REPORT OF THE AUDITOR GENERAL ON THE ACCOUNT OF

PLANT VEHICLE UNIT FINANCIAL STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2020-2022

KIRIBATI AUDIT OFFICE

November 2024

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 PLANT VEHICLE UNIT FINANCIAL STATEMENT For the year ended 31st December 2020-2022

I have audited the Financial Statements of Plant Vehicle Unit for the year ended 31st December 2020-2022 as required under sec 114 (2) of the Constitution, Part VII, Sec 42(4) of the Public Finances (Control and Audit) 1981, Part IV Sec 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

Adverse Audit Opinion

In my opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion paragraph, the financial statements do not present fairly (or *do not give a true and fair view of*) the financial position of Plant Vehicle Unit as at 31st December, 2020-2022, and (*of*) their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards

Basis for Adverse Opinion:

- The audit revealed that the total trade debtors balance for the period under review reflected a negative figure of $149,633.88. This discrepancy arose from warrant payment replacements by various Ministries. However, no detailed breakdown or supporting list was provided to identify the specific Ministries involved, nor were there associated invoices indicating payments. Instead, the payment was allocated under the Ministry of Finance and Economic Planning (MFEP) in the ledger card. Due to the lack of sufficient supporting documentation, we were unable to verify the accuracy of the explanation provided by the Public Utilities Board (PVU). Management has agreed to adjust these variances in the 2023 accounts.

List of Credit Balance - Trade Debtors (Extracted from Ageing List)	
MFEP(MFED	-134,477.58
MTC	-2,634.13
APTC	-845.00
UNKNOWN	-171.60
N/ZEALAND	-2,203.92
DN	-183.10
MOEL TRADING	-6,030.20
ANZ BANK	-73.15
AUSTR Federal Police	-1,015.20
Tarawa Ieta	-2,000.00
TOTAL CREDIT BALANCE	**-149,633.88**

- Upon review of selected debtor ledger cards, it was noted that the balances in these ledgers did not match the corresponding figures in the ageing listing for debtors. This resulted in significant variances, which are detailed in the table below. The lack of reconciliation between these records raises concerns about the accuracy and completeness of the debtors' balances.

CUSTOMER	AGEING BAL	LEDGER CARD BAL	Variances
OB	$ 163,112.08	$ 150,272.08	$ 12,840.00
MEHR	$ 103,236.88	$ 99,859.38	$ 3,377.50
MISE	$ 790,337.82	$ 876,579.82	-$ 86,242.00

- During the audit, we were unable to verify the existence, accuracy, or completeness of reversing journal entries for creditors, totalling $79,293.04. Management was unable to retrieve copies of the reversing entries from their system. Consequently, we cannot confirm the appropriateness of these entries, or the justification provided by management.

Other Matters:

The audit would like to draw the attention and users of PVU Financial statement to the followings matters as stated below:

- The audit revealed that a significant portion of long-outstanding debtors amounting to $3,784,521.84(refer appendix 1) has been overdue since 2010 to 2022. This substantial balance of aged receivable has not been collected or resolved which indicates a serious issue in the organization's debt recovery process. The inability to recover these debts within a reasonable period cast doubt on the sustainability future performance and operation of Public Vehicle Unit as a whole.

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 **Authority** in accordance with the Ethical requirements that are relevant to my audit of the financial statements of the Authority, 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 audit 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 IFRSs, 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 Authority'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 or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Authority'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 Company'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 Company's 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 Company 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

PVU lodged its Financial Statement 2020-2021 on 27th March 2023 while 2022 Financial Statement was submitted on 18th August 2023 which indicate that PVU had not comply with Section 20 of 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 PVU.

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Mr. Eriati Tauma Manaima
Auditor General.

Date:28/11/2024

Appendix 1

TRADE DEBTORS

AGE ANALYSIS FOR THE YEAR 2010-2022 AS 31ST DECEMBER :$4172778.73

CUSTOMER	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Total
AGRICULTURE						138,700.00	-							138,700.00
AGS OFFICE	11,932.52		0.05		2,819.16	41,440.12	24,353.01	14,481.55	20,156.86	1,299.41	56,749.00	(49,373.79)	2,016.52	125,874.41
OB	2,418.90	16.20	8,018.55	26,333.86	6,069.84	26,085.12		8,550.08	27,281.75	39,740.96	15,913.00	(23,296.67)	25,980.49	163,112.08
MCIC(MCIT)			90.00	3,451.40	549.51	4,380.33		73,156.50	10,240.57			7.53	665.20	92,541.04
CUSTOM	4,412.30		2,100.00		3,564.25	907.90								10,984.45
CDRC	-				5,479.13	26,473.12	14,821.36	2,160.00						48,933.61
MOE/Educa.						58,379.66		(674.20)	9,901.73	(8,985.59)	21,251.90	8,901.15	8,950.39	97,725.04
MELAD(MESD)			3,357.00	51,203.32	748.08	6,702.99		14,885.32		719.61	240.75	10,984.70	35,869.75	124,711.52
MFEP(MFED)						64,571.99			(84,666.05)	(134,565.25)	20,120.00	39.53	22.20	-134,477.58
HIGH COURT			1,098.70	20,450.00	11,201.81	180.03	9,965.13	3,924.08	1,829.42	1,339.14	1,316.47	(718.43)	100.00	50,686.35
FISHERIES			(300.00)			14,035.00	(5,794.64)	(59,254.99)						-51,314.63
FTC				2,015.00	1,069.19	340.73								3,424.92
MFAI	25,066.78	5,165.00	11,291.00		1,603.99	16,434.00	7,919.24		10,235.04	29,071.90	13,133.75	(24,536.15)	(670.30)	94,714.25
MHMS/MOH	54,302.51	26,497.59	12,506.52		36,200.06	117,998.45	18,459.05		24,677.71	19,841.66	49,025.90	(6,677.56)	11,415.76	364,247.65
MISA/MIA	9,457.81	29,354.98	14,410.31	24,539.43		74,051.06		9,744.47	321,734.87	2,004.00		5.00		485,301.93
HSCIF									127.00					127.00
MCTTD(MICT)	4,650.33	7,875.20	10,512.41	8,820.38	9,630.73	94,239.13	9,979.43	312.42	2,266.68	16,201.72	2,450.00	(4,335.66)	(991.25)	161,611.52
KGV & EBS					1,089.80	31,494.88	28,673.19		27,605.80	30,936.95	16,660.00	12,400.00	27,460.49	176,321.11
KNAO	0.55	0.66		9,253.29	33,133.40	3,797.36							(6,937.85)	39,247.41
KTC						1,757.99								1,757.99
MET OFFICE						17,457.50		0.50						17,458.00
MLHRD(MLEC)/ME	1,680.00	(299.80)	5,355.00		13,571.01	29,533.00		2,061.90	3,465.42	35,586.92	14,152.49	(4,856.20)	2,987.14	103,236.88
LANDS	1,950.00	253.90	2,250.55	3,622.15	495.46	109,881.30			24.90				178.53	118,656.79
LINNIX			40.00		1,720.00		45.50		117,277.32		2,867.00	(590.00)	1,738.99	123,098.81
MANEABA	13,490.75	1,714.62	3,873.70		6,014.48	30,944.59				13,764.40	6,080.00	(5,428.00)	6,191.03	76,645.57
MTC							(4,465.43)			90.00	317.60	1,141.20	282.50	-2,634.13
MFMRD(MNRD)	-	(0.50)				12,030.08	62,262.71		7,100.59	(17,157.60)	9,760.00	10,837.97	7,908.24	92,741.49
MWYSA					9,123.92	31,499.79	12,542.31	7,771.15	16,189.96	16,786.90	3,005.00	(2,724.65)	4,339.29	98,533.67
POLICE HQ		11,815.20	25.00	16,604.20	1,597.10	79.66	2,021.87	9,049.73	936.28	1,760.12	278.09			44,167.25
PSC							29,990.00		5,990.00	8,230.00	8,670.00	(11,440.00)	5,906.20	47,346.20
PSO			236.35		2,291.74	1,291.13		9,135.00	17,755.95	8,859.55	1,460.00	(13,408.15)	7,869.34	35,490.91
MPWU	6,305.77	2,700.00	27,650.90	13,936.04	333,491.09	237,071.05	12,897.52		(15,536.90)		80,280.86	187,568.86	(96,027.37)	790,337.82
TAX OFFICE	0.30		462.23	31,097.78	11,107.14	20,752.05								63,419.50
MOJ							(27,800.00)			1,269.48	42,030.00	45,605.90	56,025.81	117,131.19
OPL						2,340.00	22,861.74	1,475.00					5.00	26,681.74
IFAD										7,335.00	25,740.00	2,500.00		35,575.00
Transport Authority										1,022.48				1,022.48
KIT(TTI)				225.00	7.60								1,150.00	1,382.60
TOTAL	135,668.52	85,093.05	102,978.27	211,551.85	492,578.49	1,214,850.01	218,731.99	96,778.51	524,594.90	75,151.76	391,501.81	132,606.58	102,436.10	3,784,521.84

GOVERNMENT PLANT AND VEHICLE UNIT

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FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2022

…………………………………………	…………………………………………
Permanent Secretary – MISE	**General Manager - PVU**

. Principal Accounting Policies

The Financial Statements are prepared in accordance with the historical cost convention including certain fixed assets taken over at valuation and in accordance with the International Accounting Standard. The following is a summary of the more important accounting policies used by the fund.

(a) Revenue
Revenue consists mainly of receipts for the Permanent Hire, Casual Hire and Rental Charges of vehicles and plants and workshop Service charges.

(b) Depreciation
Depreciation is calculated to write off the cost or amount of valuation of fixed assets on a straight line basis over the expected useful lives of the assets concerned. The principal amount rates used for this purpose which are consistent with those of the previous years are:-

	Per Cent
Pickups, Light vehicles saws and welding sets	33.30
Medium trucks, folk lifts, pumps, compressor, land rovers/other	20.00
Tractors, Trailers, Heavy equipment and concrete mixers	14.40
Buildings	4.00

c. Grant in Aid
Grants received in kind are recorded at fair valuation and are taken to Deferred Income and credited to revenue over the useful life or usage of the related asset. Aid in kinds are amortised at a rate of 14.4% annually.

(d) Stock
Stock is stated at the lower of cost and net reliasable value on a first in first out basis.

2. The Special Fund

The Special Fund was set up in accordance with Section 13 of the Public Finance (Control and Audit) Act 1976 and Special Fund (Plant and Vehicle Act 1980) to finance the provision and maintenance of Government Plant and Vehicles.

Notes forming part of the Account	**2022**	**2021**	**2020**
3. Cash Account			
Cash at Bank	288,191.30	48,575.09	14,168.68
Petty Cash	381.40	381.40	381.40
	288,572.70	48,956.49	14,550.08
4. Trade Debtors	**2022**	**2021**	**2020**
Headquarter - TRW (Opening balance)	8,605,076.35	8,194,047.80	8,655,899.16
Headquarter - TRW Adjustments	(170,517.25)	411,028.55	(461,851.36)
Total TD for Tarawa	8,434,559.10	8,605,076.35	8,194,047.80
Provision for BDD(Tarawa)	4,261,780.38	4,261,780.38	4,261,780.38
Net Trade Debtors	**4,172,778.72**	**4,343,295.97**	**3,932,267.42**
5. Stock	**2022**	**2021**	**2020**
Stock of Spares	1,394,656.06	1,304,027.67	1,347,426.46
Less: Provision for stock Obsolescences	(438,488.77)	(438,488.77)	(438,488.77)
	956,167.29	**865,538.90**	**908,937.69**

6. **Sundry Debtors**	**2022**	**2021**	**2020**
Opening balances	71,881.24	91,856.87	74,390.07
Sundry debtors	(4,956.47)		55.00
Tax Deductions Control	3,092.09	(7,785.16)	5,155.77
Tax Withholdings			
Tax Arrears			
Life Insurance - Salary Deductions	(105.00)	220.25	(326.98)
Rent Deductions		(84.78)	(9.03)
Canteen café	10.00		
KPF Deductions	(6,812.98)	(13.12)	0.22
Net Wages Control	(2,341.85)	(12,265.32)	11,817.34
KPF Loan Deduction		(47.50)	774.48
House Loan Scheme - Salary deductions			
Sub-Total Sundry Debtors HQ	60,767.03	71,881.24	91,856.87
	60,767.03	**71,881.24**	**91,856.87**

7. **Sundry Creditors**	**2022**	**2021**	**2020**
Opening Balance	(3,068.52)	(3,068.52)	(82,361.57)
Other Creditors			
Accrued Expenses/Arrears			
Upfront Payment from Ministries			
Save as You Earn			
Service Charges	193.98		
DBK Loan	973.00		
Cents Adjustments			0.01
Reversal			79,293.04
Sub Total - Sundry Creditors			(3,068.52)
	(1,901.54)	**(3,068.52)**	**(3,068.52)**

8. Fixed Assets

FIXED ASSETS & DEPRECIATION SCHEDULE
(last page)

9. Retained Earnings	**2022**	**2021**	**2020**
Balance b/fwd	6,977,998.25	6,762,153.18	8,331,890.51
PPI		(70,202.36)	(1,575,051.52)
Adjusted Balance of Retained Earnings	6,977,998.25	6,691,950.82	6,756,838.99
Current Earnings	(20,280.51)	286,047.43	5,314.19
	6,957,717.74	**6,977,998.25**	**6,762,153.18**

*PPI has been incurred to account for the following;
- value of stock or vehicle sold/released in 2021

10. Deferred Income Aid Reserve	**2022**	**2021**	**2020**
Opening Balance	227,019.38	227,019.38	227,019.38
Aid in Kind	44,869.16	52,173.44	60,950.28
Released/Amortised	(6,461.16)	(7,304.28)	(8,776.84)
	265,427.38	**271,888.54**	**279,192.82**

11. Revenue	2022	2021	2020
Permanent Hire	459,797.78	570,435.00	743,471.00
Casual Hire	266,824.34	133,840.00	105,711.00
Other Revenue	243,924.72	735,033.15	335,380.48
	970,546.84	**1,439,308.15**	**1,184,562.48**
Sales of Spare Parts	50,274.30	80,806.50	79,265.30
Maintenance or Workshop Income	100,010.72	107,209.42	21,161.24
Total Sale of spares	150,285.02	188,015.92	100,426.54
Opening Stock 1/1/21	1,304,027.67	1,347,426.46	1,329,669.98
Closing Stock 31/12/21	1,394,656.06	1,304,027.67	1,347,426.46
Total Purchase of Spares	74,639.64	188,576.97	110,191.47
Cost of Spares Used	(15,988.75)	231,975.76	92,434.99
GP	166,273.77	(43,959.84)	7,991.55
	1,136,820.61	**1,395,348.31**	**1,192,554.03**

12. Employees Expenses	2022	2021	2020
Salaries/Wages - Workshop	160,117.30	165,231.85	174,929.77
Overtime/Bonuses/Allowance - Workshop	22,786.36	18,040.47	21,875.33
Tools Allowance - workshop			
Welding Bonus - Workshop		262.50	563.32
Dirt Bonus - workshop	1,305.43	50.00	1,709.14
Paint Bonus - workshop	36.88		699.50
Salaries/Wages - Transports	25,196.84	23,532.62	23,939.47
Overtime and Allowances - Transport	10,048.12	9,212.35	8,465.13
Dirt Bonuses - Transport	220.00	95.00	1,444.48
Salaries/Wages - General Office	94,156.81	107,450.09	103,930.81
Overtime and Allowances - General Office	24,513.71	34,368.66	34,126.88
Sewerage Bonus - General Office	1,291.68	5,937.27	5,658.41
Salaries/Wages - Account Section	66,706.20	69,072.14	65,133.47
Overtime/Bonuses/Allowance - Account Section	4,257.40	1,147.52	3,477.49
Salaries/Wages - Technical Stores	42,983.15	43,222.10	41,726.70
Overtime/Bonuses/Allowance - Technical Stores	8,211.37	10,715.29	13,069.15
Dirt Bonus - Technical Stores		99.63	
KPF Expenses	29,187.94	30,666.17	30,970.33
Leave Passage and Home Island Travel			
Leave Grant	130,020.08	134,962.00	67,500.00
Sub Total-Employees Expenses PVU Trw	621,039.27	654,065.66	599,219.38
	621,039.27	**654,065.66**	**599,219.38**

13. Spares	2022	2021	2020
Opening Stock	1,304,027.67	1,347,426.46	1,329,669.98
Plus: Purchases of Spares	225,608.53	188,576.97	110,191.47
Spares/Parts available for use or sale	1,529,636.20	1,536,003.43	1,439,861.45
Less: Closing Stock	1,394,656.06	1,304,027.67	1,347,426.46
Cost of Spares and Parts Sold/Used	134,980.14	231,975.76	92,434.99
	134,980.14	**231,975.76**	**92,434.99**

14. Fuel and Petrol	2022	2021	2020
Tarawa - HQ	17,182.24	13,670.75	23,984.02
	17,182.24	**13,670.75**	**23,984.02**

15. Sundry Expenses	2022	2021	2020
Tax Penalty Fee			347.99
KPF Penalty Fee			
Sundry expenses	5,298.00		40,189.28
Bank Charges	2,008.22	779.03	1,181.01
Cost of Training			
House rent - Subsidy	2,828.00	7,070.00	9,013.60
Court Order (Compensation for damaged s/car - PVU Xmas)			
Administrative & Accounting			
Advertising and Publication	560.00	534.00	
Board & Management Expenses	3,166.55	5,728.55	4,721.53
Entertainments			
Safety Equipments and Uniforms	5,594.32	424.50	3,780.25
Tools			
Overseas Training Expenses			
Travelling Claim Expenses	1,870.00	27,580.00	
Vat expense			
Excise tax			
	21,325.09	**42,116.08**	**59,233.66**

16. Advance

Current Advance	(7,848.80)
	3,405.11
	(4,443.69)

* Due to previous advances (personal charges) that have not been invoiced.

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Government of Kiribati Plant and Vehicle Unit
Balance Sheet
For the Year Ended 31 December 2022

	Notes	2022	2021	2020	2019
CURRENT ASSETS					
Cash Account	3	288,572.70	48,956.49	14,550.08	144,912.38
Imprest Account		7,848.86	7,548.86	7,548.86	19,352.96
Advance		(4,443.69)	(7,848.80)	(5,068.83)	(9,126.87)
Trade Debtors	4	4,172,778.72	4,343,295.97	3,932,267.42	4,394,118.78
Stock	5	956,167.29	865,538.90	908,937.69	891,181.21
Sundry Debtors	6	60,767.03	71,881.24	91,856.87	74,390.07
Prepayments		138,439.68	208,901.83	118,622.04	893,817.46
Total Current Assets		**5,620,130.59**	**5,538,274.49**	**5,068,714.13**	**6,408,645.99**
CURRENT LIABILITIES					
Sundry Creditors	7	(1,901.54)	(3,068.52)	- 3,068.52	(82,361.57)
Total Current Liabilities		**(1,901.54)**	**(3,068.52)**	**(3,068.52)**	**(82,361.57)**
WORKING CAPITAL		**5,622,032.13**	**5,541,343.01**	**5,071,782.65**	**6,491,007.56**
ADD: Non Current Asset	8	2,189,914.99	2,297,345.78	2,558,365.35	2,717,654.61
		7,811,947.12	**7,838,688.79**	**7,630,148.00**	**9,208,662.17**
REPRESENTED BY:					
Capital Reserve		588,802.00	588,802.00	588,802.00	588,802.00
Retained Earnings	9	6,957,717.74	6,977,998.25	6,762,153.18	8,331,890.51
Deferred Income Aid	10	265,427.38	271,888.54	279,192.82	287,969.66
		7,811,947.12	**7,838,688.79**	**7,630,148.00**	**9,208,662.17**

Government of Kiribati Plant and Vehicle Unit
Consolidated Income Statement
For the Year Ended 31st December 2022

	Headquarter 2022	Headquarter 2021	Headquarter 2020
REVENUE			
Sale of Technical Stores	50,274.30	80,806.50	79,265.30
Maintenance Income - external	100,010.79	107,209.42	21,161.24
Total Sales for Spares	**150,285.09**	**188,015.92**	**100,426.54**
Opening Inventory 1/1/21	1,304,027.67	1,347,426.46	1,329,669.98
+Purchases of Spares	225,608.53	188,576.97	110,191.47
	1,529,636.20	1,536,003.43	1,439,861.45
Closing Stock	1,394,656.06	1,304,027.67	1,347,426.46
Cost of Spares	**134,980.14**	**231,975.76**	**92,434.99**
Gross Profit/(Loss)	**15,304.95**	**(43,959.84)**	**7,991.55**
PLUS MAIN REVENUES			
Permanent hire income	459,797.78	570,435.00	743,471.00
Casual hire income	266,824.34	133,840.00	105,711.00
Vehicle-to-own Sale	243,924.72	735,033.15	323,023.55
	985,851.79	**1,395,348.31**	**1,180,197.10**
OPERATING EXPENSES			
Employees' Expenses	621,039.27	654,065.66	599,219.38
Electricity and Water	8,670.20	7,585.10	3,835.37
Consumable Stores	108.00	-	(22.55)
Transport Cost	2,703.30	3,434.20	1,727.90
Fuel	17,182.24	13,670.75	23,984.02
Maintenance and repairs	3,213.49	288.00	3,650.55
Office Supplies and Sundries	9,506.82	7,953.38	10,804.31
Industries gases	5,129.77	547.00	1,633.40
Workshop expenses	13,907.94	(3,247.66)	1,993.44
Lube oils	16,067.00	20,828.90	5,489.00
Overseas Travelling Expenses			24,042.13
Telephone Charges	2,836.90	3,205.60	7,522.90
Sundry expenses	21,325.09	42,116.08	19,044.38
Depreciation	290,903.44	366,158.15	480,735.52
	1,012,593.46	**1,116,605.16**	**1,183,659.75**
OPERATING PROFIT/(LOSS)	**(26,741.67)**	**278,743.15**	**(3,462.65)**
OTHER INCOME/(EXPENSES)			
Interest			
Gain on Sales of Fixed Assets			
Deferred Income Aid (Amortised)	6,461.16	7,304.28	8,776.84
Bad and Doubtful Debts			
Disposal of Fixed Assets			
Sale of Fixed Assets			
Prior Items			
Total Other Income	6,461.16	7,304.28	8,776.84
Net Profit/(Loss)	**(20,280.51)**	**286,047.43**	**5,314.19**

Government of Kiribati Plant and Vehicle Unit
Cashflow Statement
For the Year Ended 31 December 2022

	Notes	2022	2021	2020
Cash Flow From Operating Activities				
Cash received from customers		1,271,182.94	1,075,817.79	2,504,279.32
Cash paid to suppliers and employees		848,094.08	(866,070.44)	(845,269.24)
Total Cash received/(used) from Operating activities	1	**423,088.86**	**209,747.35**	**1,659,010.08**
Cas Flow from Investing Activities				
Acquisition of Fixed Assets		(183,472.65)	(175,340.94)	(1,789,372.38)
Gain on disposal				
Total Cash received/(used) from investing activities		**(183,472.65)**	**(175,340.94)**	**(1,789,372.38)**
Cash Flow from Financing Activities				
Increase in Retained		0.00	0.00	0.00
Decrease in Amort Reserve		0.00	0.00	0.00
Total cash received from financing activities		0.00	0.00	0.00
Net Increase/(Decrease) in Cash held		239,616.21	34,406.41	(130,362.30)
Cash and Cash Equivalent 1/1/2013		48,956.49	14,550.08	144,912.38
Cash and Cash Equivalent 31/12/2013		**288,572.70**	**48,956.49**	**14,550.08**

Note 1: Reconciliation of Net Profit to Cash flow from operating activities

Net Profit	(20,280.51)	379,644.16	5,314.19
Add: Depreciation	290,903.44	366,158.15	480,735.52
Sale of vehilce			(27,832.34)
Amort	(6,461.16)	(7,304.28)	(8,776.84)
Changes in Balance Sheet Items			
Impress account	(300.00)	-	11,804.10
Advance	(3,405.11)	2,779.97	(4,058.04)
Trade Debtors	170,517.25	(411,028.55)	461,851.36
Stock	(90,628.39)	(50,197.94)	(17,756.48)
Sundry Debtors	11,114.21	19,975.63	(17,466.80)
Prepayments	70,462.15	(90,279.79)	775,195.41
S/Creditors	1,166.98	-	
	423,088.86	**209,747.35**	**1,659,010.08**

Government of Kiribati Plant and Vehicle Unit Statement of Changes in Equity for the year ended 2022				
	2022	2021	2020	2019
Share Capital 1 Jan			-	-
Plus Additional Capital			-	-
Share Capital 31 Dec			-	-
Retained Earnings 1 Jan	6,977,998	6,762,153	8,331,891	7,478,023
Effect of PPI Corrections		(70,202.36)	(1,575,051.52)	
Plus Net Profit after tax for 2021	(20,280.51)	286,047.43	5,314.19	853,867
Less Dividends Paid		-		
Retained Earnings 31 Dec	**6,957,718**	**6,977,998**	**6,762,153**	**8,331,891**

2022 Fixed Asset Costs/Valuation	Light	Medium	Heavy	Other	Buildings	Total
	VEHICLES					
As at 01.01.2022	6,536,875.96	4,082,188.69	6,799,941.42	650,939.14	594,273.57	18,664,218.78
Additional Costs		52,810.21	115,094.65	15,567.79		183,472.65
Released Costs						
Sold out Costs						-
Disposed off				(867.00)		(867.00)
Total	6,536,875.96	4,134,998.90	6,915,036.07	665,639.93	594,273.57	18,846,824.43
Depreciation						
As at 01.01.2022	5,887,527.01	3,605,347.45	5,637,073.81	642,651.16	594,273.57	16,366,873.00
Change for Year	96,700.41	103,791.05	85,433.50	4,978.48		290,903.44
Released						
Sold Out						
Disposed Off				(867.00)		(867.00)
	5,984,227.42	3,709,138.50	5,722,507.31	646,762.64	594,273.57	16,656,909.44
Net Book Value						
As at 31.12.2022	552,648.54	425,860.40	1,192,528.76	18,877.29	-	**2,189,914.99**
As at 31.12.21	649,348.95	476,841.24	1,162,867.61	8,287.98		**2,297,345.78**

GOVERNMENT PLANT AND VEHICLE UNIT

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2021

PA-Kirata

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.... Permanent Secretary – MISE

.... General Manager - PVU

Government of Kiribati Plant and Vehicle Unit Consolidated Income Statement For the Year Ended 31st December 2021		
	Headquarter 2021	**Headquarter 2020**
REVENUE		
Sale of Technical Stores	80,806.50	79,265.30
Maintenance Income - external	107,209.42	21,161.24
Total Sales for Spares	**188,015.92**	**100,426.54**
Opening Inventory 1/1/21	1,253,829.73	1,329,669.98
+Purchases of Spares	188,576.97	110,191.47
	1,442,406.70	1,439,861.45
Closing Stock	1,304,027.67	1,347,426.46
Cost of Spares	**138,379.03**	**92,434.99**
Gross Profit/(Loss)	**49,636.89**	**7,991.55**
PLUS OTHER REVENUE		
Permanent hire income	570,435.00	743,471.00
Casual hire income	133,840.00	105,711.00
Vehicle-to-own Sale	735,033.15	323,023.55
	1,488,945.04	**1,180,197.10**
OPERATING EXPENSES		
Employees' Expenses	654,065.66	599,219.38
Electricity and Water	7,585.10	3,835.37
Consumable Stores	-	(22.55)
Transport Cost	3,434.20	1,727.90
Fuel	13,670.75	23,984.02
Maintenance and repairs	288.00	3,650.55
Office Supplies and Sundries	7,953.38	10,804.31
Industries gases	547.00	1,633.40
Workshop expenses	(3,247.66)	1,993.44
Lube oils	20,828.90	5,489.00
Overseas Travelling Expenses		24,042.13
Telephone Charges	3,205.60	7,522.90
Sundry expenses	42,116.08	19,044.38
Depreciation	366,158.15	480,735.52
	1,116,605.16	**1,183,659.75**
OPERATING PROFIT/(LOSS)	**372,339.88**	**(3,462.65)**
OTHER INCOME/(EXPENSES)		
Interest		
Gain on Sales of Fixed Assets		
Deferred Income Aid (Amortised)	7,304.28	8,776.84
Bad and Doubtful Debts		
Disposal of Fixed Assets		
Sale of Fixed Assets		
Prior Items		
Total Other Income	7,304.28	8,776.84
Net Profit/(Loss)	379,644.16	5,314.19

Government of Kiribati Plant and Vehicle Unit Balance Sheet For the Year Ended 31 December 2021				
	Notes	**2021**	**2020**	**2019**
CURRENT ASSETS				
Cash Account	3	48,956.49	14,550.08	144,912.38
Imprest Account		7,548.86	7,548.86	19,352.96
Advance		(7,848.80)	(5,068.83)	(9,126.87)
Trade Debtors	4	4,343,295.97	3,932,267.42	4,394,118.78
Stock	5	959,135.63	908,937.69	891,181.21
Sundry Debtors	6	71,881.24	91,856.87	74,390.07
Prepayments		208,901.83	118,622.04	893,817.46
Total Current Assets		**5,631,871.22**	**5,068,714.13**	**6,408,645.99**
CURRENT LIABILITIES				
Sundry Creditors	7	(3,068.52)	- 3,068.52	(82,361.57)
Total Current Liabilities		**(3,068.52)**	**(3,068.52)**	**(82,361.57)**
WORKING CAPITAL		**5,634,939.74**	**5,071,782.65**	**6,491,007.56**
ADD: Non Current Asset	8	2,297,345.78	2,558,365.35	2,717,654.61
		7,932,285.52	**7,630,148.00**	**9,208,662.17**
REPRESENTED BY:				
Capital Reserve		588,802.00	588,802.00	588,802.00
Retained Earnings	9	7,071,594.98	6,762,153.18	8,331,890.51
Deferred Income Aid	10	271,888.54	279,192.82	287,969.66
		7,932,285.52	**7,630,148.00**	**9,208,662.17**

2021: Fixed Assets	VEHICLES					
Costs/Valuation	**Light**	**Medium**	**Heavy**	**Other**	**Buildings**	**Total**
As at 01.01.2021	6,782,468.57	4,104,402.97	6,799,941.42	641,741.79	594,273.57	18,922,828.32
Additional Costs	81,092.63	14,848.60		9,197.35		105,138.58
Sold out						0.00
Released (Xmas)						0.00
Disposed off	(326,685.24)	(37,062.88)				-363,748.12
Total	**6,536,875.96**	**4,082,188.69**	**6,799,941.42**	**650,939.14**	**594,273.57**	**18,664,218.78**
Depreciation						
As at 01.01.2021	6,087,053.95	3,517,217.90	5,526,028.50	639,889.05	594,273.57	16,364,462.97
Charge for the year	127,158.30	125,192.43	111,045.31	2,762.11		366,158.15
Sold out						0.00
Released (Xmas)						0.00
Disposed Off	(326,685.24)	(37,062.88)				-363,748.12
	5,887,527.01	**3,605,347.45**	**5,637,073.81**	**642,651.16**	**594,273.57**	**16,366,873.00**
Net Book Value	**649,348.95**	**476,841.24**	**1,162,867.61**	**8,287.98**	**0.00**	**2,297,345.78**
As at 31.12.2021						
As at 31/12/2020						**2,558,365.35**

Government of Kiribati Plant and Vehicle Unit Statement of Changes in Equity for the year ended 2021			
	2021	**2020**	**2019**
Share Capital 1 Jan		-	-
Plus Additional Capital		-	-
Share Capital 31 Dec		-	-
Retained Earnings 1 Jan	6,762,153	8,331,891	7,478,023
Effect of PPI Corrections	(70,202.36)	(1,575,051.52)	
Plus Net Profit after tax for 2021	379,644.16	5,314.19	853,867
Less Dividends Paid	-		
Retained Earnings 31 Dec	**7,071,595**	**6,762,153**	**8,331,891**

Government of Kiribati Plant and Vehicle Unit
Cashflow Statement
For the Year Ended 31 December 2019

	Notes	2021	2020
Cash Flow From Operating Activities			
Cash received from customers		1,075,817.79	2,504,279.32
Cash paid to suppliers and employees		(866,070.44)	(845,269.24)
Total Cash received/(used) from Operating activities	1	**209,747.35**	**1,659,010.08**
Cas Flow from Investing Activities			
Acquisition of Fixed Assets		**(175,340.94)**	**(1,789,372.38)**
Gain on disposal			
Total Cash received/(used) from investing activities		**(175,340.94)**	**(1,789,372.38)**
Cash Flow from Financing Activities			
Increase in Retained		-	-
Decrease in Amort Reserve		-	-
Total cash received from financing activities		-	-
Net Increase/(Decrease) in Cash held		**34,406.41**	**(130,362.30)**
Cash and Cash Equivalent 1/1/2013		**14,550.08**	**144,912.38**
Cash and Cash Equivalent 31/12/2013	2	**48,956.49**	**14,550.08**

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Note 1 Reconciiation of Net Profit to Cash flow from operating activities			
Net Profit		379,644.16	5,314.19
Add:	Depreciation	366,158.15	480,735.52
	Sale of vehicle		(27,832.34)
	Amort	(7,304.28)	(8,776.84)
	Changes in Balance Sheet Items		
	Imprest account	-	11,804.10
	Advance	2,779.97	(4,058.04)
	Trade Debtors	(411,028.55)	461,851.36
	Stock	(50,197.94)	(17,756.48)
	Sundry Debtors	19,975.63	(17,466.80)
	Prepayments	(90,279.79)	775,195.41
		209,747.35	**1,659,010.08**

1. Principal Accounting Policies

The Financial Statements are prepared in accordance with the historical cost convention including certain fixed assets taken over at valuation and in accordance with the International Accounting Standard. The following is a summary of the more important accounting policies used by the fund.

(a) Revenue

Revenue consists mainly of receipts for the Permanent Hire, Casual Hire and Rental Charges of vehicles and plants and workshop Service charges.

(b) Depreciation

Depreciation is calculated to write off the cost or amount of valuation of fixed assets on a straight line basis over the expected useful lives of the assets concerned. The principal amount rates used for this purpose which are consistent with those of the previous years are:-

	Per Cent
Pickups, Light vehicles saws and welding sets	33.30
Medium trucks, folk lifts, pumps, compressor, land rovers/other	20.00
Tractors, Trailers, Heavy equipment and concrete mixers	14.40
Buildings	4.00

c. Grant in Aid

Grants received in kind are recorded at fair valuation and are taken to Deferred Income and credited to revenue over the useful life or usage of the related asset. Aid in kinds are amortised at a rate of 14.4% annually.

(d) Stock

Stock is stated at the lower of cost and net reliasable value on a first in first out basis.

2. The Special Fund

The Special Fund was set up in accordance with Section 13 of the Public Finance (Control and Audit) Act 1976 and Special Fund (Plant and Vehicle Act 1980) to finance the provision and maintenance of Government Plant and Vehicles.

Notes forming part of the Account	**2021**	**2020**	**2019**
3. Cash Account			
Cash at Bank	48,575.09	14,168.68	144,529.98
Petty Cash	381.40	381.40	382.40
	48,956.49	14,550.08	144,912.38
4. Trade Debtors	**2021**	**2020**	**2019**
Headquarter - TRW (Opening balance)	8,194,047.80	8,655,899.16	8,034,032.83
Headquarter - TRW Adjustments	411,028.55	(461,851.36)	621,866.33
Total TD for Tarawa	8,605,076.35	8,194,047.80	8,655,899.16
Provision for BDD(Tarawa)	4,261,780.38	4,261,780.38	4,262,780.38
Net Trade Debtors	4,343,295.97	3,932,267.42	4,393,118.78
5. Stock	**2021**	**2020**	**2019**
Stock of Spares	1,304,027.67	1,347,426.46	1,329,669.98
Less: Provision for stock Obsolescences	(438,488.77)	(438,488.77)	(438,488.77)
	865,538.90	908,937.69	891,181.21

6. **Sundry Debtors**	2021	2020	2019
Opening balances	91,856.87	74,390.07	69,200.97
Sundry debtors		55.00	0
Tax Deductions Control	(7,785.16)	5,155.77	- 284.95
Tax Withholdings			-
Tax Arrears			5,000.00
Life Insurance - Salary Deductions	220.25	(326.98)	40.00
Rent Deductions	(84.78)	(9.03)	- 92.25
Tank rent fee			
KPF Deductions	(13.12)	0.22	- 208.20
Net Wages Control	(12,265.32)	11,817.34	646.04
KPF Loan Deduction	(47.50)	774.48	- 0.02
House Loan Scheme - Salary deductions			88.48
Sub-Total Sundry Debtors HQ	71,881.24	91,856.87	74,390.07
	71,881.24	**91,856.87**	**74,390.07**

7. **Sundry Creditors**	2021	2020	2019
Opening Balance	- 3,068.52	(82,361.57)	- 82,710.16
Other Creditors			
Accrued Expenses/Arrears			
Upfront Payment from Ministries			
Save as You Earn			
Service Charges			347.70
DBK Loan			
Cents Adjustments		0.01	0.89
Reversal		79,293.04	
Sub Total - Sundry Creditors		(3,068.52)	- 82,361.57
	(3,068.52)	**(3,068.52)**	**(82,361.57)**

8. **Fixed Assets**			
FIXED ASSETS & DEPRECIATION SCHEDULE (last page)			

9. **Retained Earnings**	2021	2020	2019
Balance b/fwd	6,762,153.18	8,331,890.51	7,468,360.73
PPI	(70,202.36)	(1,575,051.52)	9662.36
Adjusted Balance of Retained Earnings	6,691,950.82	6,756,838.99	7,478,023.09
Current Earnings	379,644.16	5,314.19	853,867.42
	7,071,594.98	**6,762,153.18**	**8,331,890.51**

*PPI has been incurred to account for the following;
- value of stock or vehicle sold/released in 2021

10. Deferred Income Aid Reserve	2021	2020	2019
Opening Balance	227,019.38	227,019.38	227,019.38
Aid in Kind	52,173.44	60,950.28	71,203.60
Released/Amortised	(7,304.28)	(8,776.84)	(10,253.32)
	271,888.54	**279,192.82**	**287,969.66**

11. Revenue	2021	2020	2019
Permanent Hire	570,435.00	743,471.00	756,299.40
Casual Hire	133,840.00	105,711.00	65,590.90
Other Revenue	735,033.15	335,380.48	1,866,927.60
	1,439,308.15	**1,184,562.48**	**2,688,817.90**
Sales of Spare Parts	80,806.50	79,265.30	107,941.81
Maintenance or Workshop Income	107,209.42	21,161.24	42,530.34
Total Sale of spares	188,015.92	100,426.54	150,472.15
Opening Stock 1/1/21	1,253,829.73	1,329,669.98	1,524,961.09
Closing Stock 31/12/21	1,304,027.67	1,347,426.46	1,329,669.98
Total Purchase of Spares	188,576.97	110,191.47	127,634.50
Cost of Spares Used	138,379.03	92,434.99	322,925.61
GP	49,636.89	7,991.55	(172,453.46)
	1,488,945.04	**1,192,554.03**	**2,516,364.44**

12. Employees Expenses	2021	2020	2019
Salaries/Wages - Workshop	165,231.85	174,929.77	188,224.09
Overtime/Bonuses/Allowance - Workshop	18,040.47	21,875.33	52,209.03
Tools Allowance - workshop			
Welding Bonus - Workshop	262.50	563.32	973.43
Dirt Bonus - workshop	50.00	1,709.14	
Paint Bonus - workshop		699.50	206.25
Salaries/Wages - Transports	23,532.62	23,939.47	33,847.95
Overtime and Allowances - Transport	9,212.35	8,465.13	12,227.73
Dirt Bonuses - Transport	95.00	1,444.48	135.00
Salaries/Wages - General Office	107,450.09	103,930.81	102,260.01
Overtime and Allowances - General Office	34,368.66	34,126.88	39,655.49
Sewerage Bonus - General Office	5,937.27	5,658.41	5,142.76
Salaries/Wages - Account Section	69,072.14	65,133.47	65,863.76
Overtime/Bonuses/Allowance - Account Section	1,147.52	3,477.49	4,602.53
Salaries/Wages - Technical Stores	43,222.10	41,726.70	49,332.93
Overtime/Bonuses/Allowance - Technical Stores	10,715.29	13,069.15	12,011.75
Dirt Bonus - Technical Stores	99.63		
KPF Expenses	30,666.17	30,970.33	32,284.71
Leave Passage and Home Island Travel			
Leave Grant	134,962.00	67,500.00	75,000.00
Sub Total-Employees Expenses PVU Trw	654,065.66	599,219.38	673,977.42
	654,065.66	**599,219.38**	**673,977.42**

13. Spares	2021	2020	2019
Opening Stock	1,347,426.46	1,329,669.98	1,524,961.09
Plus: Purchases of Spares	188,576.97	110,191.47	127,634.50
Spares/Parts available for use or sale	1,536,003.43	1,439,861.45	1,652,595.59
Less: Closing Stock	1,304,027.67	1,347,426.46	1,329,669.98
Cost of Spares and Parts Sold/Used	231,975.76	92,434.99	322,925.61
	231,975.76	**92,434.99**	**322,925.61**

14. Fuel and Petrol	2021	2020	2019
Tarawa - HQ	13,670.75	23,984.02	44,725.87
	13,670.75	**23,984.02**	**44,725.87**

15. Sundry Expenses	2021	2020	2019
Tax Penalty Fee		347.99	
KPF Penalty Fee			
Sundry expenses		40,189.28	
Bank Charges	779.03	1,181.01	1,868.67
Cost of Training			
House rent - Subsidy	7,070.00	9,013.60	7,382.00
Court Order (Compenstn for damaged s/car - PVU Xmas)			
Administrative & Accounting			
Advertising and Publication	534.00		637.50
Board & Management Expenses	5,728.55	4,721.53	393.50
Entertainments			
Safety Equipments and Uniforms	424.50	3,780.25	
Tools			
Overseas Training Expenses			
Travelling Claim Expenses	27,580.00		62,612.36
Vat expense			
Excise tax			
	42,116.08	**59,233.66**	**72,894.03**

GOVERNMENT PLANT AND VEHICLE UNIT

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2020

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Permanent Secretary – MISE **General Manager - PVU**

Government of Kiribati Plant and Vehicle Unit
Financial Income Statement
For the Year Ended 31st December 2020

	2020	2019
REVENUE		
Sale of Technical Stores	79,265.30	107,941.81
Maintenance Income - external	21,161.24	42,530.34
Total Sales for Spares	**100,426.54**	**150,472.15**
Opening Inventory 1/1/20	1,329,669.98	1,524,961.09
+Purchases of Spares	110,191.47	127,634.50
	1,439,861.45	1,652,595.59
Closing Stock	1,347,426.46	1,329,669.98
Cost of Spares	**92,434.99**	**322,925.61**
Gross Profit/(Loss)	**7,991.55**	**(172,453.46)**
PLUS OTHER REVENUE		
Permanent hire income	743,471.00	756,299.40
Casual hire income	105,711.00	65,590.90
Vehicle to Own Sale	323,023.55	1,866,927.60
	1,180,197.10	**2,688,817.90**
OPERATING EXPENSES		
Employees' Expenses	599,219.38	673,977.42
Electricity and Water	3,835.37	8,795.70
Consumable Stores	(22.55)	1,021.90
Transport Cost	1,727.90	13,432.85
Fuel	23,984.02	44,725.87
Maintenance and repairs	3,650.55	566.00
Office Supplies and Sundries	10,804.31	9,423.50
Industries gases	1,633.40	3,411.35
Workshop expenses	1,993.44	5,473.12
Lube oils	5,489.00	9,361.00
Overseas Travelling Expenses	24,042.13	
Telephone Charges	7,522.90	4,110.00
Sundry expenses	19,044.38	72,894.03
Depreciation	480,735.52	616,224.25
	1,183,659.75	**1,463,416.99**
OPERATING PROFIT/(LOSS)	**(3,462.65)**	**1,052,947.45**
OTHER INCOME/(EXPENSES)		
Deferred Income Aid (Amortised)	8,776.84	10,253.32
Sale of Fixed Assets		(209,333.35)
Total Other Income	8,776.84	(199,080.03)
Net Profit/(Loss)	**5,314.19**	**853,867.42**

Government of Kiribati Plant and Vehicle Unit
Balance Sheet
For the Year Ended 31 December 2020

	Notes	2020	2019
CURRENT ASSETS			
Cash Account	3	14,550.08	144,912.38
Imprest Account		7,548.86	19,352.96
Advance		(5,068.83)	(9,126.87)
Trade Debtors	4	3,932,267.42	4,394,118.78
Stock	5	908,937.69	891,181.21
Sundry Debtors	6	91,856.87	74,390.07
Prepayments		118,622.04	893,817.46
Total Current Assets		**5,068,714.13**	**6,408,645.99**
CURRENT LIABILITIES			
Sundry Creditors	7	(3,068.52)	(82,361.57)
Total Current Liabilities		**(3,068.52)**	**(82,361.57)**
WORKING CAPITAL		**5,071,782.65**	**6,491,007.56**
ADD: Non Current Asset	8	2,558,365.35	2,717,654.61
		7,630,148.00	**9,208,662.17**
REPRESENTED BY:			
Capital Reserve		588,802.00	588,802.00
Retained Earnings	9	6,762,153.18	8,331,890.51
Deferred Income Aid	10	279,192.82	287,969.66
		7,630,148.00	**9,208,662.17**

Government of Kiribati Plant and Vehicle Unit		
Statement of Changes in Equity for the year ended 2020		
	2020	**2019**
Share Capital 1 Jan	-	-
Plus Additional Capital	-	-
Share Capital 31 Dec	-	-
Retained Earnings 1 Jan	8,331,891	7,478,023
Effect of PPI Corrections	- 1,575,052	
Plus Net Profit after tax for 2020	5,314.19	853,867
Less Dividends Paid		
Retained Earnings 31 Dec	**6,762,153**	**8,331,891**

Government of Kiribati Plant and Vehicle Unit
Cashflow Statement
For the Year Ended 31 December 2020

	Notes	2020	2019
Cash Flow From Operating Activities			
Cash received from customers		2,504,279.32	1,604,869.79
Cash paid to suppliers and employees		845,269.24	(1,151,261.93)
Total Cash received/(used) from Operating activities	1	1,659,010.08	453,607.86
Cas Flow from Investing Activities			
Acquisition of Fixed Assets		(1,789,372.38)	(527,745.26)
Gain on disposal			
Total Cash received/(used) from investing activities		-1,789,372.38	-527,745.26
Cash Flow from Financing Activities			
Increase in Retained		0.00	0.00
Decrease in Amort Reserve		0.00	0.00
Total cash received from financing activities		0.00	0.00
Net Increase/(Decrease) in Cash held		-130,362.30	-74,137.40
Cash and Cash Equivalent 1/1/2020		144,912.38	219,049.78
Cash and Cash Equivalent 31/12/2020	2	14,550.08	144,912.38

Note 1. Reconciiation of Net Profit to Cash flow from operating activities

Net Profit		5,314.19	875,879.78
Add:	Depreciation	480,735.52	616,224.25
	Sale of vehilce	(27,636.93)	209,333.35
	Amort	(8,776.84)	(10,253.32)
	Changes in Balance Sheet Items		
	Imprest account	11,804.10	
	Advance	(4,058.04)	1,684.57
	Trade Debtors	461,851.36	(621,866.33)
	Stock	(17,756.48)	195,291.11
	Sundry Debtors	(17,466.80)	(5,189.10)
	Prepayments	775,000.00	(807,845.04)
	S/Creditors		348.59
		1,659,010.08	**453,607.86**

2020: Fixed Assets		VEHICLES				
Costs/Valuation	**Light**	**Medium**	**Heavy**	**Other**	**Buildings**	**Total**
As at 01.01.2020	6,761,912.03	3,871,618.71	6,780,895.71	638,837.75	594,273.57	18,647,537.77
Additional Costs	35,525.01	255,954.68	26,631.97	3,597.85		321,709.51
Sold out						
Released (Xmas)		(263.25)				(263.25)
Disposed off	(14,968.47)	(22,907.17)	(7,586.26)	(693.81)		(46,155.71)
Total	**6,782,468.57**	**4,104,402.97**	**6,799,941.42**	**641,741.79**	**594,273.57**	**18,922,828.32**
Depreciation						
As at 01.01.2020	5,911,849.85	3,416,668.48	5,367,962.40	639,128.86	594,273.57	15,929,883.16
Charge for the year	190,172.57	123,456.59	165,652.36	1,454.00		480,735.52
Sold out						-
Released (Xmas)						-
Disposed Off	(14,968.47)	(22,907.17)	(7,586.26)	(693.81)		(46,155.71)
	6,087,053.95	**3,517,217.90**	**5,526,028.50**	**639,889.05**	**594,273.57**	**16,364,462.97**
Net Book Value	**695,414.62**	**587,185.07**	**1,273,912.92**	**1,852.74**	**(0.00)**	**2,558,365.35**
As at 31.12.2020						
As at 31/12/2019	-	-	-	-	-	2,717,654.61

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1. Principal Accounting Policies

The Financial Statements are prepared in accordance with the historical cost convention including certain fixed assets taken over at valuation and in accordance with the International Accounting Standard. The following is a summary of the more important accounting policies used by the fund.

(a) Revenue
Revenue consists mainly of receipts for the Permanent Hire, Casual Hire and Rental Charges of vehicles and plants and workshop Service charges.

(b) Depreciation
Depreciation is calculated to write off the cost or amount of valuation of fixed assets on a straight line basis over the expected useful lives of the assets concerned. The principal amount rates used for this purpose which are consistent with those of the previous years are:-

	Per Cent
Pickups, Light vehicles saws and welding sets	33.30
Medium trucks, folk lifts, pumps, compressor, land rovers/other	20.00
Tractors, Trailers, Heavy equipment and concrete mixers	14.40
Buildings	4.00

c. Grant in Aid
Grants received in kind are recorded at fair valuation and are taken to Deferred Income and credited to revenue over the useful life or usage of the related asset. Aid in kinds are amortised at a rate of 14.4% annually.

(d) Stock
Stock is stated at the lower of cost and net reliasable value on a first in first out basis.

2. The Special Fund

The Special Fund was set up in accordance with Section 13 of the Public Finance (Control and Audit) Act 1976 and Special Fund (Plant and Vehicle Act 1980) to finance the provision and maintenance of Government Plant and Vehicles.

Notes forming part of the Account	**2020**	**2019**	**2018**
3. Cash Account			
Cash at Bank	14,168.68	144,529.98	218,667.38
Petty Cash	381.40	382.40	382.40
	14,550.08	144,912.38	219,049.78

4. Trade Debtors

	2020	2019	2018
Headquarter - TRW (Opening balance)	8,655,899.16	8,034,032.83	7,631,246.24
Headquarter - TRW	(461,851.36)	621,866.33	402,786.59
Adjustments			
Total TD for Tarawa	8,194,047.80	8,655,899.16	8,034,032.83
	8,194,047.80	8,655,899.16	8,034,032.83
Provision for BDD(Tarawa)	4,261,780.38	4,261,780.38	4,261,780.38
Total Prov for BDD	4,261,780.38	4,261,780.38	4,261,780.38
Net Trade Debtors	**3,932,267.42**	**4,394,118.78**	**3,772,252.45**

* MOE's final payment for the 7 School buses amounting $582,943.10 (Invoiced in 2019) exceeded the total current Trade Debtors amounting $121,091.74, hence resulting in negative trade debtors of 461,851.36.

5. Stock

	2020	2019	2018
Stock of Spares	1,347,426.46	1,329,669.98	1,524,961.09
Less: Provision for stock Obsolescences	(438,488.77)	(438,488.77)	(438,488.77)
	908,937.69	**891,181.21**	**1,086,472.32**

6. Sundry Debtors

	2020	2019	2018
Opening balances	74,390.07	69,200.97	72,107.49
Sundry debtors	55.00	0	(721.00)
Tax Deductions Control	5,155.77 -	284.95	(73.54)
Tax Withholdings		-	(957.50)
Tax Arrears		5,000.00	
Life Insurance - Salary Deductions	(326.98)	40.00	465.00
Rent Deductions	(9.03) -	92.25	(92.25)
Tank rent fee			
KPF Deductions	0.22 -	208.20	(176.10)
Net Wages Control	11,817.34	646.04	(3,699.49)
KPF Loan Deduction	774.48 -	0.02	1,552.38
House Loan Scheme - Salary deductions		88.48	795.98
Sub-Total Sundry Debtors HQ	91,856.87	74,390.07	69,200.97
	91,856.87	**74,390.07**	**69,200.97**

7. Sundry Creditors

	2020	2019	2018
Opening Balance	(82,361.57) -	82,710.16	(81,043.83)
Other Creditors			
Accrued Expenses/Arrears			
Upfront Payment from Ministries			
Save as You Earn			
Service Charges		347.70	(673.98)
DBK Loan			(995.07)
Cents Adjustments	0.01	0.89	2.72
Reversal	79,293.04		
Sub Total - Sundry Creditors	(3,068.52) -	82,361.57 -	82,710.16
	(3,068.52)	**(82,361.57)**	**(82,710.16)**

8. Fixed Assets

FIXED ASSETS & DEPRECIATION SCHEDULE
(last page)

9. Retained Earnings	**2020**	**2019**	**2018**
Balance b/fwd	8,331,890.51	7,468,360.73	7,299,364.80
PPI	(1,575,051.52)	9662.36	9662.36
Adjusted B/fwd	**6,756,838.99**	**7,478,023.09**	**7,309,027.16**
Current Earnings	5,314.19	853,867.42	168,995.93
	6,762,153.18	**8,331,890.51**	**7,478,023.09**

*PPI has been incurred to account for the following;

- value of School buses released in 2020 to MOE to properly offset payments already accounted for in 2019 totalling -$1,467,926.13.
- for the amount of unpresented cheques outstanding for more than 7 years amounting $12,356.93
- for the amount of outstanding deposits of -$40,189.28 (outstanding for more than 7 years)
- for negative creditors balances not yet been journalised related to prior years totaling -$79,293.04

10. Deferred Income Aid Reserve	**2020**	**2019**	**2018**
Opening Balance	227,019.38	227,019.38	227,019.38
Aid in Kind	60,950.28	71,203.60	83,181.77
Released/Amortised	(8,776.84)	(10,253.32)	(11,978.17)
	279,192.82	**287,969.66**	**298,222.98**

11. Revenue	**2020**	**2019**	**2018**
Permanent Hire	743,471.00	756,299.40	667,975.00
Casual Hire	105,711.00	65,590.90	534,136.70
Sales of Spare Parts	79,265.30	107,941.81	168,804.41
Maintenance or Workshop Income	21,161.24	42,530.34	74,950.09
Other Revenue	323,023.55	1,866,927.60	696,490.34
	1,272,632.09	**2,839,290.05**	**2,142,356.54**

12. Employees Expenses	2020	2019	2018
Salaries/Wages - Workshop	174,929.77	188,224.09	207,025.21
Overtime/Bonuses/Allowance - Workshop	21,875.33	52,209.03	30,882.39
Tools Allowance - workshop			
Welding Bonus - Workshop	563.32	973.43	558.54
Dirt Bonus - workshop	1,709.14		1,529.93
Paint Bonus - workshop	699.50	206.25	2,125.80
Salaries/Wages - Transports	23,939.47	33,847.95	23,897.59
Overtime and Allowances - Transport	8,465.13	12,227.73	13,100.44
Dirt Bonuses - Transport	1,444.48	135.00	1,728.68
Salaries/Wages - General Office	103,930.81	102,260.01	104,583.93
Overtime and Allowances - General Office	34,126.88	39,655.49	34,278.41
Sewerage Bonus - General Office	5,658.41	5,142.76	5,542.90
Salaries/Wages - Account Section	65,133.47	65,863.76	69,740.77
Overtime/Bonuses/Allowance - Account Section	3,477.49	4,602.53	3,844.08
Salaries/Wages - Technical Stores	41,726.70	49,332.93	54,391.49
Overtime/Bonuses/Allowance - Technical Stores	13,069.15	12,011.75	6,634.97
Dirt Bonus - Technical Stores			
KPF Expenses	30,970.33	32,284.71	33,941.29
Leave Passage and Home Island Travel			
Leave Grant	67,500.00	75,000.00	76,125.00
Sub Total-Employees Expenses PVU Trw	599,219.38	673,977.42	669,931.42
	599,219.38	**673,977.42**	**669,931.42**

13. Spares	2020	2019	2018
Opening Stock	1,329,669.98	1,524,961.09	1,412,687.40
Plus: Purchases of Spares	110,191.47	127,634.50	228,258.85
Spares/Parts available for use or sale	1,439,861.45	1,652,595.59	1,640,946.25
Less: Closing Stock	1,347,426.46	1,329,669.98	1,524,961.09
Cost of Spares and Parts Sold/Used	92,434.99	322,925.61	115,985.16
	92,434.99	**322,925.61**	**115,985.16**

14. Fuel and Petrol	2020	2019	2018
Tarawa - HQ	23,984.02	44,725.87	29,171.60
	23,984.02	**44,725.87**	**29,171.60**

15. Sundry Expenses	2020	2019	2018
Tax Penalty Fee	347.99		
KPF Penalty Fee			
Sundry expenses			
Bank Charges	1,181.01	1,868.67	1,731.52
Cost of Training			
House rent - Subsidy	9,013.60	7,382.00	5,088.00
Court Order (Compenstn for damaged s/car - PVU Xmas)			
Administrative & Accounting			
Advertising and Publication		637.50	
Board & Management Expenses	4,721.53	393.50	7,560.20
Entertainments			
Safety Equipments and Uniforms	3,780.25		
Tools			
Overseas Training Expenses			
Travelling Claim Expenses		62,612.36	8,661.33
Vat expense			
Excise tax			
	19,044.38	**72,894.03**	**23,041.05**