

REPORT OF THE AUDITOR GENERAL ON THE ACCOUNT OF



**Broadcasting & Publications Authority Financial
Statements**

For the Year Ended 31st December, 2018

**Kiribati Audit Office
November 2019**

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
Broadcasting & Publications Authority Financial Statements
For The Year Ended 31 December 2018**

The Auditor-General, Mr Eriati Tauma Manaima is the auditor of Broadcasting & Publications Authority (BPA).

The audit covered the Company's compliance with the requirements of Part VII of the Public Finance (Control and Audit) Ordinance 1976, BPA Act 2004 that apply to the financial statements of BPA for the year ended 31st December 2018.

BPA Board of Directors and Management Responsibility.

The Board of Directors and Management are responsible for the preparation and fair presentation of the Financial Statements in accordance with Generally Accepted Accounting Practice in Kiribati, and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

It is my responsibility to express an independent opinion on these Financial Statements and reporting that opinion to you as required under the Public Finance (Control and Audit) Ordinance 1976 and the Kiribati Audit Act, 2017. The audit was conducted in accordance with the International Standards of Supreme Audit Institutions.

Basis for Adverse Opinion:

I am unable to satisfy myself as to the correctness of BPA's Financial Statements for the year ended 31st Dec, 2018 due to the following:

- Audit noted that there were variances between Trade Debtors Reconciliation and Trade Debtors account balance as detailed in the table below.

| Debtors Account 2018 | | |
|----------------------|------------------------|-----------|
| Account | Debtors Reconciliation | Variance |
| 232,681.61 | 196,588.70 | 36,092.91 |

- Supporting documents for the General Journal 201811 were not provided. This has hindered us from verifying the General Reserves adjustment of \$148,052.31.
- We noted variances between the Cash flow statement balance and the Financial Performance balance for the Account of Depreciation expense as detailed in the table below:

| | Cash Flow 2018 Statement | Stmt of Financial Performance | Variance |
|--------------|-----------------------------|----------------------------------|------------|
| Depreciation | 1,007,127.92 | 224,187.50 | 782,940.42 |

- Audit noted an out of balance in the Cash Flow Statement of \$1,258,779. The table below shows the details of this out of balance.

| | BPA CALCULATION | AUDIT CALCULATION | Variance |
|---|-----------------|-------------------|--------------|
| | New Cash Flow | | |
| Net Cash Flow from Operating Activities | - 1,041,831.45 | - 1,041,831.45 | |
| Net Cash Flow from Investing Activities | - 180,070.77 | - 180,070.77 | |
| | 36,877.32 | - 1,221,902.22 | 1,258,779.54 |

Adverse Opinion

Because of the **significant effects of the matters** described in the Basis for Adverse Opinion paragraph above, in my opinion the Financial Statements of BPA for the year ended 31st Dec, 2018, **DO NOT** present fairly the financial position of the Authority for the year then ended. An Adverse opinion was issued on the Financial Statements.

The audit was completed on 18/09/2019, and was the date at which my opinion was expressed.

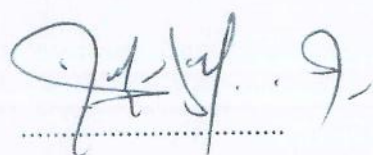
Report on other Legal and Regulatory Requirements

BPA lodged its Financial Statement on 20th Feb 2019 therefore it has complied with submission requirement according to Sec. 20 of SOE Act, 2012.

Independence

When carrying out the audit we followed the independence requirements stipulated under section 114 (4) of the Kiribati Constitution and the requirements of the International Standards of Supreme Audit Institutions.

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



Date: 18/09/2019

Mr Eriati Tauma Manaima
Auditor General

BROADCASTING AND PUBLICATION AUTHORITY

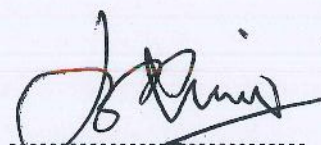


**FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2018**

BROADCASTING PUBLICATION AUTHORITY
Index to Financial Statements
Year End December 31, 2018

| | Page |
|------------------------------------|---------|
| FINANCIAL STATEMENTS | |
| Statement of Financial Performance | 1 |
| Statement of Financial Positions | 2 |
| Statement of Cashflow Statement | 3 |
| Notes | 4 to 10 |


.....
BPA CHAIRMAN


.....
BPA DIRECTOR

BROADCASTING PUBLICATION AUTHORITY
CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE
FOR THE MONTH END 31st DECEMBER 2018

| REVENUE | NOTE | BPA HQ | Xmas | Consolidated Year: 2018 | Consolidated Year: 2017 |
|----------------------------------|-------------|------------------|------------------|------------------------------------|------------------------------------|
| Radio Advert Rev | | 547,060 | | 547,060 | 578,072 |
| Sponsorship Programs Rev | | 84,033 | | 84,033 | 82,165 |
| Live Programs Rev | | 304,795 | | 304,795 | 331,604 |
| Radio Programs Rev | | 44,242 | | 44,242 | 23,195 |
| Hire of BPA Services Rev | | 19,091 | | 19,091 | 5,690 |
| • FM Radio Services Rev | | 29,423 | | 29,423 | 29,635 |
| Publication Services Rev | | 44,781 | | 44,781 | 56,692 |
| Admin & Account Services Rev | | 25,925 | | 25,925 | 8,765 |
| Xmas Branch Income | | | 41,721 | 41,721 | 25,103 |
| Total Income | | 1,099,350 | 41,721 | 1,141,072 | 1,140,923 |
| Less Cost of Goods Sold | | | | | 14,347 |
| Gross Profit (Loss) | | | | | 14,347 |
| Plus Prior Period Item | 5 | 2,193 | | 2,193 | 5,349 |
| Other Revenue | | | | | |
| Interest on IBD/Interest on loan | | 540 | | 540 | 40 |
| TOTAL OPERATING REVENUE | | 1,102,083 | 41,721 | 1,143,804 | 1,131,965 |
| EXPENDITURE | | | | | |
| Total Staff & Benefit Expenses | 6 | 583,113 | 77,437 | 660,549 | 580,559 |
| Total Administrative & Operating | 7 | 382,777 | 34,186 | 416,964 | 442,662 |
| Total Non-Cash Operating Exp | 8 | 165,972 | 94,976 | 260,948 | 207,568 |
| Other Expenses | | | | | 642 |
| Total Expenses | | 1,131,862 | 206,599 | 1,338,461 | 1,231,431 |
| PROFIT / LOSS | | (29,779) | (164,878) | (194,657) | (99,466) |


 BPA CHAIRMAN

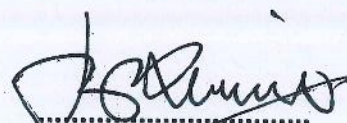

 BPA DIRECTOR

BROADCASTING PUBLICATION AUTHORITY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 st DECEMBER 2018

| | Note | BPA HQ | Xmas | 2018 | 2017 |
|------------------------------------|------|----------------|----------------|---------------------|---------------------|
| ASSETS | | | | | |
| CURRENT ASSETS | | | | | |
| Cash & Cash Equivalent | 9 | 45,389 | 4,195 | Consolidated 49,585 | Consolidated 36,878 |
| Accounts receivable | 10 | 193,215 | 13,784 | 206,999 | 195,367 |
| Imprest/Advances Expenses | 11 | 951 | - | 951 | 24,450 |
| Suspense Account | 12 | - | - | - | 234,961 |
| Total current assets | | 239,555 | 17,980 | 257,535 | 491,656 |
| LIABILITIES | | | | | |
| Less : Current liabilities: | | | | | |
| Accounts payable | 13 | 179,377 | 13,099 | 192,476 | 199,508 |
| Other - Current Liabilities | 14 | 46,813 | - | 46,813 | 33,831 |
| Total current liabilities | | 226,189 | 13,099 | 239,289 | 233,339 |
| WORKING CAPITAL | | 13,366 | 4,880 | 18,246 | 258,317 |
| Plus: Non Current Assets | | | | | |
| Property and equipment | 15 | 266,771 | 740,358 | 1,007,128 | 1,156,921 |
| Less: Long-term liabilities | | | | | |
| Soft Loan - CCK | 16 | - | - | - | 47,155 |
| NET ASSETS | | 280,136 | 745,238 | \$ 1,025,374 | \$ 1,368,084 |
| Represented by: | | | | | |
| Shareholders Equity | | | | | |
| General Reserves | 17 | 175,476 | 877,026 | 1,052,502 | 1,089,249 |
| Capital Reserve * | 18 | - | - | - | 111,305 |
| Retained Profit (Loss) | 19 | 104,660 | (131,788) | (27,128) | 167,529 |
| Total Shareholders equity | | 280,136 | 745,238 | \$ 1,025,374 | \$ 1,368,084 |



BPA CHAIRMAN



BPA DIRECTOR

**Consolidated Cash Flow Statement
for the year ended 31 st December 2018**

| | Notes | 2018 | 2017 |
|---|-------|-----------------------|---------------------|
| 1 Cash Flows from Operating Activities | | | |
| Receipt from Customers | | 939,489 | 512,279 |
| Payment to Suppliers and employees | | (1,981,860) | (1,023,221) |
| Interest Received | | 539.96 | 40.00 |
| Net Cash Flow from Operating Activities | | (1,041,831.45) | (510,972.32) |
| 2 Cash Flows from Investing Activities | | | |
| Seawall at Cost | | - | - |
| Building Premises at Cost | | (152,134.10) | (1,769.50) |
| Plant, Machine & Transmitter | | (803,419.57) | (512,393.58) |
| Motor Vehicles at Cost | | (1,575.00) | (3,150.00) |
| Furniture & Fittings | | (689.00) | (8,635.00) |
| Office Equipment | | (49,030.55) | (67,997.77) |
| Net Cash Flows from Investing Activities | | (1,006,848.22) | (593,945.85) |
| Net increase/Decrease for the period | | 36,877.72 | 547,850.04 |
| Cash & Cash Equivalents at beginning of period | | 12,706.88 | (510,972.32) |
| Cash & Cash Equivalents at end of period | | 49,584.60 | 36,877.72 |
| Note: 1 | | | |
| Reconciliation of Net Profit to Net Cash from operating activities | | | |
| Net Profit/(Loss) | | (194,657.36) | (123,082.24) |
| Add: Back Depreciation | | (1,007,127.92) | (336,716.90) |
| Total of Net Profit & Add Back Depreciation | | (1,201,785.28) | (459,799.14) |
| Increase/Decrease in Assets & Liabilities | | | |
| Trade Debtors | | (232,681.61) | 194,044.77 |
| Provision for doubtful debts - | | 25,682.64 | (12,485.24) |
| Staff Advance | | (951.10) | 638.50 |
| Previous balances | | 128,615.08 | |
| Staff Imprest | | - | (18,914.99) |
| Trade Creditors | | 192,476.11 | (5,797.50) |
| VAT | | 4,196.44 | (1,893.55) |
| Suspense Account | | - | (224,961.42) |
| Provision for Audit Fee | | 16,525.00 | - |
| Bank Loan Payable | | - | 2,751.55 |
| Banking Saving payable | | - | 1,759.50 |
| Staff Tax Payable | | 26,091.27 | - |
| Tax Withholding 5% | | - | (133.35) |
| KPF Payable | | - | |
| Kiribati Housing Loan Payable | | - | (1,037.00) |
| Soft Loan -CCK | | - | - |
| Other liabilities | | - | 14,855.55 |
| Total Increase/Decrease in Assets & Liabilities | | 159,953.83 | (51,173.18) |
| Net Cash Flow Operating Activities | | (1,041,831.45) | (510,972.32) |
| Note: 2 | | | |
| Cash Balance Represented as follows at 31 st December | | | |
| Bank Current Acc - Acc no 152340 | | 34,425.18 | 2,784.89 |
| Bank Xmas Acc - Acc no 671172 | | 4,192.65 | 3,534.95 |
| Bank Reserve Fund Acc no 835745 | | 1,848.58 | 485.90 |
| Bank IBD Acc no 152351 | | 5,652.79 | 5,612.83 |
| Petty Cash - TRW | | 500.00 | 500.00 |
| Petty Cash - Xmas | | 300.00 | 300.00 |
| Sub RR - Cash on Hand | | - | 633.90 |
| Cash on Hand TRW | | 2,662.90 | 22,796.14 |
| Cash on Hand Xmas | | 2.50 | 121.11 |
| Dishonour Cheques | | - | 108.00 |
| | | 49,584.60 | 36,877.72 |

**Broadcasting & Publication Authority
Notes to the Financial Statements
For the Year Ended 31 December 2018**

1 GENERAL

The Broadcasting and Publication Authority (BPA) was set up in 1979 under BPA Act, CAP 6A to provide local sound broadcast as public service for the dissemination of information, education and entertainment to produce, print, and distribute the national newspaper, "Te Uekera" and other authorized publications"

2 ACCOUNTING POLICIES

The Financial Statements are prepared under the Historical Cost Convention modified by valuation of certain fixed and comply with the International Accounting Standards.

(a) DEPRECIATION

Depreciation method adopted is the Straight Line Method which is consistent to previous years. The rates applies also consistent with previous years as follows:-

| | | |
|--------------|--------|----------|
| Seawall | 33.30% | 3 years |
| Building Pri | 4% | 25 years |
| Plant Mach | 6.66% | 15 years |
| Office Equi | 20% | 5 years |
| Furniture & | 20% | 5 years |
| Motor Vehi | 25% | 4 years |

(b) STOCK

Stock has been decided by the Board to donated to Pre-school on South Tarawa while there is no more Trading on items not related to BPA Services

(c) The Financial Statements are expressed in Australian Dollars

(d) Provisions for doubtful debts is provide 6% only of the total outstanding debtors at the year ended. The rate apply this year is consistent with rate used at in the last two consecutive years.

3 REVENUE

Revenue principally represents the amounts received from the sale of AM Radio, FM 88 services and printing services as newspaper.

4 CAPITAL RESERVE - \$111,305.37

The assets, liabilities and cash of the publications division had been effectively included into the books of the Broadcasting Division & changed to departments under the Broadcasting & Publication Authority. At the start of this year when transferred took place of these remaining assets & liabilities, the capital of \$111,305.37 was omitted during the transfer exercise. At the end of December 2018 and we are transfer to shareholder equity under Board approval and advised which reflected this year account 2018

Note: 5**Prior Period Item**

| | Year: 2018 | | | Year: 2017 |
|-------------------|-----------------|----------|-----------------|-----------------|
| | Cosolidated | | | Cosolidated |
| | BPA Trw | BPA Xmas | Total | Total |
| Prior Period Item | 2,192.56 | | 2,192.56 | 5,349.29 |
| | 2,192.56 | - | 2,192.56 | 5,349.29 |

Note: 6**Staff & Other Benefit Expenses**

| | Year: 2018 | | | Year: 2017 |
|-------------------------------|-------------------|------------------|-------------------|-------------------|
| | Cosolidated | | | Cosolidated |
| Details of Expenses | BPA Trw | BPA Xmas | Total | Total |
| Wages & Salaries & Hire Firms | \$446,634.68 | \$50,331.98 | 496,966.66 | 412,917.10 |
| Temporary Assistant | 27,052.95 | \$10,303.00 | 37,355.95 | 50,013.30 |
| Entertainment allowance | 1,304.24 | 300.00 | 1,604.24 | 1,920.00 |
| Acting Allowance | 7,556.96 | 221.10 | 7,778.06 | 6,677.06 |
| Charge Allowance | 4,497.63 | \$1,048.22 | 5,545.85 | 3,250.60 |
| Shift Allowance | 5,993.78 | 1,949.85 | 7,943.63 | 6,423.20 |
| On Call Allowance | 3,449.07 | 2,218.42 | 5,667.49 | 4,171.80 |
| Chemical Allowance | 439.05 | | 439.05 | 250.00 |
| Electricity Allowance | 2,720.00 | 520.00 | 3,240.00 | 3,060.00 |
| Meal Allowance | 730.80 | \$178.20 | 909.00 | 1,876.30 |
| Rigging Allowance | 100.00 | | 100.00 | 472.50 |
| Leave Grant | 59,310.55 | 5,309.60 | 64,620.15 | 57,711.00 |
| Staff Overtime | 22,432.85 | \$5,056.40 | 27,489.25 | 31,813.22 |
| Late Fee paid | 890.00 | | 890.00 | - |
| | 583,112.56 | 77,436.77 | 660,549.33 | 580,559.08 |

Note: 7**Administrative & Operating Expenses****Year: 2018****Year: 2017****Cosolidated****Cosolidated****Details of Expenses****BPA Trw****BPA Xmas****Total****Total**

| | | | | |
|---|-------------------|------------------|-------------------|-------------------|
| KPF Subsidy | 27,246.32 | 3,774.90 | 31,021.22 | 29,347.25 |
| House rent subsidy | 11,588.00 | | 11,588.00 | 13,813.39 |
| Telephone Bill | 14,731.41 | 666.40 | 15,397.81 | 28,503.20 |
| Recharge - Telephone | 2,127.00 | 6.00 | 2,133.00 | 2,223.00 |
| ADSL Link Tabuaeran & Teraina | 4,706.91 | 2,829.42 | 7,536.33 | 4,360.95 |
| Electricity | 115,611.60 | 8,465.01 | 124,076.61 | 122,140.26 |
| Internet | 9,489.27 | 1,692.13 | 11,181.40 | 37,823.22 |
| Postage | 156.83 | 277.57 | 434.40 | 6,809.70 |
| Office Supplies | 14,862.08 | 6,766.49 | 21,628.57 | 43,170.22 |
| Uekera operating supplies | 19,388.72 | 3,660.00 | 23,048.72 | 18,613.25 |
| Bank charges | 2,280.90 | (100.00) | 2,180.90 | 3,896.65 |
| Land Rent | 1,571.15 | | 1,571.15 | 1,571.45 |
| Website expenses | 612.00 | | 612.00 | 1,876.00 |
| Radio License | 3,200.00 | | 3,200.00 | 3,500.00 |
| Bandwith Rental - New Skies | 1,717.00 | | 1,717.00 | - |
| Court Fees | 210.00 | | 210.00 | |
| New Expenses - VAT | 6,164.21 | 485.40 | 6,649.61 | 81.38 |
| Maintenance | 8,328.20 | 959.00 | 9,287.20 | 3,360.36 |
| Repair Motor vehicle | 6,100.85 | 19.80 | 6,120.65 | 4,510.45 |
| Fixed Assets Insured | 1,440.80 | | 1,440.80 | 2,290.00 |
| Tower maintenance | 7,105.20 | 1,842.90 | 8,948.10 | 2,864.68 |
| Local Services | 6,485.11 | 446.00 | 6,931.11 | 4,035.62 |
| Fuel & Oil | 13,092.32 | 330.50 | 13,422.82 | 14,548.34 |
| Local Travelling | 16,027.65 | 1,309.30 | 17,336.95 | 18,589.30 |
| Local Training | 611.20 | 268.00 | 879.20 | 988.90 |
| Oversaes travelling | 50,798.15 | | 50,798.15 | 30,192.30 |
| Board expenses -Sitting Allow | 23,178.85 | | 23,178.85 | 20,940.00 |
| Board Expenses - Recharge | 1,080.00 | | 1,080.00 | 1,180.00 |
| Board Expenses - Refreshment | 2,987.20 | | 2,987.20 | 5,051.75 |
| Board Expenses - MD | 750.00 | | 750.00 | - |
| Panelist Expenses | 2,019.65 | 250.00 | 2,269.65 | 1,100.00 |
| Management Expenses | 499.55 | 37.50 | 537.05 | 1,371.73 |
| Board Entertainment | 2,970.00 | | 2,970.00 | 8,776.30 |
| Folding & Collating | 507.50 | | 507.50 | 440.00 |
| Freight for Uekera to outer is | 758.00 | | 758.00 | 202.00 |
| New Album | 300.00 | | 300.00 | - |
| Miscellaneous expenses | 2,073.81 | 200.00 | 2,273.81 | 3,484.53 |
| Total Administrative & Operating | 382,777.44 | 34,186.32 | 416,963.76 | 442,661.67 |

Note: 8

| | | | Year: 2018 Cosolidated | Year: 2017 Cosolidated |
|------------------------------------|-------------------|------------------|---------------------------|---------------------------|
| <u>Non Operating Cash Expenses</u> | BPA Trw | BPA Xmas | Total | Total |
| Depreciation Expenses | 129,211.13 | \$ 94,976.37 | 224,187.50 | 195,083.04 |
| Doubtful Debts Expenses | 36,760.87 | | 36,760.87 | 12,485.24 |
| | 165,972.00 | 94,976.37 | 260,948.37 | 207,568.28 |

Note: 9

| | | | Year: 2018 Cosolidated | Year: 2017 Cosolidated |
|-----------------------------------|------------------|-----------------|---------------------------|---------------------------|
| <u>Cash & Cash Equivalent</u> | BPA Trw | BPA Xmas | Total | Total |
| Petty Cash - HQ | 500.00 | | 500.00 | 500.00 |
| Petty Cash -Xmas | 300.00 | | 300.00 | 300.00 |
| Sub RR not receive Fund | - | | - | 633.90 |
| Cash on Hand | 2,662.90 | 2.50 | 2,665.40 | 22,917.25 |
| Cash at Bank - HQ (153241) | 34,425.18 | | 34,425.18 | 2,784.89 |
| Cash at Bank - Xmas (671172) | | 4,192.65 | 4,192.65 | 3,534.95 |
| Cash at Bank - RF (835745) | 1,848.58 | | 1,848.58 | 485.90 |
| Cash at Bank - IBD (152351) | 5,652.79 | | 5,652.79 | 5,612.83 |
| Dishonour Cheque | - | | - | 108.00 |
| | 45,389.45 | 4,195.15 | 49,584.60 | 36,877.72 |

Note: 10

| | | | Year: 2018 Cosolidated | Year: 2017 Cosolidated |
|-------------------------------|-------------------|------------------|---------------------------|---------------------------|
| <u>Account Receivables</u> | BPA Trw | BPA Xmas | Total | Total |
| Trade Debtors | 218,017.39 | 14,664.22 | 232,681.61 | 207,837.26 |
| Less: Prov for Doubtful Debts | (24,802.79) | (879.85) | (25,682.64) | (12,470.24) |
| | 193,214.60 | 13,784.37 | 206,998.97 | 195,367.02 |

Note: 11

| | | | Year: 2018 Cosolidated | Year: 2017 Cosolidated |
|------------------------------|---------------|----------|---------------------------|---------------------------|
| <u>Imprest & Advance</u> | BPA Trw | BPA Xmas | Total | Total |
| Staff Advances | 951.10 | | 951.10 | 1,543.30 |
| Staff Imprest | - | | - | 22,906.98 |
| | 951.10 | | 951.10 | 24,450.28 |

Note: 12

| | | | Year: 2018 Cosolidated | Year: 2017 Cosolidated |
|--------------------------|---------|----------|---------------------------|---------------------------|
| <u>Suspenses Account</u> | BPA Trw | BPA Xmas | Total | Total |
| Suspenses Account | - | | - | 234,961.42 |
| | | | | 234,961.42 |

Note: 13**Accounts Payables**

| | BPA Trw | BPA Xmas | Year: 2018 Consolidated Total | Year: 2017 Consolidated Total |
|-----------------|-------------------|------------------|-------------------------------------|-------------------------------------|
| Trade Creditors | 179,376.68 | 13,099.43 | 192,476.11 | 234,961.42 |
| | | | | |
| | 179,376.68 | 13,099.43 | 192,476.11 | 234,961.42 |

Note: 14**Other Current Liabilities**

| | BPA Trw | BPA Xmas | Year: 2018 Consolidated Total | Year: 2017 Consolidated Total |
|-------------------|------------------|----------|-------------------------------------|-------------------------------------|
| VAT | 4,196.44 | | 4,196.44 | 4,196.44 |
| KNAO Fee Exp | 16,525.00 | | 16,525.00 | 16,525.00 |
| Staff Tax Payable | 26,091.27 | | 26,091.27 | 13,109.60 |
| | 46,812.71 | | 46,812.71 | \$ 33,831.04 |

NOTE: 15**Non-Current Assets - BPA HQ**

| | Office Equipments | Furniture Fittings | Motor Vehicles | Plants Transmitter | Sea Wall | Buildings Premises | Total |
|---------------------------|----------------------|-----------------------|-------------------|-----------------------|-------------|-----------------------|-----------------|
| Depreciation Rate | 20% | 20% | 25% | 6.66% | 33.30% | 4% | |
| Balance as at 1 Jan 2018 | \$ 192,003.65 | \$ 33,076.72 | \$ 104,931.75 | \$ 627,603.93 | \$ 7,537.05 | \$ 389,462.86 | \$ 1,354,615.96 |
| Plus Additional | \$ 14,201.66 | \$ - | \$ 2,100.00 | \$ 1,032.03 | | \$ 4,414.15 | \$ 21,747.84 |
| Less: Disposal | | | | | | | \$ - |
| Balance as at 31 Dec 2018 | \$ 206,205.31 | \$ 33,076.72 | \$ 107,031.75 | \$ 628,635.96 | \$ 7,537.05 | \$ 393,877.01 | \$ 1,376,363.80 |

Less: Depreciation

| | | | | | | | |
|----------------------|---------------|--------------|---------------|---------------|-------------|---------------|--|
| As at 01/01/18 | \$ 117,785.13 | \$ 25,772.38 | \$ 81,724.25 | \$ 501,244.14 | \$ 7,537.05 | \$ 246,319.03 | |
| Charge During year | \$ 41,241.06 | \$ 6,615.34 | \$ 23,732.50 | \$ 41,867.15 | \$ - | \$ 15,755.08 | |
| Less Disposal Adjust | | | | | | | |
| As at 31/12/18 | \$ 159,026.19 | \$ 32,387.72 | \$ 105,456.75 | \$ 543,111.29 | \$ 7,537.05 | \$ 262,074.11 | |

Net Book values:

| | | | | | | | |
|----------------|--------------|-------------|--------------|---------------|------|---------------|---------------|
| As at 31/12/18 | \$ 47,179.12 | \$ 689.00 | 1,575.00 | \$ 85,524.67 | \$ - | \$ 131,802.90 | \$ 266,770.68 |
| As at 31/12/17 | \$ 74,218.52 | \$ 7,304.34 | \$ 23,207.50 | \$ 126,359.79 | \$ - | \$ 143,143.83 | |

Non-Current Assets - Xmas Branch

| | Office Equipments | Furniture Fittings | Motor Vehicles | Plants Transmitter | Sea Wall | Buildings Premises | Total |
|---------------------------|----------------------|-----------------------|-------------------|-----------------------|-------------|-----------------------|-----------------|
| Depreciation Rate | 20% | 20% | 25% | 6.66% | 33.30% | 4% | |
| Balance as at 1 Jan 2018 | \$ 11,857.71 | \$ 2,140.00 | \$ - | \$ 1,321,220.01 | \$ - | \$ 25,754.00 | \$ 1,360,971.72 |
| Plus Additional | \$ 1,148.50 | | | \$ 48,563.60 | | \$ 2,934.40 | |
| Less: Disposal | | | | | | | |
| Balance as at 31 Dec 2017 | \$ 13,006.21 | \$ 2,140.00 | \$ - | \$ 1,369,783.61 | \$ - | \$ 28,688.40 | |

Less: Depreciation

| | | | | | | | |
|--------------------|--------------|-------------|------|---------------|------|-------------|--|
| As at 01/01/18 | \$ 8,373.54 | \$ 2,140.00 | \$ - | \$ 560,661.09 | \$ - | \$ 7,109.66 | |
| Charge During year | \$ 2,601.24 | \$ - | \$ - | \$ 91,227.59 | \$ - | \$ 1,147.54 | |
| Less Disposal | | | | | | | |
| As at 31/12/17 | \$ 10,974.78 | \$ 2,140.00 | \$ - | \$ 651,888.68 | \$ - | \$ 8,257.20 | |

Net Book values:

| | | | | | | | |
|----------------|-------------|------|------|---------------|------|--------------|---------------|
| As at 31/12/18 | \$ 2,031.43 | \$ - | \$ - | \$ 717,894.93 | \$ - | \$ 20,431.20 | \$ 740,357.56 |
| As at 31/12/17 | \$ 3,484.17 | \$ - | \$ - | \$ 760,558.92 | \$ - | \$ 18,644.34 | |

Consolidated Property, Plant & Equipment for HQ and Xmas Branch

| | | | | | | | |
|-----------------|------------|-----------|------------|--------------|----------|------------|--|
| Historical Cost | 219,211.52 | 35,216.72 | 107,031.75 | 1,998,419.57 | 7,537.05 | 422,565.41 | |
| Acc Dep | 170,000.97 | 34,527.72 | 105,456.75 | 1,194,999.97 | 7,537.05 | 270,331.31 | |
| Book Value | 49,210.55 | 689.00 | - | 803,419.60 | - | 152,234.10 | |

Note: 16

Soft Loan - CCK

| | Year: 2018 | | |
|--|------------|----------|-------------------|
| | BPA Trw | BPA Xmas | Cosolidated Total |
| | - | - | - |
| | - | - | - |

Year: 2017**Cosolidated****Total**

47,155

47,155

Note: 17**OWNER/SHAREHOL**

| | Year: 2018 | | |
|----------------------|--------------|------------|-------------------|
| | BPA Trw | BPA Xmas | Cosolidated Total |
| Opening Balance | 263,645.00 | 825,604.00 | 1,089,249 |
| Add: Capital Reserve | 59,883.00 | 51,422.00 | 111,305 |
| Capital Adjustment | (148,052.31) | | (148,052) |
| | 175,475.69 | 877,026.00 | 1,052,501.69 |

Year: 2017**Cosolidated****Total**

1,089,249.00

\$ 1,089,249.00

Note: 18**CAPITAL RESERVE**

| | Year: 2018 | | |
|--------------------|--------------|----------|-------------------|
| | BPA Trw | BPA Xmas | Cosolidated Total |
| Opening Balance | \$59,883.00 | 51422 | \$ 111,305 |
| Capital Adjustment | -\$59,883.00 | -51422 | \$ (111,305) |
| Closing Balance | \$ - | \$ - | \$ - |

Year: 2017**Cosolidated****Total**

111,305.00

\$ 111,305.00

Note: 19**RETAINED EARNING**

| | Year: 2018 | | |
|-------------------------|--------------|--------------|-------------------|
| | BPA Trw | BPA Xmas | Cosolidated Total |
| Opening Balance | 266,995.81 | (99,466.56) | 167,529.25 |
| Plus: Net Profit during | (29,779.02) | (164,878.34) | - 194,657.36 |
| Adjustments | (132,556.33) | 132,556.55 | 0 |
| Closing Balance | 104,660.46 | (131,788.35) | (27,127.89) |

Year: 2017**Cosolidated****Total**

167,529.00

\$ 167,529.00