REPORT OF THE AUDITOR GENERAL ON THE ACCOUNT OF

Public Utilities Board
For the Year Ended 31st December 2016

Kiribati National Audit Office
April 2017

KIRIBATI NATIONAL AUDIT OFFICE

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Audit for an impact for the public

INDEPENDENT AUDITOR's REPORT

To the readers of
Public Utilities Board
Financial Statements
For the year ended 31st December, 2016

Report on the Financial Statements

The Auditor-General, Mrs Matereta B Raiman, is the auditor of Public Utilities Board (PUB)

I have audited the accompanying financial statements of PUB for the year ended 31st DECEMBER 2016. The financial statements comprised of:

- the Profit And Loss Statement,
- the Balance Sheets,
- Cash Flow Statement
- and a summary of significant accounting policies and other explanatory information.

Managements and Board's Responsibility for the Financial Statements

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

Auditor General's Responsibility

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

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

Independence

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

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

Report on Legal and Regulatory Requirements

PUB is seen to have complied with Sec. 20 of the SOE Act, 2012, when submitting it's 2016 Financial Statements on 17 Feb, 2017. This has given ample time for auditing and lodging the Audited Financial Statements on 31st March, 2017.

AUDIT OPINION

Unqualified Audit Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of PUB as at 31st December, 2016, and the results of its operations and cash flows for the year then ended in accordance with generally accepted accounting practice in Kiribati.

....

Mrs Matereta B Raiman

Auditor General

30/03/2017

PUBLIC UTILITIES BOARD

FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 DECEMBER 2016

INCOME	NOTES	2016	2015
Electricity Sales		10,439,374	9,615,325
Internal Electricity Sales		365,576	121,850
Water Sales		750,136	750,147
Government Subsidy / CSO*	7	1,850,000	-
Other Income		419,362	217,957
Total Income		**13,824,449**	**10,705,280**
EXPENDITURE			
Fuel & Lubricant		8,166,168	7,429,321
Fuel - Motor Vehicles		55,078	51,750
New Connections & Installations		15,517	4,994
Postage, Printing & Stationeries		66,767	47,588
Operating & Other Supplies		74,279	42,718
Personal and Protective Equipment		11,790	
KPF Contributions		77,528	79,482
Leave Grants & Passages		206,565	201,070
Salaries, Overtime & Allowances		1,548,825	1,600,836
Staff Subsidised Rent		28,634	24,697
Repairs & Maintenance		388,984	161,554
Depreciation		2,071,756	1,487,914
Overseas Travel & Training		56,177	48,450
Travelling & Transport*		219,340	83,033
Telecom Charges		81,627	64,520
Chlorination		67,688	63,297
Insurance & Subscriptions		11,921	10,487
Advertising		26,118	36,830
Board Expenses		16,916	12,817
Audit Fees		2,500	2,500
Land Lease & Compensation		4,115	4,040
Bank Charges		45,928	52,233
Other Expenses		468,469	206,606
Total Expenditure		**13,712,689**	**11,716,737**
OPERATING PROFIT/(LOSS)		**111,760**	**(1,011,457)**
ABNORMAL ITEMS			
Bad/Doubtful Debts - Trade Debtors	12	(5,559,584)	(1,245,875)
Bad/Doubtful Debts - Staff Debtors		(121,391)	
Prior Period Items (PPI)	8	7,523,675	563,499
Amortisation-Aid Reserve Released as Income		1,844,921	1,187,932
NET PROFIT/(LOSS)		3,799,381	(505,901)

Confirmed:	Chairman Benjamin Tokataake	CEO Peregrine Tonking	CEO Advisor Tokaata Niata

PUBLIC UTILITIES BOARD
FINANCIAL POSITION AS AT 31 DECEMBER, 2016

	NOTES	2016	2015
CURRENT ASSETS			
Trade Debtors*	11	8,223,973	8,994,409
Provision for Bad/Doubtful Debts - Trade Debtors		(7,708,644)	(2,149,060)
Provision for Bad/Doubtful Staff Debts		(121,391)	
Sundry Debtors		164,744	9,800
Prepayment		1,701,481	376,415
Staff Debts		147,600	158,481
Cash at Bank	5	1,894,861	284,337
Stock		3,705,709	1,627,927
Total Current Assets		**8,008,333**	**9,302,309**
CURRENT LIABILITIES			
Trade Creditors	9	8,887,434	7,659,618
Prov. For Trade Creditors - Local	9	(7,708,644)	-
Sundry Creditors		88,619	140,612
VAT Collected / Payable	10	862,443	1,021,356
Total Current Liabilities		**2,129,852**	**8,821,586**
WORKING CAPITAL		**5,878,481**	**480,723**
NON-CURRENT ASSETS			
Buildings		1,397,259	1,342,850
Plants & Machineries		61,221,851	55,818,807
Furniture, Fittings & Equipment		713,888	610,025
Motor Vehicles		1,736,770	1,717,580
Accumulated Depreciation		(28,750,841)	(26,599,935)
Total Non-Current Assets	2	**36,318,927**	**32,889,327**
LONG-TERM LIABILITIES			
ADB Loan	3	1,010,202	3,968,462
Total Long-Term Liabilities		**1,010,202**	**3,968,462**
NET WORTH		**41,187,206**	**29,401,588**
SHAREHOLDER'S EQUITY			
Capital Reserve	4	48,118,426	40,132,189
Accumulated Profits/(Losses)	6	(6,931,220)	(10,730,601)
TOTAL SHAREHOLDER'S EQUITY		41,187,206	29,401,588

Confirmed:	Chairman Benjamin Tokataake	CEO Peregrine Tonking	CEO Advisor Tokaata Niata

PUBLIC UTILITIES BOARD
CASH FLOW STATEMENTS AS AT 31 DECEMBER, 2016

	Notes	2016	2015
Cash Flows from Operating Activities			
Cash Receipts from Customers, CSO & Reserve Transfers		14,935,819	10,106,107
Cash Paid to Suppliers, Employees, etc		(13,010,667)	(9,979,159)
Net Cash Flows from Operating Activites	(A)	**1,925,152**	**126,948**
Cash Flows from Financing Activities		-	-
Net Cash Flows from Financing Activites		-	-
Cash Flows from Investing Activities			
Cash Proceeds from Gov't - HV Electrical & Power Project		1,000,000	1,265,573
Cash Paid from Government Funds - Power Project		(263,012)	(1,002,561)
Cash Paid from Gov't Funds - HV Electrical Rehab. Project		(830,932)	
Cash Proceeds from NZ MFAT			124,955
Cash Paid from NZ MFAT		(114,153)	
Cash Proceeds from UAE Funds			7,950
Cash Proceeds from Sale of Assets		5,200	
IBD Transfer to Cheque Account			(632)
Cash Paid from AusAid DFAT		(7)	(130,726)
Cash Paid from UAE			(8,183)
Purchase of Fixed Assets		(111,724)	(156,761)
Net Cash Flows from Investing Activites		**(314,628)**	**99,615**
Net Increase / (Decrease) for the Period		1,610,524	226,563
Add Cash Balances & Cash equivalent at Beginning		284,337	57,773
Adjustments			
Cash Balance & Cash equivalent at the End of the Period		**1,894,861**	**284,337**
Cash & Cash Equivalents			
Cash at Bank - Cheque Account		111,020	(104,104)
PUB Reserve Funds		752,176	-
Kiribati Government Funds - Water & Wastewater CSO		851,128	-
Kiribati Government Assistance - High Voltage Project		169,068	-
Project Funds		10,569	387,741
Petty Cash		900	700
Total	5	**1,894,861**	**284,337**

(A) Reconciliation of Operating Profit / (Loss) to Net Cash Provided (Used) by Operating Activities

	2016	2015
Operating Profit (Loss) for Year	**111,760**	**(1,011,457)**
Depreciation	2,150,906	1,487,914
Increase / (Decrease) in Trade Debtors	770,437	(1,705,358)
Increase / (Decrease) in Prov for Doubtful Trade Debtors		1,245,875
Increase / Decrease in Sundry Debtors	(154,944)	
Increase / (Decrease) in Prepayment	(1,325,066)	(314,516)
Increase / (Decrease) in Staff Debts	10,881	14,059
Increase / (Decrease) in Stock	(2,077,783)	(332,375)
Increase / (Decrease) in Trade Creditors	(6,480,828)	(1,131,784)
Increase / (Decrease) in Sundry Creditors	(51,992)	188,891
Increase / (Decrease) in Capital Aid Reserve	3,862,270	10,557,195
Increase / (Decrease) in Fixed Assets	(5,580,506)	(156,761)
Increase / (Decrease) in Equity Injection	4,123,967	2,859,014
Increase / (Decrease) in VAT Collected / Payable	(158,913)	439,518
Capital Aid Reserve - Released as Income	1,844,921	1,187,932
ADB Loan Repayment	(2,958,260)	
Prior Period Items	7,523,675	563,499
Bad/Doubtful Debts		(1,245,875)
Adjustment on Gov/t and Project Aid Funds	202,904	(99,615)
Adjustment on Fixed Assets and Stock	111,724	(12,419,208)
Cash Flows from Operating Activites	**1,925,152**	**126,948**

Confirmed:

Chairman	CEO	CEO Advisor
Benjamin Tokataake	Peregrine Tonking	Tokaata Niata

PUBLIC UTILITIES BOARD
NOTES TO AND FORMING PART OF THE ACCOUNTS
YEAR ENDED 31 DECEMBER 2016

(1) Statement of Accounting Policies

The accounts of the Board have been drawn up in accordance with Generally Accepted Accounting Principles and International Accounting Standards and the requirements of the Law of the Republic of Kiribati. They have been prepared under the Historical Cost Convention and the Accrual Basis of Accounting has been used.

The Accounting Policies have been consistently applied unless otherwise stated. Set out below is a summary of the significant Accounting Policies adopted by the Board in the preparation of the Accounts.

(a) Depreciation of Fixed Assets

Fixed Assets, including donated assets are depreciated over their estimated useful lives using the Straight Line Method.

(b) Stock

Stock is valued at the Lower of Cost and Net Realizable Value and includes expenditure incurred in acquiring the stock and bringing it to the existing condition and location.

(c) Grants and Subsidies

Grants received for Capital Assets are recorded in the Balance Sheet as either Deferred Income only if it is acquired under a loan or treated as Capital Reserve/Equity Injection; and amortized as Income for subsequent periods at a Rate of Depreciation applied for the Capital Assets acquired under a grant.

Payments for Community Service Obligations (CSOs) are provided to compensate PUB for expenses incurred in providing non-economic or other special services during the year for the Government. These are recorded as income in the year to match the expenses incurred in providing the services.

Other grants or subsidies from the Government are recognized as income, otherwise as necessary to treat them as Capital Injection/Reserve.

(d) Foreign Currency

A Foreign Currency Transaction is recorded at its Local Currency (Australian Dollar) equivalent at a rate in use when the transaction occurs. Gains and losses arising from Foreign Currency Transactions are treated as gains or losses for the period when the transactions occur.

(e) Long –Term Debt

The Current Portion of Long-Term Debt is recorded as a Current Liability according to the Repayment Terms of the relevant Loan Agreement.

(2) Schedule of Fixed Assets - as at 31 December 2016

		PLANTS & MACHINERIES							
		WATER	SEWERAGE	ELECTRICAL	TOTAL	BUILDINGS	FURNITURE FITTINGS & EQUIPMENT	MOTOR VEHICLES	GRAND TOTAL
Cost	As at 1/01/16	6,313,986	2,196,087	37,234,091	45,744,163	824,350	610,025	1,717,580	48,896,119
Valuation		1,308,722	6,376,000	2,389,922	10,074,644	518,500	-	-	10,593,144
Total		**7,622,708**	**8,572,087**	**39,624,013**	**55,818,807**	**1,342,850**	**610,025**	**1,717,580**	**59,489,263**
Cost	Additions	-	-	5,403,044	5,403,044	54,409	103,864	19,190	5,580,506
	As at **31/12/16**	**7,622,708**	**8,572,087**	**45,027,056**	**61,221,851**	**1,397,259**	**713,889**	**1,736,770**	**65,069,769**
Accumulated Depreciation	As at **1/01/16**	4,291,323	6,035,059	13,343,698	23,670,079	830,734	533,275	1,565,847	26,599,935
	Depreciation Charge	346,359	207,747	1,437,346	1,991,451	25,820	45,099	88,536	2,150,906
	As at **31/12/16**	**4,637,682**	**6,242,805**	**14,781,044**	**25,661,531**	**856,554**	**578,374**	**1,654,382**	**28,750,841**
Net Book Value	As at 1/01/16	3,331,385	2,537,028	26,280,315	32,148,728	512,116	76,750	151,734	32,889,328
	As at **31/12/16**	**2,985,026**	**2,329,281**	**30,246,012**	**35,560,320**	**540,705**	**135,515**	**82,388**	**36,318,928**

(3) Asian Development Bank (ADB) Loan

(a) Loan No. 786 - Wartsila Generator
Principal advanced US700,000 @ 0.65 AUD $1,076,923.00
15 years @ interest 7.65% semi-annually wef June 1990

	Current Liability	Long Term Liability		Total
		Principal	Interest	
Balance 1/01/16	-	851,021	874,653	1,725,674
Adjustment	-	-		(1,353,308)
Balance 31/12/16	-	851,021	874,653	372,366

(b) Loan No. 922 - Power Distribution Project
Principal advanced SDR 666,970 @ 0.5546 AUD $1,202,547.00
20 years @ Interest 6.53% semi-annually wef Sept 1992

	Current Liability	Long Term Liability		Total
		Principal	Interest	
Balance 1/01/16	-	1,172,487	1,070,300	2,242,787
Adjustment	-			(1,604,951)
Balance 31/12/16	-	1,172,487	1,070,300	637,836

Total ADB Loan

	Current Liability	Long Term Liability		Total
		Principal	Interest	
Balance 1/01/16	-	2,023,508	1,944,953	3,968,461
Adjustment	-	-	-	(2,958,259)
Balance 31/12/16	-	2,023,508	1,944,953	1,010,202

Disclosing Note 3:
ADB Loan #786 and #922 have been adjusted according to SOEMAU's balances per email dd 23 January 2017.

Notes to and Forming Part of the Accounts (Con'd)

(4) Capital Reserve

	2016	2015
Grant Reserve		
Balance 1/01/16	18,298,148	19,486,080
Amortised as Income	(1,844,921)	(1,187,932)
Balance 31/12/16	**16,453,226**	**18,298,148**
Revaluation Reserve		
Balance 1/01/16	3,494,046	3,494,046
Balance 31/12/16	31,665,199	21,834,042
Total	**48,118,426**	**40,132,189**

Disclosing Note 4:

*The NZ MFAT Project Aid Funds of $124,955 received end of December 2015 for Bonriki Water Pumps is included in the Capital Aid Reserve (Also refer to note for Capital Aid Reserve below):

*The Australian Cash Grant/ MFAT Project has been completed (Refer Disclosing Note (5) below)

***Equity Injection/and Other Capital Aid Reserve includes the following:**

	2016	2015
a) Received from Government for High Voltage (HV) Electricity Rehabilitation Project	1,000,000	
b) Equity Injection - High Voltage (HV) Electricity Rehabilitation Items from NorthPower invoiced to MFAT	1,165,707	
c) Equity Injection - Reduction on ADB Loan #s.: 786 and 922 balances per email from SOEMAU, MFED dd 23 January 2017	2,958,260	
d) World Bank Solar PV Grid Project - installed and commissioned	4,780,421	
e) PEC Solar PV Grid Project - installed and commissioned Apr		5,255,396
f) UAE Solar PV Grid Project - installed and commissioned 2015		5,977,922
g) Spares for Solar Water Protection funded by UAE		50,428
h) Tools and Equipment for Solar Water Protection funded by UAE		3,516
i) NZ MFAT Project Aid Funds for Bonriki Water Pumps		124,955
j) Payments made from DFAT Cash Grant (Capital Aid Reserve)		(130,726)
k) Capitalising items donated through AusAid/DFAT Cash Grant		430,448
l) 10 x Motorbikes granted by KAPIII		33,190
m) Receipt from Gov't for 2015 Major Overhaul and Service of		1,265,573
n) Set-off from NPGA to reduce outstanding debt with KOIL		1,393,441
o) Off-set from Gov't CSO to reduce outstanding debt with KOIL		200,000
	9,904,388	14,604,142

(5) Cash at Bank

	2016	2015
Cheque Account No. 298142	111,020	(104,104)
Petty Cash Imprest	900	700
NZ MFAT Project*	10,802	124,955
AusAid DFAT Project Funds*	-	7
UAE Solar Project	(233)	(233)
PUB Reserve Fund	752,176	-
Kiribati Gov't Assistance - HV Project	169,068	-
PUB Water & Wastewater CSO A/c	851,128	-
Kiribati Gov't Power Project	-	263,012
Total	1,894,861	284,337

Disclosing Note 5:

*Received AusAid DFAT Cash Grant In Total of $430,455 on 3/9/2013. Ending Cash Balance as at 30/09/2015 is $7.41. Acquittal and Completion Reports have been submitted to MPWU and Planning Office, MFED. The remaining $7.41 has been returned to MFED as per Receipt No: 263301 09/03/16, thus a zero balance for AusAid DFAT Project Funds as at 31/12/2016.

Notes to and Forming Part of the Accounts (Con'd).

(6) Accumulated Loss:

	2016	2015
Balance 1/01/16	**(10,730,601)**	**(10,224,700)**
Net Profit/Loss (-) for the year*	3,799,381	(505,901)
Balance 31/12/16	**(6,931,220)**	**(10,730,601)**

Disclosing Note 6 :

*Electricity Debtors and Provision for Doubtful Debts are computed as follows:

	2016
Electricity Debtors Control Account / GL Balance as at 31/12/2016	7,850,907
Decrease in Elec Debtors and Previous Years Electricity Sales (PPI)	(127,732)
Balance per Electricity Debtors Listing as at 31/12/2016	**7,723,175**
Prov for Bad and Doubtful Debts accounted for in B/S:	
Domestic	6,753,246
Commercial	258,962
Industrial (Ministries)	226,413
Industrial (SOEs)	470,023
Total Prov. For Doubtful Debts for Electricity Debtors per Financial Position as at 31/12/2016	**7,708,644**
Less Prov for Bad and D/Debts at beginning of 2016, 01/01/2016	**(2,149,060)**
Doubtful Debts for Electricity Debtors as included in P&L Statement for the year ending 31/12/2016	**5,559,584**

**Provision for Bad and Doubtful Staff Debts in 2016 is $121,391

(7) Government Subsidy/CSO

	2016	2015
Water & Wastewater CSO	1,850,000	
Sewerage Operations	-	-
Power Supply	-	-
Other Grants	-	-
Total	1,850,000	-

(8) Prior Period Items/Adjustments

	2016	2015
a) Difference between the Electricity Debtors Control Account in the GL and the listing as disclosed in Note (6) above treated as PPI	(127,732)	711,699
b) Long Outstanding Debt with KOIL anticipated to set-off against Electricity Doubtful Debts	7,708,644	
c) Other Prior Year Expenses and Income	(57,237)	(148,200)
d) Audit Fees for prior years	-	-
	7,523,675	563,499

Notes to and Forming Part of the Accounts (Con'd)

(9) Trade Creditors

	2016	2015
Trade Creditors - Local - KOIL	7,951,415	7,373,625
Trade Creditors - Overseas	936,018	285,993
Total Trade Creditors	**8,887,434**	**7,659,618**

Disclosing Note 9: Trade Creditors

a) Trade Creditors - Local

* According to PUB's books, PUB owes KOIL $7,951,415 as at 31/12/2016. It is anticipated that a set-off against PUB's Trade Debtors for $7, 708,644.17 will happen and approved in 2017, the result also of accounting for Provision for Trade Creditors under Trade Creditors - Local to set aside as a set-off to actually account for when approved by Board/Cabinet.

b) Trade Creditors - Overseas	2016
** Daikai Engineering Pty Ltd., Singapore as at 31/12/2016	12,372
*** Northpower Ltd., NZ	923,646
	936,018

**In 2016, PUB has settled all its outstanding debt In relation to the 2015-16 Major Overhaul Maintenance of Power Generators with Daikai Engineering Pty Ltd., Singapore. Only remaining o/s amount is for new received parts ordered for Power Generators towards end of the year 2016.

***Outstanding debt with Northpower Ltd., relates to unpaid electrical items for the High Voltage Electricity Rehabilitation Project.

(10) VAT Payable

Adjustment on Vat Payable is to be reconsidered based on further advise from AG's and Tax Office.

(11) Trade Debtors

Trade Debtors as at 31/12/2016 comprise of:

	2016	2015
Electricity Debtors	7,723,175	8,596,241
Water Debtors	500,797	398,169
Total Trade Debtors	**8,223,973**	**8,994,409**

*Electricity Trade Debtors significantly decreases as at 31/12/2016. This relates to a very successful and aggressive collection stragtegy and disconnection policy. In 2016, PUB achieved a collection rate of more than 100% for the first time.

(12) Bad/Doubtful Debts

* A significant Bad/Doubtful Debt for Electricity and Staff Debtors as appeared in the 2016 P&L for $5,559,584 and $121,391 respectively, result especially after providing for write-off of Electricity and Staff Debtors as disclosed in Note (6) above.

Confirmed:	Chairman Benjamin Tokataake	CEO Peregrine Tonking	CEO Advisor Tokaata Niata

PUBLIC UTILITIES BOARD STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2016				
INCOME:	**Actual Year-To-Date Dec 2016**	**Revised Budget 2016**	**Variance Favourable/ Unfavourable**	**Actual Year-To-Date Dec 2015**
Electricity Sales	10,439,374	9,506,732	932,642	9,615,325
Internal Electricity Sales - PUB Water&Sew & Others	365,576	610,000	(244,424)	121,850
Water Sales	750,136	810,000	(59,864)	750,147
Government Subsidy/CSO	1,850,000	-	1,850,000	-
Other Income	419,362	209,479	209,883	217,957
TOTAL INCOME	**13,824,449**	**11,136,212**	**2,688,237**	**10,705,280**
EXPENDITURE:				
Fuel & Lubricant	8,166,168	8,177,475	11,306	7,429,321
Employee Expenses	1,861,551	2,052,021	190,469	1,906,085
Repairs & Maintenance	388,984	516,210	127,226	161,554
Bank Charges & Loan Interest	45,928	54,200	8,272	52,233
Depreciation	2,071,756	2,945,381	873,625	1,487,914
Internal Electricity Consumption	365,576	610,000	244,424	121,850
Other Expenses	812,725	1,019,120	206,395	557,779
TOTAL EXPENDITURE	**13,712,689**	**15,374,406**	**1,661,717**	**11,716,737**
OPERATING PROFIT / (LOSS)	**111,760**	**(4,238,194)**	**4,349,955**	**(1,011,457)**
ABNORMAL ITEMS:				
Bad/Doubtful Electricity Debts	(5,559,584)	(360,399)	(5,199,185)	(1,245,875)
Bad/Doubtful Staff Debts	(121,391)	-	(121,391)	
Prior Period Items	7,523,675	-	7,523,675	563,499
Amortisation - Aid Reserve	1,844,921	1,813,199	31,722	1,187,932
NET PROFIT / (LOSS) BEFORE TAX	**3,799,381**	**(2,785,394)**	**6,584,775**	**(505,901)**
Less: Taxations	-	-	-	-
NET PROFIT / (LOSS) AFTER TAX	**3,799,381**	**(2,785,394)**	**6,584,775**	**(505,901)**

PUBLIC UTILITIES BOARD STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2016		
	Actual 31-Dec-16	Actual 31-Dec-15
Share Capital 1 January 2016	40,132,189	26,715,980
Less Amortisation and Release of Capital Reserve	(1,844,921)	(1,187,932)
Capital Reserve - Aus Aid (DFAT) Project Funds Bailouts	(7)	(130,726)
Received from Gov't for High Voltage (HV) Electricity Rehabilitation Project	1,000,000	
Equity Injection - High Voltage (HV) Electricity Rehabilitation Project Items	1,165,707	
Equity Injection - Reduction on ADB Loan per SOEMAU's records	2,958,260	
World Bank Solar PV Grid Project	4,780,421	
Additional Capital - Receipts / Payments from Government Assistance Funds for 2015 Generator Overhaul & Service		1,265,573
Equity injection - clearance of PUB Debt with KOIL from NPGA Funds and CSO		1,593,441
Capital Reserve - Receipts / Payments from NZ MFAT Project Funds for Bonriki Water Pumps	(73,223)	124,955
Capital Reserve - Solar PV Grids including recommended tools granted by PEC and UAE		11,750,899
Share Capital 31 December 2016	48,118,426	40,132,189
Retained Earnings 1 January 2016	(10,730,601)	(10,224,700)
Plus Net Profit/(Loss)	3,799,381	(505,901)
Less Dividends Paid	-	-
Retained Earnings 31 December 2016	(6,931,220)	(10,730,601)