

**REPORT OF THE AUDITOR GENERAL ON THE ACCOUNT OF**



**TEATINIMARAWA COMPANY LIMITED FINANCIAL STATEMENT**

**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**

**KIRIBATI AUDIT OFFICE**

**JULY 2023**

**KIRIBATI AUDIT OFFICE**



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**Audit for an impact for the public**

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**INDEPENDENT AUDITOR'S REPORT**

**To The Readers Of  
TEATINIMARAWA COMPANY LIMITED FINANCIAL STATEMENT  
For the year ended 31<sup>st</sup> December 2022**

I have audited the Financial Statements of TEATINIMARAWA COMPANY LIMITED(TACL) for the year ended 31<sup>st</sup> December 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

## **Unqualified Opinion**

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Authority as at December 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

## **Basis of Unqualified Opinion**

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.

## **Other Matters:**

We would like to draw the user's attention to the matters stated below:

- The recovery for outstanding debtors for Tom Awira with totaled of \$10k had been settle in court and agreed that appellant will repay such amount.
- In another case, Maiana Island outstanding dues(\$51k) still in the negotiation process with the Government without any confirmation whether the amount will settle this year or in the future as this amount remain reflected in the financial statement of TACL.

## **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.

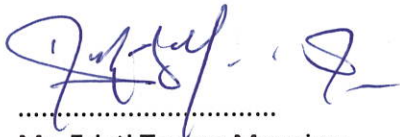
### Report on other Legal and Regulatory Requirements

TACL lodged its Financial Statement on 24<sup>th</sup> March 2023 therefore indicating TACL had comply with sec.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 TACL.



.....  
Mr. Eriati Tauma Manaima  
Auditor General.

Date:.....

**TE ATINIMARAWA COMPANY LTD**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**TE ATINIMARAWA COMPANY LTD**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

In accordance with a resolution of the Board of Directors, the Directors herewith submit the Statement of Financial Position as at 31 December 2022, Statement of Changes in Equity and Statement of Cash Flow 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:-*

Tiimi Kiekieki (Chairman)

Maria-Teretia Kaiboia

Barate Teuriaria

Kabure Yeeting

Teimarawa Eterika

**Results**

The net operating profit for the year 2022 was \$610,413 (2021 Net Profit \$43,305) after taking into account an income tax expense of \$nil.

**Dividends**

The Directors approved dividend to the rate provided by the Finance.

**Reserves**

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

**Donated Assets**

The directors recommend to transfer the amount of donated assets to deferred Income in order to offset the depreciation expense on these assets.

**Principal Activity**

The principal activities of the company during the year were that of selling out Mixed Aggregates, fine sand, kairebwe, atama, mixed fine & kairebwe sand, vehicle/plant hire, machineries repair, cement & LC Tekimarawa charter.

**Reporting Period**

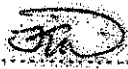
The Financial period for the company is from January to December 2022

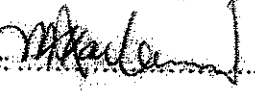
**General**

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 8th day of February 2023.

Chairperson: 

Director: 

Name: ...Tiimi Kiekieki

Name: MARIA-TERETIA KAIBOIA

**TE ATINIMARAWA COMPANY LTD**  
**STATEMENT BY DIRECTORS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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

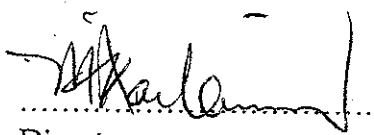
- [i] the accompanying Statement of Financial Position as at 31 December 2022, Statement of Profit or Loss and other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flow together with the notes thereto of the company are drawn up so as to give a true and fair view of the results of the company for the year ended 31st December 2022.
- [ii] at the date of this statement it is certain that the company will be able to pay its debts.
- [iii] all related party transactions have been adequately recorded in the books of the company.

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

Dated at Betio this <sup>18<sup>th</sup></sup> day of February 2023.

  
.....  
Chairman

Tiimi Kaiekieki

  
.....  
Director

Name: Maria-Teretia

**TE ATINIMARAWA COMPANY LTD**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

|                                                     | Notes | 2022         | 2021         |
|-----------------------------------------------------|-------|--------------|--------------|
| <b>INCOME</b>                                       |       |              |              |
| Sales                                               | 2     | \$ 2,301,810 | \$ 1,571,512 |
| Cost of Sales                                       |       |              |              |
| Total Cost of Sales                                 |       | \$ 212,248   | \$ 207,321   |
| Gross Profit                                        |       | \$ 2,089,562 | \$ 1,364,191 |
| <b>LESS EXPENSES</b>                                |       |              |              |
| Staff and Other Related Expenses                    | 3     | \$ 693,095   | \$ 654,460   |
| Selling and Distribution Expenses                   |       | \$ 76,893    | \$ 55,571    |
| Fuel & Oil                                          |       | \$ 264,641   | \$ 198,643   |
| Vessel Tools, Repair & Maintenance                  |       | \$ 152,090   | \$ 16,113    |
| Ration & Water                                      |       | \$ 12,024    | \$ 2,574     |
| Office Maintenance                                  |       | \$ 8,035     | \$ 8,556     |
| Vehicle Maintenance                                 |       | \$ 98,618    | \$ 52,689    |
| Depreciation on Fixed Assets                        |       | \$ 666,090   | \$ 777,513   |
| Office and Admin exp                                |       | \$ 93,633    | \$ 140,805   |
| <b>TOTAL OPERATING EXPENSES</b>                     |       | \$ 2,065,119 | \$ 1,906,923 |
| Finance Costs                                       |       | \$ 2,342     | \$ 2,277     |
| <b>OPERATING PROFIT/(LOSS) before Income Tax</b>    |       | \$ 22,101    | \$ (545,009) |
| Income tax expense                                  | 4     | -            | -            |
| <b>NET OPERATING PROFIT/(LOSS) after Income tax</b> |       | \$ 22,101    | \$ (545,009) |
| <b>ADD NON OPERATING ITEMS</b>                      |       |              |              |
| European Union Fund Armotised                       |       |              |              |
| Deferred Income                                     |       | \$ 588,312   | \$ 588,313   |
|                                                     |       | 588,312      | \$ 588,313   |
| <b>NET PROFIT/(LOSS) for year end</b>               |       | \$ 610,413   | \$ 43,305    |

*The Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the notes to and forming part of the Financial Statements set out on pages 8 to 12.*

**TE ATINIMARAWA COMPANY LTD**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

|                                          | Notes | 2022                | 2021                |
|------------------------------------------|-------|---------------------|---------------------|
| <b>EU/GOVERNMENT AID</b>                 |       |                     |                     |
| Opening Balance                          |       | \$ 565,074          | \$ 565,074          |
| LESS Transfer to Deferred Capital Income |       | \$ -                | \$ -                |
| Closing Balance                          |       | \$ 565,074          | \$ 565,074          |
| <b>RETAINED EARNING</b>                  |       |                     |                     |
| Opening Balance                          |       | \$ 891,086          | \$ 924,820          |
| LESS Transfer to Deferred Capital Income |       |                     |                     |
| NET PROFIT/(LOSS) for year end           |       | \$ 610,413          | \$ 43,305           |
| Dividend Declared/Paid                   |       | \$ (12,120)         | \$ (15,143)         |
| Less: Prior period adjustments           |       | \$ (87,767)         | \$ (61,896)         |
| Closing Balance                          |       | \$ 1,401,612        | \$ 891,086          |
| <b>TOTAL SHAREHOLDERS' FUND</b>          |       | <b>\$ 1,966,686</b> | <b>\$ 1,456,160</b> |

*The Statement of Changes in Equity is to be read in conjunction with the notes to and forming part of the Financial Statements set out on pages 8 to 13.*

**TE ATINIMARAWA COMPANY LTD**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31ST DECEMBER 2022**

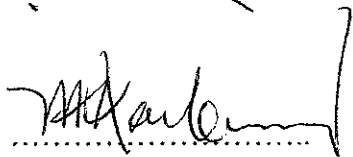
|                                   | Notes | 2022                | 2021                |
|-----------------------------------|-------|---------------------|---------------------|
| <b>CURRENT ASSETS</b>             |       |                     |                     |
| Cash and Other Cash Equivalents   | 5     | \$ 701,856          | \$ 644,844          |
| Trade and Other Receivables       | 6     | \$ 187,649          | \$ 79,903           |
| Inventory                         | 7     | \$ 295,998          | \$ 62,666           |
|                                   |       | <u>\$ 1,185,504</u> | <u>\$ 787,412</u>   |
| <b>CURRENT LIABILITIES</b>        |       |                     |                     |
| Trade & Other Payables            | 9     | \$ 63,355           | \$ 2,500            |
| Provisonal taxes                  | 10    |                     | \$ 26,956           |
|                                   |       | <u>\$ 63,355</u>    | <u>\$ 29,456</u>    |
| <b>WORKING CAPITAL</b>            |       | <u>\$ 1,122,149</u> | <u>\$ 757,956</u>   |
| <b>NON-CURRENT ASSETS</b>         |       |                     |                     |
| Property, Plant & Equipments      | 8     | \$ 3,196,605        | \$ 3,638,583        |
|                                   |       | <u>\$ 3,196,605</u> | <u>\$ 3,638,583</u> |
| <b>NON-CURRENT LIABILITIES</b>    |       |                     |                     |
| Deferred Capital Income           | 11    | \$ 2,352,068        | \$ 2,940,380        |
| Total Deferred Capital Income     |       | <u>\$ 2,352,068</u> | <u>\$ 2,940,380</u> |
| <b>NET ASSETS</b>                 |       | <u>\$ 1,966,686</u> | <u>\$ 1,456,160</u> |
| <b>TOTAL SHAREHOLDERS' EQUITY</b> |       | <u>\$ 1,966,686</u> | <u>\$ 1,456,160</u> |

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

Dated at Betio this <sup>18<sup>th</sup></sup> day of February 2023.

Chairman.....

Tiimi Kaiekieki

Director: 

Maria-Teretia

*The Statement of Financial Position is to be read in conjunction with the notes to and forming part of the Financial Statements set out on pages 8 to 13.*

**TE ATINIMARAWA COMPANY LTD**  
**STATEMENT OF CASH FLOW**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

|                                                                                            | Notes | 2022                | 2021                |
|--------------------------------------------------------------------------------------------|-------|---------------------|---------------------|
| Cash Flow from operating activities                                                        |       |                     |                     |
| Cash received from customers                                                               |       | \$ 2,194,064        | \$ 1,571,188        |
| Cash paid to suppliers and employees                                                       |       | \$ (1,912,940)      | \$ (1,329,875)      |
|                                                                                            |       | <u>\$ 281,124</u>   | <u>\$ 241,313</u>   |
| Cash Flow from Investing activities                                                        |       |                     |                     |
| Acquisition of long term assets                                                            |       | \$ (224,112)        | \$ (202,000)        |
|                                                                                            |       | <u>\$ (224,112)</u> | <u>\$ (202,000)</u> |
| Cash Flow from Financing activities                                                        |       |                     |                     |
| GoK & EU Aids                                                                              |       | \$ -                | \$ -                |
|                                                                                            |       | <u>\$ -</u>         | <u>\$ -</u>         |
| Net Cash Flow                                                                              |       | \$ 57,012           | \$ 39,313           |
| Opening Cash and Cash Equivalents.                                                         |       | \$ 644,844          | \$ 605,531          |
| Add Cash Adjustment                                                                        |       |                     |                     |
| Closing Cash and Cash Equivalents                                                          |       | <u>\$ 701,856</u>   | <u>\$ 644,844</u>   |
| (a) Reconciliation of Net Cash from Operating Activities to Net Profit during the period:- |       |                     |                     |
| Net Profit/(Loss) for the period                                                           |       | \$ 610,413          | \$ 43,305           |
| Plus Depreciation for the year                                                             |       | \$ 666,090          | \$ 777,513          |
| Amortisation of Deferred Income                                                            |       | \$ (588,312)        | \$ (588,311)        |
|                                                                                            |       | <u>\$ 688,191</u>   | <u>\$ 232,506</u>   |
| Plus Changes in Balance Sheet Accounts                                                     |       |                     |                     |
| Decrease/(Increase) in Inventory                                                           |       | -281,999            | \$ 72,260           |
| Decrease/(Increase) in Debtors                                                             |       | -107,746            | \$ (11,161)         |
| Decrease/(Increase) in Creditors                                                           |       | -17,322             | \$ (52,292)         |
| Other Adjustments                                                                          |       |                     |                     |
|                                                                                            |       | <u>\$ 281,124</u>   | <u>\$ 241,313</u>   |

**TE ATINIMARAWA COMPANY LTD**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**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 in accordance with International Financial Reporting Standard.

**b) Income recognition**

Sales comprises of the fair value of the consideration received or receivable for the sale of good and rendering of services in the ordinary course of the business activities. Sales are presented, net of rebates and discounts.

Revenue is recognised when the amount of revenue and related costs can be reliably measured. It is probable that the collectability of the related costs receivable is reasonably assured and the specific criteria for each of the business activities are met as follows:

**i) *Sale of Goods - Crush and Ungraded Sand and Mud***

Revenue from Crushed and Ungraded Sand and Mud is recognised when the business delivered the items to the customer's location and the customers accepted the item.

**ii) *Sale of Goods - Cement and Tetrapods***

Revenue from Cement and Tetrapods are recognised when the business delivered the items to the customer's location and the customers accepted the item.

**ii) *Rendering of Service - Equipment hire and Vessel Charter***

Revenue from Equipment hire and Vessel charter is recognised when the services are rendered, using a daily rate or hourly rate for the service required.

**TE ATINIMARAWA COMPANY LTD**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**c) Property, plant and equipment and depreciation**

Freehold land is not depreciated. Depreciation on property, plant and equipments are calculated using a straight line method and diminishing value method as per rates below by the tax office:

|                      |        |
|----------------------|--------|
| Vehicle              | 20% pa |
| Plant & Equipment    | 20% pa |
| Furniture & Fittings | 20% pa |
| Buildings            | 5% pa  |
| Vessel               | 10% pa |
| Boat Channel         | 5% pa  |

**d) Income tax**

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

**e) Audit**

These financial statements are unaudited, but will be audited later by the Kiribati Audit Office.

**f) Inventory**

Inventories are carried at the lower of cost and net realisable value. Costs is determined using the first in, first out method. The costs of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and variable selling expenses. Costs on imported items are determined using a landed costs.

**TE ATINIMARAWA COMPANY LTD****NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

| <b>2 INCOME</b>                     | <b>2022</b>         | <b>2021</b>         |
|-------------------------------------|---------------------|---------------------|
| <b>SALES</b>                        |                     |                     |
| Mixed aggregates Sand/Mud-Unprocess | \$ 337,895          | \$ 349,390          |
| Fine sand (less than 4.5mm)         | \$ 452,840          | \$ 568,169          |
| Kairebwe (4.5-12mm)                 | \$ 2,270            | \$ 5,027            |
| Atama (12-22mm)                     | \$ 207,822          | \$ 257,776          |
| Mixed fine & Kairebwe sand          | \$ -                | \$ 2,884            |
| Charter                             | \$ 919,493          | \$ 106,540          |
| Vehicle/Plant hire                  | \$ 58,915           | \$ 105,715          |
| Overtime charge                     | \$ 1,000            | \$ 6,255            |
| Miscellaneous income                | \$ 341              | \$ 1,786            |
| Machineries repair income           | \$ 45,833           | \$ 17,986           |
| Interest Income                     | \$ 160              | \$ 322              |
| Cement                              | \$ 275,240          | \$ 149,663          |
| <b>Total Income</b>                 | <b>\$ 2,301,810</b> | <b>\$ 1,571,512</b> |

| <b>3 STAFF SALARIES &amp; EMOLUMENTS</b> | <b>2022</b>       | <b>2021</b>       |
|------------------------------------------|-------------------|-------------------|
| Included in operating expenses are:      |                   |                   |
| Staff Salaries & Wages                   | \$ 456,571        | \$ 491,973        |
| KPF Contribution                         | \$ 34,014         | \$ 37,383         |
| Leave Grant                              | \$ 60,000         | \$ 46,500         |
| Other Staff Emoluments                   | \$ 142,509        | \$ 78,604         |
|                                          | <b>\$ 693,095</b> | <b>\$ 654,459</b> |

| <b>4 INCOME TAX EXPENSE</b>                   | <b>2022</b>      | <b>2021</b>         |
|-----------------------------------------------|------------------|---------------------|
| Net Operating Profit (Loss) before income tax | \$ 22,101        | \$ (545,009)        |
| Income tax expense for the year               |                  | \$ -                |
|                                               | <b>\$ 22,101</b> | <b>\$ (545,009)</b> |

| <b>5. CASH AND CASH EQUIVALENTS</b> | <b>2022</b>       | <b>2021</b>       |
|-------------------------------------|-------------------|-------------------|
| Petty Cash/Cash Float               | \$ 500            | \$ 500            |
| Bank Account                        | \$ 695,779        | \$ 573,570        |
| Undeposited Funds/Payroll chq A/c   | \$ 5,577          | \$ 70,774         |
|                                     | <b>\$ 701,856</b> | <b>\$ 644,844</b> |

**TE ATINIMARAWA COMPANY LTD****NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022****6. TRADE AND OTHER RECEIVABLES**

|                                                  | 2022              | 2021             |
|--------------------------------------------------|-------------------|------------------|
| Maiana Island                                    | \$ 51,176         | \$ 51,176        |
| Tarakia Uakeang/Kaure Babo                       | \$ 822            | \$ 822           |
| Ministry of Fisheries & Marine Resources Develop | \$ -              | \$ 6,500         |
| Tom Awira                                        | \$ 10,945         | \$ 10,945        |
| Staff Debtors                                    | \$ 7,246          | \$ 10,460        |
| Accrued debtors                                  | \$ 117,460        | \$ -             |
|                                                  | <b>\$ 187,649</b> | <b>\$ 79,903</b> |

**7. INVENTORIES**

| Item Name                      | 2022              | 2021             |
|--------------------------------|-------------------|------------------|
| Unprocess Mixed Aggregate Sand | \$ 32,550         | \$ -             |
| Oversize Gravel                | \$ 2,970          | \$ 350           |
| Crusher Fine Sand              | \$ 41,110         | \$ 37,290        |
| Crusher Atama                  | \$ 631            | \$ -             |
| Cusher mixed sand & kairebwe   | \$ 1,900          | \$ 367           |
| Cement                         | \$ 1,613          | \$ -             |
| Spare Parts                    | \$ 202,599        | \$ 18,454        |
| Tetrapods                      | \$ 8,712          | \$ 3,360         |
| Fuel & Oil                     | \$ 3,915          | \$ 2,845         |
|                                | <b>\$ 295,998</b> | <b>\$ 62,666</b> |

TE ATINIMARAWA COMPANY LTD  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2022

8 PROPERTY, PLANT AND EQUIPMENT

|                                                                                | 2022                | 2021                |
|--------------------------------------------------------------------------------|---------------------|---------------------|
| Buildings-Board approved evaluation of buildings SBM No.10 dated 26th Aug 2014 | \$ 306,190          | \$ 306,190          |
| Less accumulated depreciation                                                  | \$ (119,562)        | \$ 104,252          |
|                                                                                | <u>\$ 186,628</u>   | <u>\$ 201,937</u>   |
| Motor Vehicles                                                                 | \$ 1,555,360        | \$ 1,524,576        |
| Additional                                                                     |                     | \$ 106,824          |
| Less accumulated depreciation                                                  | \$ (1,460,523)      | \$ (1,359,361)      |
|                                                                                | <u>\$ 94,837</u>    | <u>\$ 272,039</u>   |
| Marine Vessel                                                                  | \$ 3,633,977        | \$ 3,556,153        |
| Additional                                                                     | \$ 28,485           | \$ 77,824           |
| Less accumulated depreciation                                                  | \$ (2,410,673)      | \$ (2,009,885)      |
|                                                                                | <u>\$ 1,251,789</u> | <u>\$ 1,624,092</u> |
| Boat Channel                                                                   | \$ 2,360,443        | \$ 2,360,443        |
| Less accumulated depreciation                                                  | \$ (1,003,092)      | \$ (885,070)        |
|                                                                                | <u>\$ 1,357,351</u> | <u>\$ 1,475,374</u> |
| Plant and Equipment                                                            | \$ 182,404          | \$ 106,044          |
| Additional                                                                     | \$ 187,017          | \$ 320              |
| Less accumulated depreciation                                                  | \$ (84,092)         | \$ (58,462)         |
|                                                                                | <u>\$ 285,329</u>   | <u>\$ 47,903</u>    |
| Furniture & Fittings at cost                                                   | \$ 46,255           | \$ 30,253           |
| Additional                                                                     | \$ 8,611            | \$ 16,002           |
| Less accumulated depreciation                                                  | \$ (34,195)         | \$ (29,016)         |
|                                                                                | <u>\$ 20,671</u>    | <u>\$ 17,239</u>    |
| Net written down value                                                         | <u>\$ 3,196,605</u> | <u>\$ 3,638,583</u> |

**TE ATINIMARAWA COMPANY LTD**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**9 TRADE & OTHER PAYABLES**

|                  | <b>2022</b>      | <b>2021</b>     |
|------------------|------------------|-----------------|
| Accrued expenses | \$ 51,235        | \$ 2,500        |
| Dividend Payable | \$ 12,120        |                 |
|                  | <u>\$ 63,355</u> | <u>\$ 2,500</u> |

**10 PROVISIONAL TAXES**

|                           | <b>2022</b> | <b>2021</b>      |
|---------------------------|-------------|------------------|
| Company Provisional Taxes | \$ -        | \$ 33,913        |
| Withholding tax           | \$ -        | \$ (6,957)       |
|                           | <u>\$ -</u> | <u>\$ 26,956</u> |

**11 Deferred Capital Income**

|                                      | <b>2022</b>                | <b>2021</b>                |
|--------------------------------------|----------------------------|----------------------------|
| GoK/EU Aids                          |                            |                            |
| GoK Subsidy Grant Received           | \$ 2,281,350               | \$ 2,281,350               |
| GoK Subsidy Amortised                | \$ (806,761)               | \$ (692,607)               |
|                                      | <u>\$ 1,474,588</u>        | <u>\$ 1,588,742</u>        |
| EU Subsidy Grant Received            | \$ 3,985,826               | \$ 3,985,826               |
| EU Subsidy Amortised                 | \$ (3,108,346)             | \$ (2,634,188)             |
|                                      | <u>\$ 877,480</u>          | <u>\$ 1,351,638</u>        |
| <b>Total Deferred Capital Income</b> | <u><b>\$ 2,352,068</b></u> | <u><b>\$ 2,940,380</b></u> |

**12 Mac-Dow**

Dispute between TACL and MacDowell Construction (MCD) over MCD outstanding which they claimed is not outstanding was resolved outside the Arbitration with the assistance of the AG's Office. MCD agreed to pay \$300,000.00, yet this is still pending as MCD claimed to wait for the Government to settle the lost arbitration on another case prior making the payment. This has not been reflected in the financial statements but will be recognized when TACL receives the payment.

**13 Contingent Liability**

\$Nil