

REPORT OF THE AUDITOR GENERAL ON THE ACCOUNT OF



**Kiribati Ports Authority
For the Years Ended 31st December 2017**

**Kiribati Audit Office
August 2018**

KIRIBATI AUDIT OFFICE



P.O BOX 63
Bairiki, Tarawa
Kiribati

Tel1: (686)75021118
Tel2: (686)75021335
Email: support@kao.gov.ki

Audit for an impact for the public

INDEPENDENT AUDITOR'S REPORT

**To The Readers Of
Kiribati Ports Authority Financial Statements
For The Year Ended 31 December 2017**

The Auditor-General, Mrs Matereta Raiman is the auditor of Kiribati Ports Authority.

The audit covered the Company's compliance with the requirements of Part VII of the Public Finance (Control and Audit) Ordinance 1976, KPA Act 1990 and the SOE Act, 2013 that apply to the Financial Statements of the KPA for the year ended 31 December 2017.

KPA Board of Directors and Management Responsibility.

The Board of Directors and Management are 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

It is my responsibility to express an independent opinion on these Financial Statements and reporting that opinion to you as required under the Public Finance (Control and Audit) Ordinance 1976. The audit was conducted in accordance with the Generally Accepted Accounting practice in Kiribati and the International Standards of Supreme Audit Institutions.

Qualification Paragraph:

- We were unable to verify Retained Earnings opening and closing balances for 2017 as breakdown or working out provided still did not explain the variances found.
- Amount credited to SAOK of \$12,983 being for overtime/overseas bonus/unlasing cannot be verified as supporting documents were not available.
- Provision for Doubtful Debts Xmas of \$1,033,761 as per Financial Statement did not match the provision amount stated in Note 1 of \$1,025,156 thus resulted in a variance of \$8,605.

- KIRIBATI AUDIT OFFICE
- We were unable to verify adjustment made to Barges (Fixed Assets) mainly the charge of depreciation of \$11,608 due to the following:

- Contra entry to Accumulated Depreciation was not entered.
- Net Book Value for Barges in 2016 was zero meaning it was fully depreciated in 2016, and an additional depreciation charge made as per adjustment mentioned, would then cause the Barge Value as at end of 2017 to be negative.

Qualified Opinion

In my opinion except for the effects of the matters referred to in the qualification paragraph as above, the Financial Statements present fairly, in all material respects, the Financial Position of KPA for the year ended 31st Dec, 2017 and the results of its operations and its cash flows for the years then ended in accordance with Generally Accepted Accounting Practice in Kiribati.

The audit was completed on 29 June, 2018, and was the date at which my opinion was expressed.

Report on other Legal and Regulatory Requirements

KPA lodged its Financial Statement on 01/02/2018 and the audited account is to be submitted to SOE MAU before 30 June, 2018 therefore indicated KPA compliance with Sec. 20 of SOE Act, 2013 and SOE MAU deadline.

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 Supreme Audit Institutions.

Other than the audit, we have no relationship with or interest in KPA.

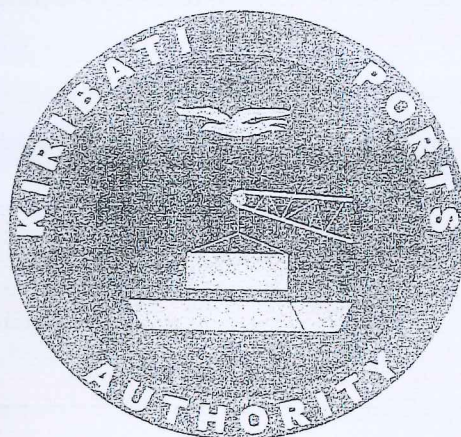

.....
Mrs. Matereta. Raiman,
Auditor General

Date: 29/06/2018

KIRIBATI PORTS AUTHORITY

ANNUAL ACCOUNTS

FOR THE YEAR 2017



January 2018

KIRIBATI PORTS AUTHORITY

ANNUAL ACCOUNTS

FOR THE YEAR 2017

Policies

1) The Kiribati Ports Authority referred to as the Authority was established under the the Kiribati Port Authority Act 1990 and commenced its operations in January 2000. As stipulated in the Act, the Authority is legally discharged with the responsibility of providing port and navigational services within the waters and land contiguous thereto in Kiribati declared by the Minister to be a port.

Its financial year is from January to December. KPA uses the Australian dollar which is the official currency of Kiribati.

2) Accounting Policy

The annual accounts were prepared under the historical cost convention in accordance with generally accepted accounting principles, standards and statutory requirements in Kiribati. The principle accounting policies adopted by the Authority are as follows:

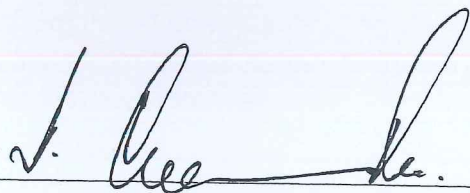
- a) Prepared on the accruals basis
- b) Depreciation is charged over the useful life of the fixed assets
- c) Amortisation of the Aid Reserve is done annually at a rate equivalent to the depreciation rates for the fixed assets that were purchased

3) Prior Year adjustments

The accounts for 2017 reflect adjustments made for all revenues and costs incurred in prior years as analysed in Note 1 and form a significant net cost in the profit and loss account.

KIRIBATI PORTS AUTHORITY
CONSOLIDATED INCOME STATEMENT
For the year ended 31st December 2017

	31-12-17	31-12-16	31-12-15
Operating revenue for the year	8,016,456	8,485,321	7,690,498
Less:			
Operating expenses for the year	7,996,387	8,067,781	7,366,014
Operating profit(loss) for the year	20,069	417,540	324,484
Add:			
Amortisation of Aid Reserve	2,351,098	2,351,098	1,570,585
Add:			
Other Items <i>Note 2/18 14.</i>	(3,248,861)	0	(30,427)
Net profit for the year	(877,694)	2,768,638	1,864,642
Add:			
Retained Earnings - The beginning of the year	13,192,338	14,746,224	12,982,055
Retained Earnings - Adjustments for the year	(6,981)	(4,322,524)	(100,474)
Retained Earnings - The end of the year	12,307,663	13,192,338	14,746,224



Chairman, KPA Board of Directors

General Manager KPA

KIRIBATI PORTS AUTHORITY
CONSOLIDATED INCOME STATEMENT
For the year ended 31st December 2017

	Note	31-12-17	31-12-16	31-12-15
INCOME				
Income - Tarawa		6,973,085	7,949,828	6,878,765
Income Kiritimati		1,043,371	535,493	811,734
TOTAL INCOME		8,016,456	8,485,321	7,690,498
EXPENSES				
Employment Costs - Tarawa		2,706,261	2,965,707	2,372,495
Employment Costs - Kiritimati		393,179	303,572	305,870
Total Employment Costs		3,099,439	3,269,279	2,678,365
Other Costs - Tarawa		1,599,674	1,649,149	1,642,177
Other Costs - Kiritimati		171,265	148,476	256,181
Total Other Costs		1,770,939	1,797,624	1,898,358
Depreciation - Tarawa		3,025,178	2,899,801	2,686,785
Depreciation - Kiritimati		100,830	101,076	102,506
Total Depreciation		3,126,009	3,000,878	2,789,291
TOTAL EXPENSES		7,996,387	8,067,781	7,366,014
OPERATING PROFIT		20,069	417,540	324,484
OTHER INCOME				
Amortisation of aid reserve - Tarawa		2,261,098	2,261,098	1,480,585
Amortisation of aid reserve - Kiritimati		90,000	90,000	90,000
TOTAL OTHER INCOME		2,351,098	2,351,098	1,570,585
OTHER EXPENSES				
Loss from Prior Period Items - Tarawa	1	2,223,705	0	0
Loss from Prior Period Items - Kiritimati	1	1,025,156	0	30,427
TOTAL OTHER EXPENSES		3,248,861	0	30,427
NET PROFIT		(877,694)	2,768,638	1,864,642

KIRIBATI PORTS AUTHORITY
INCOME STATEMENT - TARAWA MAIN OFFICE
For the year ended 31st December 2017

	Note	2017	2016	2015
INCOME				
O/Vessel - FCL Discharge		899,358	1,380,318	899,193
O/Vessel - MT Discharge		14,620	8,929	56,790
O/Vessel - B/B Discharge		75,840	173,236	151,697
O/Vessel - FCL Loaded		221,600	108,600	72,900
O/Vessel - MT Loaded		290,400	482,909	293,192
O/Vessel - B/B Loaded		30,681	7,727	10,905
O/Vessel - FCL Shifted		400	0	0
O/Vessel - MT Shifted		4,360	7,735	1,437
L/Vessel - FCL Loaded		2,026	857	0
L/Vessel - B/B Loaded		70	0	0
Lighterage - Import/Export		2,681	0	9,759
Hatch Lifting		0	172	0
Container Lashings		35,920	57,880	42,320
Hire - Teraoi		0	150	0
Hire - Tabuariki		0	600	0
Hire - Tauraoi		0	0	1,575
Hire - Tug with Barge		0	1,070	2,365
Hire - Barge		0	0	1,560
Hire - Water Pump		0	40	0
Hire - Labour		0	0	948
Hire - Tarawa Pilot		60,206	34,994	16,862
Ration		9,430	0	0
Ports Security Services		162,067	115,903	139,907
Environmental Levy Fee		74,982	55,475	64,009
Miscellaneous Revenue		374,711	320,676	286,966
Casual Labour		42,034	0	0
Overtime Charged		195,771	291,302	83,970
Food Ration		114,409	151,759	35,404
Overseas Bonus		129,024	176,778	46,271
Port Dues		487,351	205,532	434,730
Inner Anchorage		18,895	15,191	5,714
Dockage		113,073	116,783	111,739
Loading/Unloading		221,139	429,693	403,299
Mooring		2,908	0	0
Port Handling Charge		2,426,671	2,581,108	2,552,760
Wharfage - L/Vessel: Carrier		4,752	30,259	65,327
Wharfage - L/Vessel: KPA		1,559	678	78,230
Container Delivery - Betio		0	0	(160)
Overtime		93,916	182,529	97,838

KIRIBATI PORTS AUTHORITY
INCOME STATEMENT - TARAWA MAIN OFFICE
For the year ended 31st December 2017

	Note	2017	2016	2015
INCOME (continued)				
Pilotage & Survey Fee		29,724	71,663	74,067
Agency Fee		0	1,141	(20)
Other Agency Revenues		0	398	1,046
Hire - Tower Crane		(2,588)	0	0
Hire - KATO Crane		17,500	5,360	2,891
Hire - Tadano Crane		11,240	38,920	28,179
Hire - Crane Truck		12,210	23,171	6,000
Hire - Truck 2t		480	180	100
Hire - Tractor		0	0	1,340
Hire - Tractor with Trailer		1,125	0	0
Hire - Forklift 35t		21,450	9,590	15,365
Hire - Forklift 25t		10,250	15,700	2,750
Hire - Forklift 7t		9,970	16,501	10,892
Hire - Forklift 1t/2t		2,020	656	120
Hire - Prime Mover		37,695	48,052	23,891
Hire - Container Trailer		11,430	17,647	5,625
Hire - Tyre Repair		0	0	0
Hire - Sidelifter		253,287	350,570	368,077
Jetty Toll Fare		746	15,006	16,458
Hire - Reach Stacker		450	0	1,350
Tyre inflating		15	0	10
Tyre repair		2,008	1,200	1,000
Engine troubleshooting		0	0	20
Gas Welding		20	0	0
Battery charging		10	0	0
Photocopy		8	180	12
Internet		5	20	968
Printing		25	15	154
IBD Interest		7,718	30,968	25,835
Salaries Bank Charge		2,449	2,099	2,052
Administration Fees		6,229	8,900	9,065
New KPA Tariff		40	30	50
Agency Revenues		0	0	1
Storage - Reefer Cargoes		118,755	6,073	3,580
Storage - Perishables		0	4,928	0
Storage - Transshipment Reefer		0	16,240	113
Storage - Imports/Exports		146,479	228,996	282,273
Warehouse Sales		158,381	48,741	27,994
Demurrage		0	48,000	0
Penalty Fee - Urgent Release		3,100	0	0
TOTAL INCOME		6,973,085	7,949,828	6,878,765

KIRIBATI PORTS AUTHORITY
INCOME STATEMENT - TARAWA MAIN OFFICE
For the year ended 31st December 2017

	Note	2017	2016	2015
EXPENSES:				
EMPLOYMENT COSTS:				
Salaries		1,274,138	1,239,898	1,068,329
Casual Labour		68,043	125,454	153,787
Overtime		493,441	644,995	385,193
Allowances		109,516	120,245	131,666
Temporary Assistance		51,023	65,166	57,666
Overseas Bonus		138,697	166,238	113,507
KPF Contribution		102,475	107,268	98,324
Rent Subsidy		111,936	104,088	97,857
Food Ration		126,429	165,338	53,145
Leave Grant/Pasage		230,562	227,017	213,020
TOTAL EMPLOYMENT COSTS		2,706,261	2,965,707	2,372,495

OTHER COSTS				
Hire - Vessel Operations		0	12,220	23,810
R & M - Land & Buildings		34,179	1,617	532
Wreck & Salvage		0	0	24,300
Pilotage & Survey		10,485	30,205	58,016
Fuel - Machinery		150,355	194,851	254,808
Engine Oil & Others		29,889	0	0
Repairs & Maintenance		437,415	529,116	332,907
Office Supplies & Stationeries		35,314	42,223	240,848
Computer Supplies		504	1,454	0
Telecom Charges		37,652	39,197	34,770
Public Utilities Charges		265,565	250,430	244,759
Advertising & Announcements		12,565	6,784	11,237
Council Service Charges		0	465	3,800
IT Computer Supplies		11,468	35,770	19,186
IT Network & Licence Costs		55,805	74,930	33,983
IT Equipment		12,357	0	0
Travelling - Overseas		201,943	121,498	125,852
Travelling - Local		3,433	3,033	10,220
Staff Transport		11,813	29,635	48,334
Staff Training		111,542	3,762	(2,419)
Board Sitting Allowances		24,696	22,285	14,945
Board Expenses		5,231	3,370	2,922
Entertainment		4,374	772	560
Subscription Fee		150	0	0
Registration & Licence Fee		1,025	0	0
Court & Legal Fee		33,800	22,899	25,150
Donations		10,400	5,100	5,000
Uniforms		13,416	798	3,444
Safetyware		7,559	47,696	2,515

KIRIBATI PORTS AUTHORITY
INCOME STATEMENT - TARAWA MAIN OFFICE
For the year ended 31st December 2017

	Note	2017	2016	2015
OTHER COSTS (continued)				
Interview Expenses		465	5,770	3,495
Sundry Expenses		34,762	34,028	25,766
Hire - Security Services		11,316	0	0
Repairs and Maintenance		0	0	0
Warehouse Expenses		18,554	17,048	398
Bank Charges		8,643	75,195	93,040
Audit & Accountancy Fees		3,000	0	0
Doubtful/Bad Debts			36,997	0
TOTAL OTHER COSTS		1,599,674	1,649,149	1,642,177
Depreciation Expense		3,025,178	2,899,801	2,686,785
TOTAL EXPENSES		7,331,113	7,514,657	6,701,458
OPERATING PROFIT/(LOSS)		(358,028)	435,171	177,307
OTHER INCOME				
Amortisation of Aid Reserve		2,261,098	2,261,098	1,480,585
TOTAL OTHER INCOME		2,261,098	2,261,098	1,480,585
OTHER EXPENSES				
Loss from Prior Period Items	1	2,223,705	0	0
TOTAL OTHER EXPENSES		2,223,705	0	0
NET PROFIT/(LOSS) TARAWA		(320,635)	2,696,269	1,657,893

KIRIBATI PORTS AUTHORITY
INCOME STATEMENT - KIRITIMATI BRANCH
For the year ended 31st December 2017

	Note	2017	2016	2015
INCOME				
Anchorage		50,189	14,798	308,070
Berthing		7,610	8,181	9,974
Pilotage & Survey		52,042	54,625	65,091
Stev O/V - FCL Discharge		92,400	56,200	25,200
Stev O/V - B/B Discharge		55,021	45,074	55,443
Stev O/V - FCL Loaded		31,200	21,800	200
Stev O/V - MT Loaded		26,100	8,700	8,600
Stev O/V - B/B Loaded		5,264	8,614	31,799
Stev O/V - Hatch Lifting		100		
Stev O/V - FCL Shifted		0	2,000	0
Stev O/V - BB Shifted		0	500	187
Stev O/V - Container Lashing		0	0	562
Stev L/V - FCL Discharge		555	0	4,400
Stev L/V - B/B Discharge		13,000	0	5,716
Stev L/V - FCL Loaded		0	0	109
Stev L/V - MT Loaded		0	35	0
Stev L/V - B/B Loaded		2,219	0	1,969
Stev L/V - Hatch Lifting		0	400	0
Mooring		14,812	8,175	10,082
Overtime		38,228	24,034	24,961
Mooring		14,204	7,277	9,801
Environment Fee		6,313	5,707	35,739
Port Security Services Fee		7,500	1,450	1,839
Administration Fee		713	3,216	3,543
Overseas Bonus		17,298	10,845	14,926
Port Security Fees		0	400	800
Wharfage (L/ Vessels)		75,897	21,359	1,891
Handling (L/ Vessels)		(25)	31,995	51,195
Wharfage (O/ Vessels)		265,298	110,018	49,322
Loading/Unloading (O/Vessel)		0	0	12,205
Storage - Iron Rod		0	0	44
Storage - General Cargoes etc		7,807	1,312	3,777
Hire - Barge/Boat		3,900	3,950	2,650
Hire - Truck		4,430	1,293	100
Hire - Crane		12,608	11,025	10,936
Hire - Forklift		3,010	200	6,419
Hire - Prime Mover		16,834	1,980	6,690
Hire - Louder		0	0	800
Hire - Welding Machine		300	0	68

	Note	2017	2016	2015
INCOME (continued)				
Hire - Side lifter		102,831	50,693	9,538
Rental Revenues		0	0	0
Jetty Revenue		1,535	1,129	10,416
Gasoline sales		1,532	0	0
Used container sales		2,000	0	0
Work shop revenue		3,020	0	73
House rent revenue		2,098	1,832	1,249
Internet cafe revenue		3,099	5,855	4,940
Auction		2,251	1,801	3,587
Miscellaneous Revenues		100,178	9,022	16,827
TOTAL INCOME		1,043,371	535,493	811,734

EXPENSES				
EMPLOYMENT COSTS				
Basic Salaries		184,979	167,369	130,796
Casual Wages		27,529	20,912	39,368
Overtime		71,117	38,838	36,791
Allowances		39,611	25,500	32,848
NPF Contribution		15,731	13,967	18,664
Temporary Assistance		1,884	957	343
Leave Passage/Grant		28,216	26,242	32,788
Staff Housing		511	831	0
Leave Commutation		0	0	0
Food Ration		23,600	8,956	14,273
TOTAL EMPLOYMENT COSTS		393,179	303,572	305,870

OTHER COSTS				
Fuel Expenses				
Fuel - Machinery		37,202	26,282	23,305
Fuel - Vehicles		998	50	866
Telephone		342	0	1,169
Electricity		8,289	4,000	50
Water			0	54
Advertising & Public Notices		694	625	936
Bad & Doubtful Debts		0	0	111,926
Postage & Shipping		0	2,126	0
Dues & Subscriptions		1,100	0	0
Insurance		0	0	0
Legal Fees		32	520	615
Pilotage & Survey Fees		35,604	18,098	32,046
Repairs & Maintenance		31,131	38,798	34,053
Office Supplies & Stationery		4,253	6,648	11,154
Computer Supplies		0	167	1,095
Hire		16,048	12,712	19,780
Local Travel		7,278	90	0
Staff Transport		2,167	1,083	4,653

	Note	2017	2016	2015
OTHER COSTS (continued)				
Bank Charges		1,437	1,781	2,003
Agency Expenses		0	0	0
Internet		0	0	25
Director's sitting allowance		2,470		
Miscellaneous Expenses		16,623	29,038	8,808
Inhouse training Xmas		165	0	424
Safety Gear		0	640	0
Entertainment		5,432	5,818	3,219
TOTAL OTHER COSTS		171,265	148,476	256,181

Depreciation Expense		100,830	101,076	102,506
----------------------	--	---------	---------	---------

OPERATING PROFIT		378,097	(17,631)	147,177
-------------------------	--	----------------	-----------------	----------------

OTHER INCOME				
Amortisation of aid reserve		90,000	90,000	90,000
TOTAL OTHER INCOME		90,000	90,000	90,000

OTHER EXPENSES				
Loss from Prior Period Items	1	1,025,156	0	30,427
TOTAL OTHER EXPENSES		1,025,156	0	30,427

NET PROFIT/(LOSS)		(557,059)	72,369	206,750
--------------------------	--	------------------	---------------	----------------

KIRIBATI PORTS AUTHORITY
BALANCE SHEET - CONSOLIDATED
For the year ended 31st December 2017

	Note	Actual 2017	Actual 2016	Actual 2015
Current Assets				
Cash and Bank Balances		8,984,673	7,193,722	6,660,297
Debtors		5,371,059	5,954,384	5,114,481
Provision for Bad Debts		(2,684,517)	0	0
		11,671,215	13,148,106	11,774,778
Current Liabilities				
Creditors		548,699	749,862	630,084
		548,699	749,862	630,084
Working Capital		11,122,516	12,398,244	11,144,694
Long Term Assets				
Fixed Assets		51,067,957	53,028,002	58,186,536
		51,067,957	53,028,002	58,186,536
Long Term Liabilities				
Loan - BANK ANZ		0	0	0
		0	0	0
Net Worth		62,190,473	65,426,246	69,331,230
Equity				
Capital		655,255	655,255	655,255
Aid Reserve - Govt of Japan		49,227,555	51,578,653	53,929,751
Retained Earnings		13,185,357	10,423,700	12,881,582
Current Earnings		(877,694)	2,768,638	1,864,642
		62,190,473	65,426,246	69,331,230

Cash & bank Bal
2016

Trw
Xmas

6982720 6355553
210792 304744
7193722 6660297

KIRIBATI PORTS AUTHORITY
BALANCE SHEET - TARAWA MAIN OFFICE
For the year ended 31st December 2017

	Note	Actual 2017	Actual 2016	Actual 2015
<u>Current Assets</u>				
Cash and Bank Balances		8,342,979	6,982,930	6,355,553
Debtors		3,563,298	4,259,056	3,473,779
Provision for Bad Debts		(1,650,756)		
Due from Xmas		588,472	517,901	499,274
		10,843,993	11,759,887	10,328,606
<u>Current Liabilities</u>				
Creditors		98,225	362,419	315,381
Due to Xmas		1,269,619	1,215,408	1,119,963
		1,367,844	1,577,827	1,435,345
Working Capital		9,476,149	10,182,060	8,893,261
<u>Long Term Assets</u>				
Fixed Assets		47,288,911	49,164,733	54,192,223
		47,288,911	49,164,733	54,192,223
<u>Long Term Liabilities</u>				
Loan - Bank ANZ			0	0
			0	0
Net Worth		56,765,060	59,346,793	63,085,485
<u>Equity</u>				
Capital		655,255	655,255	655,255
Aid Reserve - Govt of Japan		46,043,269	48,304,367	50,565,465
Retained Earnings		10,387,171	7,690,903	10,206,872
Current Earnings		(320,635)	2,696,269	1,657,892
		56,765,060	59,346,793	63,085,485

KIRIBATI PORTS AUTHORITY
BALANCE SHEET - KIRITIMATI BRANCH
For the year ended 31st December 2017

	<i>Note</i>	Actual 2017	Actual 2016	Actual 2015
Current Assets				
Cash and Bank Balances		641,694	210,792	304,744
Debtors	4	1,807,761	1,695,328	1,640,702
Provision for Bad Debts	1	(1,033,761)		
Due from HQ		1,269,619	1,215,408	1,119,963
		2,685,313	3,121,528	3,065,409
Current Liabilities				
Creditors	5	450,474	387,443	314,703
Due to HQ		588,472	517,901	499,274
		1,038,946	905,344	813,977
Working Capital		1,646,367	2,216,184	2,251,432
Long Term Assets				
Fixed Assets		3,779,046	3,863,268	3,994,313
		3,779,046	3,863,268	3,994,313
Net Worth		5,425,413	6,079,452	6,245,745
Equity				
Aid Reserve - Govt of Japan	3	3,184,286	3,274,286	3,364,286
Retained Earnings		2,798,186	2,732,797	2,674,709
Current Earnings		(557,059)	72,370	206,750
Equity		5,425,413	6,079,452	6,245,745

KIRIBATI PORTS AUTHORITY
CONSOLIDATED CASH FLOW
For the year ended 31st December 2017

	Actual 2017	Actual 2016	Actual 2015
Cash flow from operating activities			
Receipts from customers & debtors	7,904,189	7,645,418	7,737,735
Payments to suppliers & employees	(4,920,785)	(9,269,650)	(4,817,151)
	2,983,404	(1,624,232)	2,920,585
Cash flow from financing activities			
Investment	(3,000,000)	0	0
	(3,000,000)	0	0
Cash flow from investing activities			
Purchase of fixed assets	(1,192,453)	2,157,657	(2,775,728)
	(1,192,453)	2,157,657	(2,775,728)
Net Cash Out Flow	(1,209,049)	533,425	144,857
Cash and Bank Balances - Beginning	7,193,722	6,660,297	6,515,440
Cash and Bank Balances - Ending	5,984,673	7,193,722	6,660,297
		0	0
Note A - Details of Cash and Bank Balances			
Cash Float - Tarawa	500	500	500
Undeposited Cash - Tarawa	67,639	30,748	359,655
Bank Account No.1 - Tarawa	5,274,840	4,166,170	3,240,855
Interest Bearing Deposit (IBD No.1) - Tarawa		915,451	905,909
Interest Bearing Deposit (IBD No.2) - Tarawa		321,223	314,604
Interest Bearing Deposit (IBD No.3) - Tarawa		1,548,837	1,534,030
Undeposited Cash - Kiritimati	25,156	34,408	11,420
Bank Account - Kiritimati	616,338	176,184	293,124
Cash Float - Kiritimati	200	200	200
	5,984,673	7,193,722	6,660,297
Note B - Reconciliation of cash flow from operations			
Net Profit / loss for the period	(877,694)	2,768,638	1,864,642
Depreciation charge for the period	3,126,008	3,000,878	2,789,291
Amortisation of aid reserve for the period	(2,351,098)	(2,351,098)	(1,570,585)
Decrease/(Increase) in Debtors	583,325	(839,904)	47,237
Increase/(Decrease) in Creditors	(174,674)	119,778	(109,527)
Changes/Adjustment to Debtors	2,684,517	(4,322,524)	(100,474)
Changes/Adjustment to Creditors	(6,980)	0	0
	2,983,404	(1,624,232)	2,920,585