stevedoring				-
Accountancy fee				-
Subscription				-
Seacucumber/Sweed exp		182,250.05	865.75	183,115.80
Service charge				-
Catering & Processing exp				-
Berthing & derating				-
Other exp	7	1,663.50		1,663.50
Legal fee				-
Debtors adjustment				-
Stock adjustment				-
Export fee		145.00	161.80	306.80
Vessel exp		298,284.45		298,284.45
Agency service exp		106,075.15	32,185.42	138,260.57
				-
Total Expenses		**987,442.25**	**627,271.64**	**1,614,713.89**
				-
Net Operating Profit & (Loss)		**(58,132.45)**	**(117,480.25)**	**(175,612.70)**
Plus Non -operating expense				
PPI				
Less Non-Operating revenue				
Other revenue				
Government aids released				
Net Profit & (Loss)		**(58,132.45)**	**(117,480.25)**	**(175,612.70)**

Note to Financial Report for Xmas Branch

1.Sundry income	
Damaged goods	5,171.60
Payin	98.00
Cancellation fees	2,322.73
	7,592.33
2.Other income	
Transfer from HQ for Moamoa	132,563.40
Transfer from HQ for Seaweed	174,600.00
other income from Xmas	2,143.85
	309,307.25
3.Fuel & oil	
Generator	9,152.60
Transport	10,606.10
Packing material	2,497.33
Fishing operation	17,902.43
	40,158.46
4.Repair & Maintenance	
Boats/engines	2,794.31
Servecing & Parts Vehicle	18,238.45
Office equipment	933.00
New Building	49,687.75
	71,653.51
5.Leave Grant	
Staff leave grant	6,000.00
Staff leave pay	479.20
	6,479.20
6.Charge &Acting&shift allow&Bon	
Acting allowance	4,757.38
Bonus	145.00
	4,902.38
7.Other expense	
Donation	1,149.00
RTN Fish market	514.50
	1,663.50

8.Inventory

Spareparts	24,010.50
Packing materials	8,721.06
Fish	1,326.42
Fuel	3,887.20
	37,945.18

9.Imprest

Travelling	1,250.00
Kereboki Agent	5,373.25
	6,623.25

10.Sundry Account Payable

Local Creditors	47,124.76
Tax(recoveries)	581.45
Allotments	250.00
KPF(recoveries)	(976.96)
Independence	260.00
House rent(recoveries)	(608.19)
	46,631.06

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Note,12

	Building 15%	Boats&Engi 15%	P/Machin 15%	Furn&Fitt 25%	Vessels Fish 10%	Motor Veh 20%	Total
Cost							
Balance 1/5/09	742,500.00	88,400.00	410,000.00	22,574.75	126,313.00	57,600.00	1,447,387.75
Additional				1,242.10			1,242.10
Balance 30/4/2010	**742,500.00**	**88,400.00**	**410,000.00**	**23,816.85**	**126,313.00**	**57,600.00**	**1,448,629.85**
Depreciation							
Balance 1/5/09	111,375.00	39,780.00	184,500.00	15,800.43	36,782.62	35,671.30	423,909.35
Charged	**37,125.00**	**13,260.00**	**61,500.00**	**5,574.56**	**12,631.30**	**11,520.00**	**141,610.86**
Tools				103.48			103.48
Balance 30/4/2010	**148,500.00**	**53,040.00**	**246,000.00**	**21,478.47**	**49,413.92**	**47,191.30**	**565,623.69**
NBV 30 April 2010	**594,000.00**	**35,360.00**	**164,000.00**	**2,338.38**	**76,899.08**	**10,408.70**	**883,006.16**

Note,11

	Fish	Lobster	Fuel	P/Material	Total
Sales					
Export	26,186.40				26,186.40
Local	32,914.80		34,018.80	2,497.33	69,430.93
	59,101.20		**34,018.80**	**2,497.33**	**95,617.33**
Less:Cost					
O/stock 1/5/09	1,243.01		1,857.63	5,985.94	9,086.58
Add:Purchases	11,408.30		38,233.00	3,421.39	53,062.69
	12,651.31		**40,090.63**	**9,407.33**	**62,149.27**
Less:C/stock 30/4/2010	1,326.42		3,887.20	8,721.06	13,934.68
	11,324.89		**36,203.43**	**686.27**	**48,214.59**
Gross profit	**47,776.31**		**(2,184.63)**	**1,811.06**	**47,402.74**