# REPORT OF THE AUDITOR GENERAL ON THE ACCOUNT OF

Promoting Transparency and Accountability

KNAO

For the Parliament and the People of Kiribati

## Development Bank of Kiribati
## For The Year Ended 31st December 2010

KIRIBATI NATIONAL AUDIT OFFICE

April 2012

For the Parliament and the People of Kiribati
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KIRIBATI NATIONAL AUDIT OFFICE

*Promoting Transparency and accountability for the Parliament and the People of Kiribati*

# Audit Report

## To the readers of Development Bank of Kiribati's financial statement For the year ended 31 December 2010

The Auditor-General is the auditor of Development Bank of Kiribati (DBK).

The audit covered the company's compliance with the requirements of Part VII of the Public Finances (Control and Audit) 1981 and DBK Act that apply to the financial statements of the DBK for the year ended 31 December 2010.

### Qualification

- We were unable to verify the compliance for the use of the KPF Investment as the fund was amalgamated with the DBK funds.
- Revenue could not be fully verified due to missing deposit books for the months of January to April.

### Qualified Opinion

In my opinion, except for the effects on the financial statements of matters referred to in the qualification paragraph, the financial statements of the DBK for the year ended 31 December 2010:

- Comply with generally accepted accounting practice as they apply in Kiribati;
- Fairly reflect the results of its operations and cash flows for year ended 31 December 2010;
- Fairly reflect the company's financial position for year ended 31 December 2010.

The audit was completed on 25 April 2012, and was the date at which our opinion was expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Board of Directors and the Auditor, and explain our independence.

## Basis of Opinion

We carried out the audit in accordance with the International Organisation of Supreme Audit Institutions' (INTOSAI) Auditing Standards, which incorporate the International Auditing Standards.

We planned and performed the audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements did not have material misstatements, whether caused by fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

The audit involved performing procedures to test the information presented in the financial statements. We assessed the results of those procedures in forming our opinion.

Audit procedures generally include:

- determining whether significant financial and management controls are working and can be relied on to produce complete and accurate data;
- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported data;
- reviewing significant estimates and judgements made by the Board of Directors;
- confirming year-end balances;
- determining whether accounting policies are appropriate and consistently applied; and
- determining whether all financial statement disclosures are adequate.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements.

We evaluated the overall adequacy of the presentation of information in the financial statements. We obtained all the information and explanations we required to support our opinion above.

## Responsibilities of the Board of Directors and the Auditor

The Board of Directors is responsible for preparing the financial statements in accordance with generally accepted accounting practice. The financial statements must give a true and fair view of the financial position of the company for the year ended 31 December 2010 and the results of its operations and cash flows for the year ended on that date. The Board of Directors' responsibilities arise from the Public Finance (Control and Audit) Act 1981 and DBK Act.

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you. This responsibility arises from the Public Finance (Control and Audit) Act 1981.

## Independence

When carrying out the audit we followed the independence requirements of the Kiribati National Audit Office, which incorporates the independence requirements of the International Standards of Auditing.

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

Matereta B Raiman
Auditor General
Kiribati National Audit Office

DEVELOPMENT BANK OF KIRIBATI
BALANCE SHEET
AS AT 31 DECEMBER 2010

| | NOTES | 2010 | 2009 |
|---|---|---|---|
| **CURRENT ASSETS** | | | |
| Bank & Cash | 4 | 196,375 | 69,059 |
| Current Loans | 5 | 5,805,344 | 5,737,179 |
| Debtors | 6 | 16,483 | 7,688 |
| Prepayments | 6 | 20,897 | 17,922 |
| | | 6,039,098 | 5,831,847 |
| ***less* CURRENT LIABILITIES** | | | |
| Creditors | 14 | 107,305 | 118,549 |
| Revolving Fund - Agent's M/Cycle | 15 | 9,098 | 9,098 |
| Interest on ADB Loans | 18 | 170,515 | 157,265 |
| Loans Overpayments | 19 | 322,010 | 303,450 |
| General Insurance Fund | 17 | 0 | |
| ADB Loan - Current Portion | 12 | 144,951 | 144,951 |
| | | 753,879 | 733,313 |
| **WORKING CAPITAL** | | **5,285,219** | **5,098,534** |
| ***add* NON CURRENT ASSETS** | | | |
| Non Current Loans | 5 | 3,299,813 | 3,661,834 |
| Motor Vehicles, Furniture etc. | 3 | 94,710 | 119,943 |
| Long Term loans | 7 | 1,435 | 1,435 |
| | | 3,395,958 | 3,783,212 |
| ***less* NON CURRENT LIABILITIES** | | | |
| Government Loan ADB | 12 | 1,180,069 | 1,180,069 |
| EIB Loan | 12 | 964,985 | 1,330,778 |
| KPF Investment | 12 | 1,709,219 | 1,688,721 |
| | | 3,854,273 | 4,199,568 |
| **NET WORTH** | | **4,826,904** | **4,682,178** |
| **Represented by:** | | | |
| Paid Up Capital | | 4,939,940 | 4,939,940 |
| Accumulated Profits | 8 | -179,119 | -323,845 |
| New Zealand Grant | | 66,082 | 66,082 |
| | | 4,826,904 | 4,682,177 |

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The accompany notes form part of these financial statements.

..............................
Chairman

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Director

DEVELOPMENT BANK OF KIRIBATI
INCOME & EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2010

| | 2010 | 2009 |
|---|---|---|
| Income | 1,128,103 | 1,164,358 |
| Expenditure | 964,139 | 1,016,920 |
| **Net Profit/(Loss) Before Prior Period Items** | 163,963 | 147,438 |
| Prior Period Items | -19,237 | 18,803 |
| **Net Profit/(Loss) after Prior Period Items** | 144,726 | 166,241 |
| Accumulated Profit/(Loss) at 1 Jan 2010 | -323,845 | -490,086 |
| Accumulated Profit/(Loss) at 31 December 2010 | -179,119 | -323,845 |

The accompanying notes form parts of these Financial statements.

DEVELOPMENT BANK OF KIRIBATI
CASH FLOW STATEMENT FOR THE YEAR
ENDED 31 DECEMBER 2010

| | NOTES | 2010 |
|---|---|---|
| **Cash Flow from Operating Activities** | | **$** |
| **Cash Flow from Operating Activities** | | |
| Interest received | | 1,331,707 |
| Cash payment to supplier and employees | | -786,556 |
| | | |
| Total cash received/(used) from operating activities | (B) | 545,151 |
| **Cash Flow from Investing Activities** | | |
| Purchase of Fixed Assets | | -18,510 |
| Gain on disposal | | 610 |
| Net (increase) in loan | | 0 |
| Proceed from Long term Loans | | 0 |
| Total Cash received/(used) from investing activities | | -17,900 |
| **Cash Flow from Financing Activities** | | |
| EIB Loan repayment | | -365,793 |
| Loan procced from KPF | | 0 |
| Interest paid | | -107,017 |
| Government Grant | | 72,876 |
| Total cash received/(used) from financing activities | | -399,934 |
| Rounding off difference | | -1 |
| Net (Decrease)/Increase in cash/cash equivalent | | 127,316 |
| Cash and Cash Equivalent - 1/1/10 | | 69,059 |
| Cash and Cash Equivalent - 31/12/10 | (A) | 196,375 |
| | | |
| **(A)- Details of Cash and Cash Equivalent as at 31/12/10** | | |
| Cash Float | | 200 |
| Cheque Account - Bairiki | | 72,221 |
| Cheque Account - Kiritimati | | 103,439 |
| Interest Bearing Deposit | | 15,547 |
| Cash in Transit | | 4,968 |
| | | 196,375 |
| **(B) - Reconciliation of cash flow from operating activities to net profit** | | |
| Net Profit for the year | | 144,726 |
| Depreciation | | 43,743 |
| | | |
| Government grant | | -72,876 |
| Interest paid | | 127,515 |
| Adjustment of PPI | | |
| Gain on Disposal | | -610 |
| Adjustment of Sinking Fund | | |
| Provision Current Doubtful loan | | 7,971 |
| Provision Non-Current Doubtful loan | | 354,050 |
| (Increase)/Decrease Prepayment | | -2,975 |
| (Increase)/Decrease in Debtors | | -8,795 |
| (Increase)/Decrease in current loan | | -68,165 |
| (Decrease)/Increase in Creditors | | 20,567 |
| (Decrease)/Increase in Sinking fund | | |
| Rounding Off difference | | 545,151 |

## DEVELOPMENT BANK OF KIRIBATI
## DETAILED INCOME & EXPENDITURE STATEMENT
## FOR THE YEAR ENDED 31 DECEMBER 2010

| INCOME | NOTES | 2010 | 2009 |
|---|---|---|---|
| Interest - Commercial Loans | | 823,750.09 | 835,473.74 |
| Interest - Bank Deposit | | 1,223.61 | 209.63 |
| Interest - Staff House Loan | | 25,903.06 | 22,030.07 |
| Interest - Staff Personal Loan | | 4,518.64 | 5,974.29 |
| Interest - Penalty | | 106,582.36 | 99,640.74 |
| Loan Fees | | 77,428.73 | 114,505.26 |
| Recovery Cost | | 0.00 | 2,144.99 |
| Government Grant | | 72,876.16 | 72,876.16 |
| Gain on Disposal | | 610.00 | 1,360.00 |
| Closing fees | | 5,500.00 | 6,904.00 |
| Sundry Income | | 9,710.22 | 3,239.56 |
| | | 1,128,102.87 | 1,164,358.44 |
| **EXPENDITURE** | | | |
| Salaries & Staff Expense | 9 | 522,801.51 | 471,871.78 |
| Leave Grant | | 22,875.00 | 25,500.00 |
| Directors | | 16,434.05 | 17,456.25 |
| Representation | | 0.00 | 200.00 |
| Repair & Maintenance - Motor Vehicle | | 5,674.86 | 10,135.70 |
| Repair & Maintenance - Office Equipment | | 2,176.18 | 509.00 |
| Repair & Maintenance - Computer | | 1,566.15 | 1,514.25 |
| Transportation | | 12,984.85 | 18,299.14 |
| Office Rent | 16 | 35,700.00 | 32,675.00 |
| Electricity | | 18,096.63 | 23,833.01 |
| Telephone, Fax and Emails | | 38,347.42 | 37,988.19 |
| Postage & Telegram | | 1,241.90 | 1,662.40 |
| Printing and Stationery | | 22,951.15 | 30,775.31 |
| Overseas Travel | | 11,240.26 | 14,030.05 |
| Subscriptions | | 313.10 | 851.02 |
| Advertising | | 1,250.80 | 1,584.60 |
| Bank Charges | | 6,250.49 | 6,411.36 |
| Doubtful loans | 11 | 7,970.96 | 34,207.97 |
| Depreciation | 3 | 43,743.31 | 47,653.64 |
| Outer Island Travel | | 18,622.34 | 48,457.63 |
| Operating Cost - Outer Is, Agencies | | 5,363.86 | 8,556.43 |
| Interest on Borrowing | 12 | 127,514.68 | 136,074.67 |
| Loans Writte off | | 4,043.79 | 4,557.12 |
| ADFIP Conference | | 0.00 | 0.00 |
| Debt Written off | | 0.00 | 0.00 |
| Audit Fees | | 0.00 | 0.00 |
| Rebate Interest expense | | 1,760.23 | 846.84 |
| Research and development | | 98.70 | 8,501.66 |
| Sundry Expense | 13 | 35,117.23 | 32,767.34 |
| Total Expenditure | | 964,139.45 | 1,016,920.36 |
| Operating Profit/(Loss) before Prior Period Items | | 163,963.42 | 147,438.08 |
| Prior Period Items | 10 | -19,237.20 | 18,803.40 |
| **Net Profits / (Loss) after Prior Period Items** | | 144,726.22 | 166,241.48 |

## DEVELOPMENT BANK OF KIRIBATI
## NOTES TO THE FINANCIAL STATEMENTS

1 The Development Bank of Kiribati was established by the Development Bank Act 1986 for the provision of long, medium and short term loans as well as the required technical assistance to promote the efficient organization and conduct of business undertakings.

2 Principal Accounting Policies

### 2.1 ACCOUNTING CONVENTION

The Financial Statements have been prepared under the historical cost convention.

### 2.2 CURRENCY

The Financial statements are expressed in Australian Dollars.

### 2.3 DEPRECIATION

Depreciation is calculated to write down fixed assets value in equal installments using the following rates:

| | |
|---|---|
| Furniture & Fittings | 20% |
| Computer Upgrade | 20% |
| Office Improvement | 33.33% |
| Motor Vehicle | 33.33% |
| Fence security Area | 33.33% |

### 2.4 INTEREST AND INVESTMENT INCOME

Interest on loans and income from investments are included in the income and expenditure statement in the accounting period in which they are due.

### 2.5 TURNOVER

Turnover comprises interests, fees and sundry income.

3 Fixed Assets

| | Motor Vehicle | Office Furn & Equip. | Fence Sec. Area | Computer Upgrade | Container | Office Improvement | Total |
|---|---|---|---|---|---|---|---|
| Cost at 1 Jan 2010 | 185,629 | 410,251 | 25,310 | 51,507 | 4,546 | 11,653 | 688,896 |
| Additions | 1,212 | 1,816 | 9,955 | 5,528 | | 0 | 18,511 |
| Disposal / Adjustments | | 0 | 0 | 0 | 0 | 0 | 0 |
| | 186,841 | 412,067 | 35,265 | 57,035 | 4,546 | 11,653 | 707,407 |
| Depreciation | | | | | | | |
| At 1 January 2010 | 136,419 | 375,204 | 11,900 | 29,674 | 4,104 | 11,653 | 568,953 |
| Charge | 20,566 | 10,553 | 5,235 | 7,009 | 381 | 0 | 43,743 |
| Disposal / Adjustmen | 0 | | | | | 0 | 0 |
| | 156,985 | 385,757 | 17,134 | 36,682 | 4,486 | 11,653 | 612,696 |
| Book Value | | | | | | | |
| At 31Dec 2010 | 29,857 | 26,310 | 18,130 | 20,353 | 60 | 0 | 94,710 |
| At 01 Jan 2010 | 49,211 | 35,047 | 13,410 | 21,834 | 441 | 0 | 119,943 |

| | 2010 | 2009 |
|---|---|---|
| **4** Cash & Bank | | |
| Cash on Hand - Petty Cash | 200.00 | 200.00 |
| Bank Account - No. 1 | 72,220.8 | -6,101.7 |
| Bank Account - No. 2 | 0.0 | |
| Bank Account - Kiritimati | 103,439.4 | 54,990.9 |
| Bank Account - IBD | 15,547.3 | 14,327.7 |
| Cash in Transit | 4,967.6 | 5,643.8 |
| | 196,375 | 69,059 |
| Cash in transit Break down | | |
| Abaiang agency | 3,004 | 1,602 |
| Abemama agency | 1,243 | 575 |
| Beru agency | -555 | 0 |
| Nikunau agency | -0 | 102 |
| Onotoa agency | 1 | 270 |
| Marakei agency | 0 | 0 |
| Fanning agency | 240 | 370 |
| Tabnorth agency | 160 | 1,196 |
| Butaritari agency | -58 | 315 |
| Tamana agency | 0 | 0 |
| Nonouti agency | -513 | 873 |
| Maiana agency | 529 | 344 |
| Arorae agency | -296 | 13 |
| Kuria agency | 0 | -18 |
| Aranuka agency | 1,214 | 0 |
| | 4,968 | 5,644 |
| **5** Non Current Loans (maturity beyond 12 months) | | |
| Commercial | 1,856,921 | 2,362,989 |
| Staff House | 335,597 | 425,667 |
| Staff Personal | 47,772 | 36,799 |
| Past Due | 2,225,436 | 1,993,846 |
| Hardcore | 163,413 | 163,889 |
| Total Loans - Non Current Portion | 4,629,139 | 4,983,189 |
| less: Provision for Doubtful Loans | -1,329,326 | -1,321,355 |
| | 3,299,813 | 3,661,834 |
| Current Loans - Active a/c's | | |
| Commercial | 5,679,740 | 5,466,957 |
| Staff House | 99,602 | 60,408 |
| Staff Personal | 26,002 | 46,931 |
| Past Due ( activated accounts) | | 162,882 |
| Hardcore (activated accounts) | | |
| Total Loans - Current Portion | 5,805,344 | 5,737,179 |
| less: Provision for Doubtful Loans | 0 | 0 |
| | 5,805,344 | 5,737,179 |
| Total Loans - Current and Non Current Portion | 9,105,157 | 9,399,013 |

| | 2010 | 2009 |
|---|---|---|
| 6 Debtors | | |
| Vinster | 0 | |
| Loan Deposit | 163 | 163 |
| **Unresolved Receivables** | 4,537 | 4,537 |
| | 4,700 | 4,700 |
| *less*: Provision for Doubtful Debts | -2,630 | -2,630 |
| | 2,070 | 2,070 |

** Unresolved Receivables consist of:
*Agencies cash shortage $ 4144, Wishing star $264.46, Unknown $128.22*

| | 2010 | 2009 |
|---|---|---|
| Suspense & Clearing a/c | | |
| Salary clearing | -1,157 | -1,026 |
| Loan Deposit | 0 | |
| Staff Imprest | 3,527 | 2,615 |
| Others | 8,972 | 72 |
| Renovation | 3,071 | 3,071 |
| Bounce cheque | 0 | 886 |
| *less:* Provision for doubtful debts | 0 | |
| | 14,413 | 5,618 |
| Prepayments | | |
| Deffered Expenditure - Xmas Office Extension | 17,922 | 17,922 |
| Office Rent | 2,975 | 0 |
| | 20,897 | 17,922 |
| Trade Debtors | 37,380 | 25,609 |
| 7 Long Term Loans to Subsidiaries | | |
| OHL | 1,435 | 1,435 |
| | 1,435 | 1,435 |
| 8 Accumulated Profits/(loss) | | |
| Balance at 1 Jan 2010 | -323,845 | -490,086 |
| Plus Profit/(loss) for the year | 144,726 | 166,241 |
| | -179,119 | -323,845 |
| 9 Salaries & Staff Benefits | | |
| Salaries & wages | 449,732 | 400,694 |
| Overtime | 7,638 | 9,881 |
| Staff allowances | 13,922 | 12,522 |
| Provident fund | 31,409 | 24,175 |
| Staff expense | 0 | 5,180 |
| House Rent subsidy | 20,101 | 19,420 |
| Workmens Compensation | 0 | 0 |
| | 522,802 | 471,872 |

**10 Prior Period Items**

| | 2010 | 2009 |
|---|---|---|
| Variances between MYOB and Loan System | 21,252.6 | -22,080.0 |
| Clearing outer Island balances relating to prior years | | |
| Understatement of Interest on penalty | | -9,248 |
| Wrong posting for Business development | -5,495 | |
| Interest on Bank Deposit and Perincipal amount ommitted | | |
| Cancellation of Sinking Fund based on Auditors recommendation | | |
| Interest Adjustments | -787 | -1,911 |
| KPF Rent for December 2009 | 2,975 | |
| Phone bill for DBK xmas | 0 | 2,549 |
| Unclaimed cheques appeared in BST | 983 | |
| Kietau Tabwebweiti | | 3,309 |
| Reversing Double posting of Payroll 6&7 in 2008 | | 6,666 |
| Overstatement /(Understatement) of depreciation | | 1,162 |
| Cancellation of Penalty charges | 309 | |
| Correction of Loan deposit for Ioane | | 750 |
| | 19,237 | -18,803 |

**11 Provision for Doubtful Loans**

| Provision for Doubtful Loans | | | 2010 | 2009 |
|---|---|---|---|---|
| **Active Loans** | | | | |
| Commercial | 7,536,661 @ | 5% | 376,833 | 390,739 |
| Staff Personal | 73,744 @ | 2% | 1,475 | 1,713 |
| Staff House | 435,199 @ | 2% | 8,704 | 9,775 |
| Total Provision Required | | | 387,012 | 402,227 |
| *less* Provision already provided | | | 402,227 | 376,684 |
| additional provision required/(write back) | | | -15,215 | 25,543 |
| **Past Due Loans** | | | | |
| Pastdue | 2,225,436 @ | 35% | 778,902 | 754,855 |
| Total Provision Required | | | 778,902 | 754,855 |
| *less* Provision already provided | | | 754,855 | 778,755 |
| additional provision required/(write back) | | | 24,047 | -23,900 |
| **Hard Core Loans** | | | | |
| Hard Core | 163,413 @ | 100% | 163,413 | 164,274 |
| Total Provision Required | | | 163,413 | 164,274 |
| *less* Provision already provided | | | 164,274 | 177,384 |
| *less* Written - off (60% provision) | | | | 0 |
| additional provision required/(write back) | | | -861 | -13,110 |
| Total Provision Required for the Year | | | 1,329,327 | 1,321,356 |
| *less* Provision already provided | | | 1,321,356 | 1,332,823 |
| Additional Provision Required/(write back) | | | 7,970.93 | -11,467 |

**DEVELOPMENT BANK OF KIRIBATI**
**WORKSHEET AS AT 31 Dec 2007**

| **Balance Sheet items** | | |
|---|---|---|
| **CURRENT ASSETS** | **2007 Trial Bal** | |
| Bank Account - Head Office | 72,220.77 | |
| Bank Account - Xmas | 103,439.37 | |
| Bank Deposits | 15,547.27 | |
| Petty Cash - Head Office | 150.00 | |
| Petty Cash - Xmas | 50.00 | |
| Petty Cash - Abemama | 0.00 | |
| Petty Cash - Abaiang | 0.00 | |
| Petty Cash - Butaritari | 0.00 | |
| Petty Cash - Tab North | 0.00 | |
| **Bank & Cash** | **191,407.41** | **730,317.12** |
| Abaiang agency | 3,003.61 | |
| Abemama agency | 0.00 | |
| Beru agency | -0.00 | |
| Nikunau agency | 0.00 | |
| Onotoa agency | 0.50 | |
| Marakei agency | 0.00 | |
| Fanning agency | 240.35 | |
| Tabnorth agency | 159.60 | |
| Butaritari agency | 0.00 | |
| Tamana agency | 0.00 | |
| Nonouti agency | 0.00 | |
| Maiana agency | 529.45 | |
| Arorae agency | 0.00 | |
| Kuria agency | 0.00 | |
| Aranuka agency | 1,214.25 | |
| Cash in transit | **5,147.76** | |
| Vinster | 0.00 | |

| | | |
|---|---|---|
| Loan Deposit | | |
| Unresolved receivables | 4,536.68 | |
| Provision for doubtful debt | -2,630.00 | |
| **Debtors** | **1,906.68** | **1,906.68** |
| Suspense Re: Sal./Wages Cle | -1,156.68 | |
| Suspense Re: Loan Deposit | 163.00 | |
| Suspense Re: Staff Imprest | 3,526.97 | |
| Suspense Re: Others | 8,971.52 | |
| Suspense Re: Renovation | 3,071.45 | |
| Provision for doubtful debt | 0.00 | |
| Suspense & Clearing a/c | **14,576.26** | **19,136.85** |
| Deffered Expenditure - Xmas | 17,921.68 | |
| Prepayment | **17,921.68** | **17,921.68** |
| Hardcore loans | 163,412.54 | |
| Provision for Hardcore Loans | -163,412.54 | |
| Pastdue Loans | 2,225,435.63 | |
| Provision for Pastdue Loans | -778,902.47 | |
| Loans - Commercial | 7,536,661.07 | |
| Loans - Staff House | 435,199.12 | |
| Loans- Staff Personal | 73,774.23 | |
| Provision for Doubtful loans | -387,011.08 | |
| **Total Loans(Current & Non Current)** | **9,105,156.50** | **8,886,175.49** |
| **<u>CURRENT LIABILITIES</u>** | | |
| Interest on ADB Loans | -170,515.02 | |
| Interest on EIB Loans | 0.00 | |
| KPF Investment | -1,709,219.20 | |
| Greditors | 35.00 | |
| **Greditors** | **-1,879,699.22** | **-1,657,469.28** |
| Suspense Re: H/Rent Clearence | -186.35 | |
| Suspense Re: Xmas Branch H | -7,086.41 | |
| Suspense Re: Bank errors | -7,818.07 | |
| Suspense Re: Staff fund | 0.00 | |
| Suspense Re: Unclaimed cheques | 58,635.24 | |

| | | |
|---|---|---|
| Suspense Re: Loan system credit balance | -322,010.19 | |
| Suspense Re: Phone Clearence | 4.55 | |
| Suspense Re: Loan Refund | 3,322.81 | |
| Suspense Re: Missing Telmo | -12,017.70 | |
| Suspense Re: Project Development | 0.00 | |
| Suspense Re: Commercialiasation Project | -12,647.31 | |
| Suspense Re: Vinstar Expenses | 0.00 | |
| Suspense Re: Loan Adjustments | -14,559.89 | |
| Suspense Re: Unknown | 1,700.00 | |
| Suspense & Clearing a/c | **-312,663.32** | **-190,155.74** |
| Agent M/Cycle Revolving Fund | -9,098.10 | -12,343.20 |
| Workmen Compensation | 0.00 | |
| Motor Vehicles | 0.00 | |
| Furniture and fittings | 0.00 | |
| Sinking Fund- Insurance Coverage | **0.00** | **-50,810.08** |
| **Long Term Loan-ADB** | **-1,325,021.15** | **-1,325,021.15** |
| **NON CURRENT ASSETS** | | |
| Office Furniture and Equipment | 412,067.15 | |
| Provision for Depreciation | -385,756.77 | |
| Motor Vehicles | 186,841.40 | |
| Provision for Depreciation | -156,984.68 | |
| Fence for Seurity Area | 35,264.57 | |
| Provision for Depreciation | -17,134.17 | |
| Office Improvement | 11,652.75 | |
| Provision for Depreciation | -11,652.75 | |
| Computer Upgrade | 57,035.27 | |
| Provision for Depreciation | -36,682.37 | |
| Container | 4,545.52 | |
| **Motor Vehicles, Furniture etc..** | **-4,485.52** | **83,381.52** |
| Long term Loans - OHL | **1,435.20** | **1,435.20** |
| **NON CURRENT LIABILITIES** | | |
| **Long Term Loan-EIB** | **-964,984.35** | **-2,459,496.88** |
| **BANK INTEREST** | | |

| | | |
|---|---|---|
| Paid Up Capital | -4,939,940.31 | -4,120,265.18 |
| New Zealand Grant | -66,082.10 | -66,082.10 |
| Retained Earnings | **323,844.95** | **428,385.07** |
| | | |
| **P&L Items** | | |
| | | |
| **INCOME** | | |
| Interest - Commercial Loans | -823,750.09 | |
| Interest - Bank Deposits | -1,223.61 | |
| Interest - Staff House Loan | -25,903.06 | |
| Interest - Staff Personal Loan | -4,518.64 | |
| Interest - Penalty | -106,582.36 | |
| Loan Fees | -77,428.73 | |
| Gain on disposal | -610.00 | |
| Recovery Cost | 0.00 | |
| Closing Fees | -5,500.00 | |
| Government Grant | -72,876.16 | |
| Sundry Income | -9,710.22 | |
| **Total Income** | **-1,128,102.87** | **-1,157,830.60** |
| | | |
| **EXPENDITURE** | | |
| Salaries & wages | 449,731.88 | |
| Overtime | 7,637.95 | |
| Staff allowances | 13,921.75 | |
| Provident fund | 31,408.68 | |
| Staff expense | 0.00 | |
| House Rent subsidy | 20,101.25 | |
| Workmens Compensation | 0.00 | |
| **Salaries & staff expense** | **522,801.51** | **428,857.74** |
| Leave grant | 22,875.00 | |
| Directors | 16,434.05 | |
| Representation | 0.00 | |
| Repair & maitenance - Motor Vehicle | 5,674.86 | |

| | | |
|---|---|---|
| Repair & maitenance - Office & Equipment | 2,176.18 | |
| Repair & maitenance - Computer | 1,566.15 | |
| Transportation | 12,984.85 | |
| Office Rent | 35,700.00 | |
| Telepone fax & Emails | 38,347.42 | |
| Electricity | 18,096.63 | |
| Postage & Telegram | 1,241.90 | |
| Printing & stationery | 22,951.15 | |
| Overseas Travel | 11,240.26 | |
| Subsciptions | 313.10 | |
| Advertising | 1,250.80 | |
| Representation | 0.00 | |
| Bank charges | 6,250.49 | |
| Legal lawyers fees | 150.00 | |
| Doubtful loans | 7,970.96 | |
| Depreciation | 43,743.31 | |
| Outer Island Travel | 18,622.34 | |
| Operating cost - Outer Is. Agencies | 5,363.86 | |
| Interest on Borrowings | 127,514.68 | |
| Loans written off | 4,043.79 | |
| ADFIP Conference | 0.00 | |
| Audit fees | 0.00 | |
| Rebate Interest expenses | 1,760.23 | |
| Debt written off | 0.00 | |
| Research & Development | 98.70 | |
| | **406,370.71** | 412,150.10 |
| Training | 32,136.17 | |
| Promotions | 1,055.00 | |
| Legal and Lawyers Fees | 150.00 | |
| Janitorial | 937.85 | |
| Loan adjustments-sundry expense | 287.30 | |
| Insurance Coverage | 0.00 | |
| Sundry expense | 550.91 | |

| | | |
|---|---|---|
| **Sundry expense** | **35,117.23** | **58,642.27** |
| Prior Period Items | 0.00 | -28,835.51 |
| | | **-0.00** |

**Calculation of Current and Non Current 2010**

| | | |
|---|---|---|
| **Commercial Loans** | | |
| Annuity Dec 2010 | 473,311.66 X 12 | 5,679,740 |
| Portfolio | | 7,536,661 |
| Less: Current Portion | | 5,679,740 |
| Non Current Portion | | 1,856,921 |
| **Staff House Loans** | | |
| Annuity Dec 2010 | 8,300.16 X 12 | 99,602 |
| Portfolio | | 435,199 |
| Less: Current Portion | | 99,602 |
| Non Current Portion | | 335,597 |
| **Staff Personal Loans** | | |
| Annuity Dec 2010 | 2,166.82 X 12 | 26,002 |
| Portfolio | | 73,774 |
| Less: Current Portion | | 26,002 |
| Non Current Portion | | 47,772 |