REPORT OF THE AUDITOR GENERAL ON THE ACCOUNT OF

Te Atinimarawa Co. Ltd
For the Years Ended 31st December 2015 & 30th September 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 Te Atinimarawa Co. Ltd Financial Statements for the Years ended 31 December 2015 & 30th Sept, 2016.

Report on the Financial Statements

The Auditor-General, Mrs Matereta B Raiman, is the auditor of Te Atinimarawa Co. Ltd (TACL).

I have audited the accompanying financial statements of Te Atinimarawa Co. Ltd (TACL). The financial statement is comprised of:

- the Statements of Financial Position as at 31 December, 2015 & 2016
- Statement of Financial Performance,
- a Cash Flow statement and
- a summary of significant accounting policies and other explanatory information.

Managements and Board Directors Responsibility for the Financial Statements

TACL Management and the Board of Directors are responsible for preparing the financial statements in accordance with generally accepted accounting practice. The financial statements must give a true and fair view of the financial position of TACL for the years ended 31st December 2015 & 30th Sept, 2016 and the results of its operations and cash flows for the years ended on those dates.

Auditor's Responsibility

In accordance with Part VII of the Public Finance (Control and Audit) 1976 (amendments 1981), auditors are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you.

Qualifications:

- The audit confirmed that TACL failed to account for its Inventory in its' Financial Statements for 2015 and 2016.

Qualified Audit Opinion:

In my opinion, **except for** the effects of the matters referred to in the qualification paragraph above, the financial statements of TACL present fairly, in all material respects the financial affairs of the Company for the years ended 31 Dec, 2015 and 30th Sept, 2016, its results and cashflow for the year then ended were in accordance with Generally Accepted Accounting Principles as applied in Kiribati.

The audit was completed on 29th March 2016, and was the date at which our opinion was expressed.

Basis of Opinion

We carried out the audit in accordance with the Generally Accepted Auditing Principles as applied in Kiribati.

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

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

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

Audit procedures generally include:

determining whether significant financial and management controls are working and can be relied on to produce complete and accurate data;

verifying samples of transactions and account balances;

performing analyses to identify anomalies in the reported data;

reviewing significant estimates and judgements made by the Board of Directors;

confirming year-end balances;

determining whether accounting policies are appropriate and consistently applied; and determining whether all financial statement disclosures are adequate.

We did not examine every transaction, therefore we could not guarantee complete accuracy of the financial statements.

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

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 Auditing.

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

....

Matereta B Raiman
Auditor General
Kiribati National Audit Office
29/03/2017

TE ATINIMARAWA COMPANY LTD
FINANCIAL STATEMENTS
FOR YEAR 2015

Contents

TE ATINIMARAWA COMPANY LTD
DIRECTORS' REPORT
FOR YEAR 2015

accordance with a resolution of the Board of Directors, the Directors herewith submit the Balance Sheet and Cash Flow Statements of the company as at 31st December 2015 and the related Income Statement for the year then ended on that date and report as follows:

Directors

The names of the directors in office at the date of this report are:-
Dr Temakei Tebano (Chairman)
Captain Etekieru Iotua
Moanataake Beiabure
Kautoa Tonganibeia
Taabia Kabaua

Results

The net profit for the year 2015 was $240,877 after taking into account nil income tax expense.

Dividends

No dividend was paid or recommended to be paid by the directors for the year.

Reserves

The directors recommend that no transfer be made to reserves at year end.

Principal Activity

The principal activities of the company during the year were that of selling out Mixed Aggregates. There were no significant changes in the nature of these activities during the financial year.

Reporting Period

The Financial period for the company is from January to December 2015

General

At the date of this report the directors are not aware of any circumstances not otherwise dealt with, which would render the account misleading.

Signed on behalf of the board of directors in accordance with a resolution of the directors.

Dated at Betio this ....31st........ day of ....March........ 2016.

V/Chairperson: .... Director: ....

Name: Taabia Kabaua........... Name.....Moanataake Beiabure.....

TE ATINIMARAWA COMPANY LTD
STATEMENT BY DIRECTORS
FOR YEAR 2015

.ı accordance with a resolution of the Board of Directors for TACL, we state that in the opinion of the directors:

[i] the accompanying income statement of the company is drawn up so as to give a true and fair view of the results of the company for the year ended 31st December 2015.

[ii] the accompanying balance sheet of the company is drawn up so as to give a true and fair view of the state of affairs of the company as at 31st December 2015

[iii] the accompanying Cash Flow Statement of the company is drawn up so as to give a true and fair view of the state of affairs of the company as at 31st December 2015

[iv] at the date of this statement it is certain that the company will be able to pay its debts as and when they fall due as it is funded by the European Union. For 2015 and after, this will be the company's own responsibility.

[v] all related party transactions have been adequately recorded in the books of the company. The Fixed Asset lists or all Donated Assets will be transferred at the end of July 2016 as advised by the ESAT Project Manager. The Content of the Asset Register we have are the ones purchased by TACL plus some other donated assets.

For and on behalf of the board and in accordance with a resolution of the directors.

Dated at Betio this 31st day of March 2016.

V/Chairman

Name: Taabia Kabaua

Director

Name: Moamataake Beiatuae

TE ATINIMARAWA COMPANY LTD
PROFIT AND LOSS STATEMENT
FOR YEAR 2015

	Notes	2014	2015
		$	$
INCOME			
Sales		100,449	$1,386,218
LESS EXPENSES			
Staff and Other Related Expenses		162,617	$451,288
Selling and Distribution Expenses		22,825	$42,013
Vessel fuel, maintenance and Supplies		81,780	$172,250
Office and Admin exp		80,557	$108,813
Bank Charges		782	$2,260
Depreciation on Fixed Assets		30,621	$347,655
Vehicle exp		2,059	$21,061
TOTAL EXPENSES		$381,241	$1,145,340
NET OPERATING PROFIT/(LOSS)		**(280,792)**	**$240,877**
ADD NON OPERATING ITEMS			
European Union Fund Released		22,460	
Deferred Income		30,621	
		($227,710)	$240,877
Income tax expense		-	
NET OPERATING PROFIT/(LOSS) after Income Tax		**(227,710)**	**$240,877**
RETAINED EARNINGS at the beginning of the year		72,597	(155,113)
		(155,113)	85,764

The Income Statement is to be read in conjunction with the notes to and forming part of the Financial Statements set out on pages 7 to 10.

TE ATINIMARAWA COMPANY LTD
BALANCE SHEET
AS AT 31 DECEMBER 2014

	Notes	2014	2015
		$	$
CURRENT ASSETS			
Cash and Other Cash Equivalents	5	13,768	$177,613
Trade and Other Receivables	6	37,185	$156,231
Inventory	7		
Prepayments & other deposits	8		
		50,953	$333,844
CURRENT LIABILITIES			
Bank Overdraft			
Trade & Other Payables	10	(2,991)	($19,454)
Sundry Creditors	11		
		(2,991)	(19,454)
WORKING CAPITAL		53,944	$353,298
NON-CURRENT ASSETS			
Property, Plant & Equipments	9	2,771,526	$4,848,023
		2,771,526	4,848,023
NON-CURRENT LIABILITIES			
Government Loan			
ANZ Bank Loan			
		-	-
NET ASSETS		$ 2,825,470	$ 5,201,321
Represented by:			
European Union Aids	12	2,980,584	$5,149,313
Paid Up Capital			
Retained Earnings		72,597	($188,869)
Current Earnings		(227,710)	$240,877.47
Historical Balance			
TOTAL SHAREHOLDERS' EQUITY		$ 2,825,470	$ 5,201,321

Signed on behalf of the board of directors in accordance with a resolution of the directors

Dated at Betio this 31st day of March 2016.

V/Chairman: .... Director: ....

Name: Taabia Kabaua...... Name: Uamaitaake Sunbore

TE ATINIMARAWA COMPANY LTD
CASH FLOW STATEMENT
FOR YEAR 2015

	Notes	2014	2015
		$	$
Cash Flow from operating activities			
Cash received from customers		122,909	$3,024,326
Cash paid to suppliers and employees		(350,620)	($1,662,790)
		(227,710)	$1,361,536
Interest Expense			
	(a)	**(227,710)**	**$1,361,536**
Cash Flow from Investing activities			
Acquisition of long term assets		(16,306)	(2,684,800)
		(16,306)	(2,684,800)
Cash Flow from Financing activities			
GoK & EU Aids		211,448	1,638,108
ANZ Bank Comm		(782)	$2,260
		210,666	1,640,368
Net Cash Flow		(33,350)	317,103
Opening Cash and Cash Equivalents.		80,917	47,411
Add Cash Adjustment		(156)	(30,670)
Closing Cash and Cash Equivalents		**47,411**	**333,844**

(a) Reconciliation of Net Cash from Operating Activities to Net Profit during the period:-

	2014	2015
Net Profit/(Loss) for the period	(227,710)	240,877
Plus Depreciation for the year	30,621	347,655
	(197,089)	588,533
Plus Changes in Balance Sheet Accounts		
(Decrease)/Increase in Cash	(30,835)	$908,513
Decrease/(Increase) in Inventory		
Decrease/(Increase) in Debtors	514	(119,046)
Decrease/(Increase) in Creditors	(300)	($16,463)
Adjustment to Bank Loan	-	
Adjustment to Retained Earnings		
Other Adjustments		
	(227,710)	**1,361,536**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Te Atinimarawa Co Limited is a Public Company established under the Kiribati Companies Ordinance and funded by the European Union and Kiribati Government, commenced operation in March 2013

a) **Basis of preparation of the financial statements**

The financial statements have been prepared in accordance with the historical cost accounting except for certain assets which were taken over from Government of Kiribati at Valuation, and do not take into account changing money values or current valuations of non-current assets unless otherwise stated. This account is compiled inaccordance with International Accounting Standards which are applicable in Kiribati.

b) **Property, plant and equipment**
Property, plant and equipment are depreciated on a straight line basis at rates calculated to write off each asset over its estimated useful life. The rates in use are as follows:-

Vehicle	20% pa
Plant & Equipment	20% pa
Furniture & Fittings	20% pa
Buildings	5% pa

c) **Income tax**
The company does not follow the principals of tax effect accounting. Income tax is calculated on the basis of reported incomes only.

d) **Inventories**
Stock (mixed aggregates) is manually recorded. No stock entered as awaiting
the weighbridge machine to determine the exact cubic meter or tonnage taken.

e) **Comparative figures**
When necessary comparative figures have been adjusted to conform with changes in presentation in the current period.

f) **Audit**
These financial statements are unaudited.

g) **Foreign Currency**

Foreign currency transactions during the year are recorded using the rate of exchange prevailing at the date of the transactions. At balance sheet date amounts receivable and payable in foreign currencies are translated at the exchange rates prevailing on that date. Exchange differences are taken directly to the profit and loss statement.

OPERATING EXPENSES

	2014 $	2015 $
Included in operating expenses are:		
Staff costs & other related expenses	162,617	451,288
Depreciation	30,621	347,655

4. INCOME TAX EXPENSE

	2014 $	2015 $
Net profit (loss) before income tax	(227,710)	240,877
Income tax expense for the year	-	-
	(227,710)	240,877

5. CASH AND CASH EQUIVALENTS

	2014 $	2015 $
Petty Cash	265	$401
Bank Account	18,361	$258,820
Undeposited Funds	(4,858)	($81,608)
	13,768	$177,613

6. TRADE AND OTHER RECEIVABLES

	2014 $	2015 $
Solar Energy Co.	4,736	4,736
ESAT Project	22,460	(13,388)
King Holdings	8,000	3,240
Police	530	
TTT	408	
Cenpac Marine	84	
Health	320	
AG's office	150	
Works		38,302
Maiana		103,149
Aust High Comm		3,960
Tarakia		519
Toromon Metutera		1,175
Temreke		$700
Fisheries - Tanaea		200.00
Tom Awira		13,445.00
	36,689	156,038

TE ATINIMARAWA COMPANY LTD
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)
FOR YEAR 2015

PROPERTY, PLANT AND EQUIPMENT	2014 $	2015 $
Buildings-Board approved evaluation of buildings SBM No.10 dated 26th A	266,546	266,546
Additional		
Disposal		
Less accumulated depreciation	(4,442) -	17,769.76
	262,104	248,776
Motor Vehicles		37,565
Additional		$0.00
Disposal		
Less accumulated depreciation	-	3,422.88
	-	34,142
Marine Vessel-transfer not yet done on vessel:	2,507,797	$2,527,953
Additional	10,737	8,365
Disposal		
Less accumulated depreciation	(23,959) -	173,956.95
	2,494,575	$2,362,361
Boat Channel		$2,360,443
Additional		
Disposal		
Less accumulated depreciation	-	176,936.87
	-	$2,183,507
Plant and Equipment	2,904	$7,619.50
Additional	4,234	14,162
Disposal		(890)
Less accumulated depreciation	(1,047) -	7,131.57
	6,091	$13,760.18
Furniture & Fittings at cost	8,594	$10,030.00
Additional	1,335	590
Disposal		
Less accumulated depreciation	(1,173) -	5,143.83
	8,756	$5,476.17
Net written down value	2,771,526	$4,848,022

ALL ASSET WILL BE TRANSFERRED FROM ESAT PTOJECT AT END OF JULY 2016.
FAR Record records only the assets purchased by TACL plus the barge only.
incomplete.

10. TRADE & OTHER PAYABLES	2014 $	2015 $
TTT		
PAYE	559	$60
Salary Advance	(1,040)	($2,286)
Travel Advance	(1,724)	($778)
Staff Bank Loan	472	$2,077
KPF Loan	1,955	($244)
KPF Payable	(1,416)	($3,007)
BOK Deposit	(1,831)	($155)
DBK Payable	372	
KHC Payable	153	($686)
Canteen Payable	(140)	($473)
Backpay	(100)	($1,879)
Staff Allowances	(886)	($2,523)
Accrued Exp	634	$4,971
KIC contribution		$20
Payroll Accruals Payable		$662
Bank loan comm		($16,200)
Staff Debtors		$986
	(2,738)	(19,454)

	2014	2015
	$	$
11 LOANS AND BORROWINGS		
	-	-

	2013	2014
12. GOVERNMENT GRANT/EU AIDS	$	$
Opening Balance	2,266,664	2,744,658
GoK/EU Aids	211,448	$2,138,108.13
Building transfer value	266,546	266,546
	2,744,658	5,149,312

	2013	2014
13. SHARE CAPITAL	$	$
Authorised Capital		
Issued and Paid Up Capital		
	-	-

	2013	2014
14 CAPITAL COMMITMENTS		
Conmpany just started - no commitments paid.		

	2013	2014
15 CONTINGENT LIABILITIES		
As for the previous year, there were no contingent liabilities at balance date.		

TE ATINIMARAWA COMPANY LTD
FINANCIAL STATEMENTS
FOR YEAR 2016

Contents

TE ATINIMARAWA COMPANY LTD
DIRECTORS' REPORT
FOR YEAR 2016

In accordance with a resolution of the Board of Directors, the Directors herewith submit the Balance Sheet and Cash Flow Statements of the company as at 31st December 2016 and the related Income Statement for the year then ended on that date and report as follows:

Directors

The names of the directors in office at the date of this report are:-

Dr Temakei Tebano (Chairman)
Captain Etekieru Iotua
Moanataake Beiabure
Taabia Kabaua
Temarewe Tekaatau

Results

The net profit for the year 2016 was $215,084 after taking into account nil income tax expense.

Dividends

No dividend was paid or recommended to be paid by the directors for the year.

Reserves

The directors recommend that no transfer be made to reserves at year end.

Principal Activity

The principal activities of the company during the year were that of selling out Mixed Aggregates. There were no significant changes in the nature of these activities during the financial year.

Reporting Period

The Financial period for the company is from January to December 2016

General

At the date of this report the directors are not aware of any circumstances not otherwise dealt with, which would render the account misleading.

Signed on behalf of the board of directors in accordance with a resolution of the directors.

Dated at Betio this .... day of .... 2017.

Chairperson: ....   Director: ....

Name:...Dr Temakei Tebano   Name.............................

TE ATINIMARAWA COMPANY LTD
STATEMENT BY DIRECTORS
FOR YEAR 2016

In accordance with a resolution of the Board of Directors for TACL, we state that in the opinion of the directors:

[i] the accompanying income statement of the company is drawn up so as to give a true and fair view of the results of the company for the year ended 31st December 2015.

[ii] the accompanying balance sheet of the company is drawn up so as to give a true and fair view of the state of affairs of the company as at 31st December 2016. Mac-Dow's debt is being disputed in Court in line with the Agreement signed by both parties. It is unknown at this stage whether Mac-Dows actually owed TACL or otherwise and therefore the disputed amount is not included amongst the Trade debtors.

[iii] the accompanying Cash Flow Statement of the company is drawn up so as to give a true and fair view of the state of affairs of the company as at 31st December 2016

[iv] at the date of this statement it is certain that the company will be able to pay its debts.

[v] all related party transactions have been adequately recorded in the books of the company. The Fixed Asset lists or all Donated Assets had all been transferred to GoK from the ESAT Project Manager. A copy of the lists had been sent to TACL.

For and on behalf of the board and in accordance with a resolution of the directors.

Dated at Betio this ...13... day of ...Jan... 2017.

....	....
Chairman	Director
Dr Temakei Tebano	Name:........................

TE ATINIMARAWA COMPANY LTD
PROFIT AND LOSS STATEMENT
FOR YEAR 2016

	Notes	2014	2015	2016
		$	$	$
INCOME				
Sales		100,449	$1,386,218	$1,987,802
LESS EXPENSES				
Staff and Other Related Expenses		162,617	$451,288	$480,437
Selling and Distribution Expenses		22,825	$42,013	$391,484
Vessel fuel, maintenance and Supplies		81,780	$172,250	$110,712
Office and Admin Expenses		80,557	$108,813	$100,072
Bank Charges		782	$2,260	$11,269
Depreciation on Fixed Assets		30,621	$347,655	$535,683
Vehicle & Office Maintenance		2,059	$21,061	$143,060
TOTAL EXPENSES		$381,241	$1,145,340	$1,772,717
NET OPERATING PROFIT/(LOSS)		(280,792)	$240,877	$215,084
ADD NON OPERATING ITEMS				
European Union Fund Released		22,460		
Deferred Income		30,621		
		($227,710)	$240,877	$215,084
Income tax expense		-	84,307	75,280
NET OPERATING PROFIT/(LOSS) after Income Tax	4	(227,710)	$156,570	$139,805
RETAINED EARNINGS at the beginning of the year		72,597	(155,113)	1,457
		(155,113)	1,457	141,262

The Income Statement is to be read in conjunction with the notes to and forming part of the Financial Statements set out on pages 7 to 12.

TE ATINIMARAWA COMPANY LTD
BALANCE SHEET
AS AT 31 DECEMBER 2016

	Notes	2014	2015	2016
		$	$	$
CURRENT ASSETS				
Cash and Other Cash Equivalents	5	13,768	$177,613	$855,137
Trade and Other Receivables	6	37,185	$156,231	$138,033
Inventory	7			
Prepayments & other deposits	8			
		50,953	**$333,844**	**$993,170**
CURRENT LIABILITIES				
Trade & Other Payables	10	(2,991)	($19,454)	($9,071)
Sundry Creditors	11			
		(2,991)	**(19,454)**	**(9,071)**
WORKING CAPITAL		**53,944**	**$353,298**	**$1,002,242**
NON-CURRENT ASSETS				
Property, Plant & Equipments	9	2,771,526	$4,848,023	$6,098,831
		2,771,526	**4,848,023**	**6,098,831**
NON-CURRENT LIABILITIES				
Government Loan				
		-	-	-
NET ASSETS		**$ 2,825,470**	**$ 5,201,321**	**$ 7,101,072**
Represented by:				
European Union Aids	12	2,980,584	$5,149,313	6,833,980
Retained Earnings		72,597	($188,869)	52,008
Current Earnings		(227,710)	$240,877	215,084
TOTAL SHAREHOLDERS' EQUITY		**$ 2,825,470**	**$ 5,201,321**	**$ 7,101,072**

Signed on behalf of the board of directors in accordance with a resolution of the directors

Dated at Betio this .... day of .... 2017.

Chairman......................... Director: ....

TE ATINIMARAWA COMPANY LTD
CASH FLOW STATEMENT
FOR YEAR 2016

	Notes	2014 $	2015 $	2016 $
Cash Flow from operating activities				
Cash received from customers		122,909	$1,386,218	$1,987,802
Cash paid to suppliers and employees		(350,620)	($1,145,340)	($1,772,717)
		(227,710)	$240,877	$215,084
Interest Expense				
	(a)	**(227,710)**	**$240,877**	**$215,084**
Cash Flow from Investing activities				
Acquisition of long term assets		(16,306)	(2,684,800)	(102,684)
		(16,306)	(2,684,800)	(102,684)
Cash Flow from Financing activities				
GoK & EU Aids		211,448	1,638,108	1,464,364
ANZ Bank Commission		(782)	$2,260	$14,677.14
		210,666	1,640,368	1,479,041
Net Cash Flow		(33,350)	(803,555)	1,591,441
Opening Cash and Cash Equivalents.		80,917	50,953	(333,844)
Add Cash Adjustment		3,386	418,758	(2,250,768)
Closing Cash and Cash Equivalents		**50,953**	**(333,844)**	**(993,171)**

(a) Reconciliation of Net Cash from Operating Activities to Net Profit during the period:-

	2014	2015	2016
Net Profit/(Loss) for the period	(227,710)	240,877	215,084
Plus Depreciation for the year	30,621	347,655	535,683
	(197,089)	588,533	750,767
Plus Changes in Balance Sheet Accounts			
Decrease/(Increase) in Cash	(30,835)	$331,192	(604,745)
Decrease/(Increase) in Inventory			
Decrease/(Increase) in Debtors	514	(662,384)	24,009
Decrease/(Increase) in Creditors	(300)	($16,463)	45,053
Adjustment to Bank Loan	-		
Adjustment to Retained Earnings			
Other Adjustments			
	(227,710)	240,878	215,084

TE ATINIMARAWA COMPANY LTD
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR YEAR 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Te Atinimarawa Co Limited is a Public Company established under the Kiribati Companies Ordinance and funded by the European Union and Kiribati Government, commenced operation in October 2012.

a) Basis of preparation of the financial statements

The financial statements have been prepared in accordance with the historical cost accounting except for certain assets which were taken over from Government of Kiribati at Valuation, and do not take into account changing money values or current valuations of non-current assets unless otherwise stated. This account is compiled inaccordance with International Accounting Standards which are applicable in Kiribati.

b) Property, plant and equipment

Property, plant and equipment are depreciated on a straight line basis at rates calculated to write off each asset over its estimated useful life. The rates in use are as follows:-

Vehicle	20% pa
Plant & Equipment	20% pa
Furniture & Fittings	20% pa
Buildings	5% pa

c) Income tax

The company does not follow the principals of tax effect accounting. Income tax is calculated on the basis of reported incomes only.

d) Inventories

Stock (mixed aggregates) is manually recorded. No stock entered as awaiting

the weighbridge machine to determine the exact cubic meter or tonnage taken.

e) Comparative figures

When necessary comparative figures have been adjusted to conform with changes in presentation in the current period.

f) **Audit**

These financial statements are unaudited.

g) **Foreign Currency**

Foreign currency transactions during the year are recorded using the rate of exchange prevailing at the date of the transactions. At balance sheet date amounts receivable and payable in foreign currencies are translated at the exchange rates prevailing on that date. Exchange differences are taken directly to the profit and loss statement.

TE ATINIMARAWA COMPANY LTD
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)
FOR YEAR 2016

2. OPERATING EXPENSES

	2014	2015	2016
	$	$	$
Included in operating expenses are:			
Staff costs & other related expenses	162,617	451,288	480,437
Depreciation	30,621	347,655	535,683

4. INCOME TAX EXPENSE

	2014	2015	2016
	$	$	$
Net profit (loss) before income tax	(227,710)	240,877	215,084
Income tax expense for the year	-	(84,307)	(75,280)
	(227,710)	156,570	139,805

5. CASH AND CASH EQUIVALENTS

	2014	2015	2016
	$	$	$
Petty Cash	265	$401	$607
Bank Account	18,361	$258,820	$815,359
Undeposited Funds	(4,858)	($81,608)	$39,172
	13,768	$177,613	$855,137

6. TRADE AND OTHER RECEIVABLES

	2014	2015	2016
	$	$	$
Solar Energy Co.	4,736	4,736	4,736
ESAT Project	22,460	(13,388)	8,187
King Holdings	8,000	3,240	
Police/High Court	530		3,145
TTT/MELAD	408		90
Cenpac Marine/MYSA	84		338
Min of Health & Medical Services(MHMS)	320		1,896
AG's office/Min of Education	150		13,110
Min of Public Works & Utilities(MPWU)		38,302	1,035
Maiana		103,149	91,954
Aust High Comm		3,960	
Tarakia		519	519
Toromon Metutera		1,175	
Temreke		$700	$700
Fisheries - Tanaea		200.00	
Tom Awira		13,445.00	10,945
Payroll chq account		$192.37	1,075
Kaure Babo			304
	36,689	156,230	138,033

TE ATINIMARAWA COMPANY LTD
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)
FOR YEAR 2016

9. PROPERTY, PLANT AND EQUIPMENT	2014 $	2015 $	2016 $
Buildings	266,546	266,546	266,546
Additional			
Disposal			
Less accumulated depreciation	(4,442) -	17,769.76	($31,097.07)
	262,104	248,776	235,449
Motor Vehicles		37,565	$863,585.67
Additional		$0.00	
Disposal			
Less accumulated depreciation	-	3,422.88	($118,390.26)
	-	34,142	745,195
Marine Vessel	2,507,797	$2,527,953	$3,261,113.65
Additional	10,737	8,363	
Disposal			
Less accumulated depreciation	(23,959) -	173,956.95	($242,357.16)
	2,494,575	$2,362,359	$3,018,756
Boat Channel		$2,360,443	$2,360,443.40
Additional			
Disposal			
Less accumulated depreciation	-	176,936.87	($294,959.03)
	-	$2,183,507	$2,065,484
Plant and Equipment	2,904	$7,619.50	$22,873.61
Additional	4,234	14,162	
Less accumulated depreciation	(1,047) -	8,021.57	($5,637.32)
	6,091	$13,759.93	$17,236.29
Furniture & Fittings at cost	8,594	$10,030.00	$24,753.10
Additional	1,335	590	($8,044.23)
Disposal			
Less accumulated depreciation	(1,173) -	5,143.83	
	8,756	$5,476.17	$16,708.87
Net written down value	2,771,526	$4,848,020	$6,098,830

TE ATINIMARAWA COMPANY LTD
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)
FOR YEAR 2016

10. TRADE & OTHER PAYABLES	2014 $	2015 $	2016 $
TTT			
PAYE	559	$60	$32.18
Salary Advance	(1,040)	($2,286)	($8,552.45)
Travel Advance	(1,724)	($778)	
Staff Bank Loan	472	$2,077	
KPF Loan	1,955	($244)	$35.00
KPF Payable	(1,416)	($3,007)	($39.61)
BOK Deposit	(1,831)	($155)	($199.00)
DBK Payable	372		$101.06
KHC Payable	153	($686)	
Canteen Payable	(140)	($473)	($478.51)
Backpay	(100)	($1,879)	
Staff Allowances	(886)	($2,523)	
Accrued Exp	634	$4,971	
KIC contribution		$20	$30.00
Payroll Accruals Payable		$662	
Bank loan comm		($16,200)	
Staff Debtors		$986	
Tax exp (provision)			
	(2,991)	(19,454)	(9,071)

	2014 $	2015 $	2016 $
11 LOANS AND BORROWINGS			
	-	-	-

12. GOVERNMENT GRANT/EU AIDS	2014 $	2015 $	2016 $
Opening Balance	2,502,589	2,744,658	5,149,312
GoK/EU Aids	211,448	$2,138,108	1,418,121
Building transfer value	266,546	266,546	266,546
	2,980,583	5,149,312	6,833,979

TE ATINIMARAWA COMPANY LTD
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)

13. SHARE CAPITAL

	2014	2015	2016
	$	$	$
Authorised Capital	-	-	-
Issued and Paid Up Capital	-	-	-

14 CAPITAL COMMITMENTS

	2014	2015	2016
Conmpany just started - no commitments paid.			

15 CONTINGENT LIABILITIES

	2014	2015	2016
As for the previous year, there were no contingent liabilities at balance date.			