

REPORT OF THE AUDITOR GENERAL ON THE ACCOUNT OF



**Kiribati Provident Fund
For the year ended 31st March 2019**

**Kiribati Audit Office
April 2021**

KIRIBATI AUDIT OFFICE



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Audit for an impact for the public

INDEPENDENT AUDITOR'S REPORT

Kiribati Provident Fund's Financial Statements For the year ended 31st March 2019

I have audited the Financial Statements of Kiribati Provident Fund (KPF) for the year ended 31st March 2019 in accordance with sec 114 (2) of the Constitution, Part VII, Sec 42(4) of the Public Finances (Control and Audit) 1981, Part III, Sec 12 (1) of the Provident Fund 1977 and Part IV, Sec 22(1) of the Kiribati Audit Act, 2017. The Financial Statements comprise of the following:

- Statement of Financial Performance for the year ended 31st March 2019, its
- Statement of Financial Position,
- Statement of Cash Flow and
- Notes to the Accounts

Qualified Opinion

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at 31 March 2019, and (of) its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion:

- We have reviewed unrealized gains (Income) for Equity Trustees Investments, and we noted variances between the Account balance, Audit Calculation and the Equity Trustees Statements balance. The table below shows details of the variance.

Unrealized Gain/Loss			
	Audit Calculation	Account	Statement
	2,483,794.00	2,507,050.00	2,591,465.00
Variance		(23,256.00)	(84,415.00)
		Audit Calculation less Account balance	Account less Statement balance

- We noted KPF's deviation from the KPF Loan Scheme Policy, 2004. After reviewing the Loan statements for some KPF staff, we noted delays in repayments and loan repayments received is less than the repayment amount stated in the consent forms.
- Unallocated Members contribution of \$2,215,536.
 - The issue with unallocated members account remained for years and amounts were significant. See table below:
 - From our review of the Unallocated Members Contribution GL, we noted that around 30% unallocated contributions were being sorted out during the year. The rest remained and increased again by contributions received with poor details resulted in increasing the Unallocated Contributions that year.

Years	2019	2018	2017
Account			
Unallocated Members Contribution	\$2,215,536	2,695,388	2,421,588

Emphasis of the matter

I would like to draw attention to the matters described below:

- Air Kiribati Loan No. 2 of \$4.64m
 - Loan No 2 balance remain unchanged since there were no payments made for this Loan. The Accrued Interest and Penalty for late payments were accumulated over the years amounting to \$2,199,118 thus doubting the possibility of full recovery.
- A fraud case was reported during the audit which involved cash misappropriations in the sum of \$1,228.83. The amount was immaterial but the weakness in the internal control system is highlighted as it requires improvement.
- Some documents were not available during the audit indicating a poor filing system.

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 **Fund** in accordance with the Ethical requirements that are relevant to my audit of the financial statements of the Fund and I have fulfilled my other responsibilities in accordance with these requirements.

Board of Directors 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 fund'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 Fund or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor General's responsibilities for the audit of the financial statements of the Fund

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. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs 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, 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.⁴

- 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.

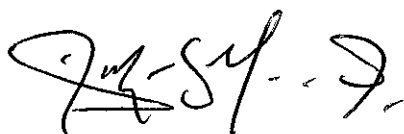
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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.

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 KPF.



Eriati Taumwa Manaima

Auditor General

Date: 21/4/21



Date: 31/08/2020

File ref: E1/1

Auditor General
Kiribati Audit Office
Bairiki, Tarawa

*Katanehi
Fyng
2/9/20*

Dear Mr Eriati Manaima

Re: Kiribati Provident Fund Financial Statements for financial year ended 31/03/2019

As a result of the audit of the financial statements 2019 I hereby submit the revised financial statements of the Kiribati Provident Fund for financial year 2019.

Ko bati n raba


Faitele Mika
Chief Executive Officer

*Rec'd 03/09/20
DAD*

Revised FS



DIRECTORS REPORTS 2019

KIRIBATI PROVIDENT FUND

KIRIBATI PROVIDENT FUND

DIRECTOR'S REPORT

The Board of Directors present the financial statements of Kiribati Provident Fund ('the fund') being the Statement of financial performance for financial year ended 31 March 2019, statement of financial position, statement of equity and statement of cash flows for the 12 months period then ended.

Directors

The Directors of the Fund during this financial year were:

Mr Atanteora Beiatu – Chairman

Mr Toromon Metutera – Director

Mrs Kiata Kabure – Director

Mr Tatoa Kaiteie – Director

Mr Tukabu Teroroko – Director

Mr Nabuti Mwemwenikarawa – Director

Operation of the Fund

The Fund operation is governed under the Kiribati Provident Fund Act 2012.

Principal Activities

The principal activity of the Fund is the provision of superannuation services to its members.

Operating Results

The net profit for the financial year ended 31st March 2019 was \$1,180,116.

Reserves

The Directors declared dividend to members at the rate of 5.25% for this financial year ending 31 March 2019.

Bad and Doubtful debts

The Directors took reasonable step in allowing for the provision of doubtful and bad debts during this financial Year.

Basis of preparation

The financial statements of the Fund were drawn up in accordance with generally accepted accounting practices and the requirement of the KPF Act Cap 78A.

Related party transactions

All related party transactions known at the time of reporting have been properly disclosed in the attached financial statements.

Other circumstances

The Directors are not aware of any circumstances that may affect the financial statements at the date of reporting.

Unusual transactions

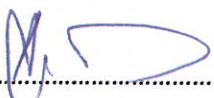
All known unusual transactions or event of a material nature have been properly disclosed in the financial statements.

Directors' interest

The Directors of the Fund have not received any benefit other than their eligible entitlements as directors during the financial year.

Dated today 11 day of November 2019.

Signed for and on behalf of the Board:


.....
Chairman

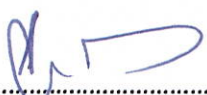

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Director


In the opinion of the Directors:

- a) The accompanying income statements gave a true and fair view of the results of the Fund for the financial year ended 31 March 2019;
- b) The accompanying statement of financial position gave a true and fair view of the state of the affairs of the Fund at 31 March 2019;
- c) The accompanying statement of changes in equity gave a true and fair view of the movement in equity of the Fund as at 31 March 2019;
- d) The accompanying statement of cash flows gave a true and fair view of the cash flows of the Fund for the financial year ended 31 March 2019.

For and on behalf of the Directors

Dated this 11 day of November, 2019


.....
Chairman


.....
Director



FINANCIAL STATEMENTS 31 MARCH 2019

KIRIBATI PROVIDENT FUND

Kiribati Provident Fund
Statement of Financial Performance
For the year ended 31 March 2019

Overseas Income	Notes	2019	2018
Income on Investments-Pendal	A-1	2,846,011	2,374,853
Unrealised Gain/(Loss) on Investments	A-2	1,623,862	(222,412)
Gain/(Loss) on Sale of Investment	A-3	617,195	2,413,045
Income on Investments - ANZ Trustees Ltd	A-4	4,721,607	2,014,335
Total Overseas Income		9,808,675	6,579,821
Local Income			
Rental fees		104,387	100,739
Surcharges		303,478	297,943
Membership Card		14,308	10,898
Sale of pledge		21,994	21,953
Interest - Air Kiribati Loan		309,654	377,112
Small Loan Scheme income	A-5	1,971,210	1,900,871
Sundries		29,008	53,801
Total Local Income		2,754,039	2,763,317
Total Income		12,562,713	9,343,138
Less: Expenses			
Operating expenses			
Staff payroll	B-1	696,850	595,397
Office expenses	B-2	231,489	193,252
Travelling - Local & Overseas	B-3	289,672	310,146
Repairs and Maintenance	B-4	28,206	27,884
Fees & Other Charges	B-5	644,995	631,153
Miscellaneous	B-6	65,628	161,304
Total operating expenses		1,956,840	1,919,137
Financial expenses			
Financial expenses	B-7	1,361,765	184,811
Total financial expenses		1,361,765	184,811
Total Expenditure		3,318,606	2,103,948
Operating Profit/(Loss) before Members interest on full withdrawal		9,244,108	7,239,190
Less: Member's interest on withdrawal		133,112	174,386
Operating profit before members interest		9,110,996	7,064,804
Less: Interests on Members Accounts		7,930,880	6,999,510
Net profit		1,180,116	65,294
Accumulated Surplus/(Deficit) at 1/4/18		(5,346,155)	(5,411,449)
Accumulated Surplus/(Deficit) at 31/03/19		(4,166,039)	(5,346,155)

The statement of financial performance is to be read in conjunction with the notes to and forming part of the financial statements.

KIRIBATI PROVIDENT FUND
Consolidated Statement of Financial Position
as at 31 March 2019

Account Name	Note	2019	2018
Current Assets			
Cash on Hand & at Bank	C-1	943,366	1,531,022
Accounts Receivable	C-2	959,091	1,189,079
Accruals and Prepayments	C-3	2,441,343	2,262,281
Sundry Accounts Receivable	C-4	630,329	622,477
Members' loan balances	C-5	16,802,341	15,423,155
		21,776,470	21,028,014
Less Current Liabilities			
Payroll Liabilities	D-1	20,905	(2,257)
Sundry Accounts Payable	D-2	128,293	72,898
Accruals & Advances	D-3	4,000	10,707
		153,199	81,347
Working Capital		21,623,271	20,946,666
Non-Current Assets			
Fixed Asset	C-6	1,307,007	1,426,400
Overseas - BT/ANZ Trustee	C-7	129,762,366	120,580,550
Local	C-8	10,627,654	9,774,758
		141,697,026	131,781,708
Total Net Asset		163,320,298	152,728,374
Member's Accumulated Funds			
Members Contributions	E-1	166,839,474	157,427,666
Reserves	E-2	646,859	646,859
Accumulated surplus/(deficit)	E-3	(4,166,036)	(5,346,151)
Net Worth		163,320,298	152,728,374

The statement of financial position is to be read in conjunction with the notes to and forming part of the financial statements.

Kiribati Provident Fund
Statement of Movements in equity
For the year ended 31 March 2019

	Notes	2019	2018
Balance 1 April 2018		152,728,374	145,056,814
Add/(less) net surplus deficit for the year		1,180,116	65,294
Total recognised revenue and expenses for the year		1,180,116	65,294
Adjustment to accumulated deficit			
Transfer of unidentified members account			646,859
Movement in Capital contributions by members		9,411,808	6,959,404
Consolidated net worth		163,320,298	152,728,372
Balance at 31 March 2019		163,320,298	152,728,372
<i>Represented as follows:</i>			
Members' accounts	E-1	166,839,474	157,427,666
Reserves	E-2	646,859	646,859
Retained earning	E-3	(4,166,036)	(5,346,151)
Total equity		163,320,298	152,728,374

The statement of movement in equity is to be read in conjunction with the notes to and forming part of the financial statements.

Kiribati Provident Fund
Consolidated Statement of Cashflows
For the year ended 31 March 2019

Cashflows from operating activities	Notes	2019	2018
Receipts from customers & employees		893,113	232,057
Payments to suppliers and employees		(2,502,926)	(2,287,404)
<i>Net cash from operating activities</i>	F	(1,609,813)	(2,055,347)
 Cashflows from investing activities			
Purchase of property, plant and equipment		(99,621)	(286,999)
Receipts/(outflow) from overseas investments		(9,181,816)	(4,003,630)
Receipts/(outflow) from local investments		(852,895)	(1,819,052)
<i>Net cash from investing activities</i>		(10,134,333)	(6,109,681)
 Cashflows from financing activities			
Net cash from financing activities		11,156,491	7,606,264
 <i>Net cash from financing activities</i>		11,156,491	7,606,264
 Net increase/(decrease) in cash		(587,655)	(558,764)
Add opening cash		1,531,022	2,089,795
Cash at end		943,366	1,531,031
 Made up as follows:			
Cash at Bank - 254079		301,060	637,664
Cash at Bank - 831558		642,105	892,958
Petty cash		200	400
Cash and cash equivalents	C-1	943,366	1,531,022

The statement of cash flows is to be read in conjunction with the notes to and forming part of the financial statements.

Notes to and forming part of the financial statements
For the financial year ended 31 March 2019

General information

Kiribati Provident Fund (KPF) is constituted by the Kiribati Provident Fund Act Cap 78A 2012 to provide superannuation benefits to employees in Kiribati. KPF is overseen by the Provident Fund Board which is the trustee of the Fund.

Summary of significant accounting policies

Property plant and equipment

Land is not depreciated. Depreciation for other assets are calculated using the straight-line method according to the different rates per annum, as follows;

Buildings	5%
Furniture and fittings	25%
Vehicles	20%
Equipment & Machineries	25%
System enhancement	10%



KIRIBATI PROVIDENT FUND
Consolidated Notes to the accounts
For the year ended 31 March 2019

Notes	2019	2018
A-1 Income on Overseas Investments - BTIM		
Dividends - Australian Shares	985,861	771,852
Dividends - Overseas Shares	431,473	350,261
Distribution - Australian Bond	495,578	454,827
Distribution - Overseas Bond	148,821	33,482
Distribution - Real Estate	169,577	165,958
Distribution - International real estate	322,863	336,707
Other	241,019	224,419
Australian Cash	50,819	37,347
Total income on Overseas Investments - BTIM	2,846,011	2,374,853
A-2 Unrealised Gains/(Losses) on Investment valuation		
Gain/(loss) on investment revaluation	1,623,862	(222,412)
A-3 Realized Gain/(Loss) on Sale of Investments		
Total	617,195	2,413,045
A-4 ANZ Trustees Ltd investment		
Dividend - Australian equity	1,374,561	1,021,628
Income - International equity	190,376	172,786
Fixed Interest	281,848	92,882
Cash	143,418	264,730
Unrealized Gain/(Loss)	2,507,050	462,309
Accrued income	224,353	-
Total income from ANZ Trustee investment	4,721,607	2,014,335
A-5 Small loan scheme		
LNS-Members loan - est. fee	283,442	283,297
LNS-Members loan Admin fee	196,542	264,779
LNS-Members loan penalty fee	162	2,638
LNS-Members loan int revenue	1,383,505	1,248,072
LNS-Application Fee	100,397	96,134
LNS-Sundry Revenue	7,164	5,950
LNS-Sundry	-	0
Total Small loan scheme income	1,971,210	1,900,871
B-1 Staff Payroll		
Salaries - Established Staff	557,375	497,417
Salaries - Temporary Staff	29,285	15,907
Overtime	28,848	20,707
Allowances	37,902	14,019
Retirement benefit	-	8,961
KPF Contributions	43,441	38,386
Total	696,850	595,397

KIRIBATI PROVIDENT FUND
Consolidated Notes to the accounts
For the year ended 31 March 2019

Notes	2019	2018
B-2 Office Expenses		
Electricity	60,525	62,352
Insurance Fire	9,238	5,842
Telecom	83,589	83,159
Office Supplies	49,694	31,711
Postage	1,414	1,243
Recruitment	16,332	2,950
Printing	-	1,500
Entertainment	10,698	4,496
Total	231,489	193,252
B-3 Travelling - Local & Overseas		
External travel	93,519	88,201
Internal travel	13,435	10,500
Annual Leave	90,531	98,137
Transport	23,218	28,863
Agent expenses	3,416	4,417
Xmas Island visit	11,969	37,633
Overseas training	18,450	38,229
Local training	35,134	4,165
Total	289,672	310,146
B-4 Repairs & Maintenance		
Commercial Building	7,070	6,832
Staff Quarters	2,765	-
General maintenance (HQ & Branch office buildings)	2,659	7,225
Motor vehicles	15,386	13,827
Repair Hilux Double cab	327	
Total	28,206	27,884
B-5 Fees & Other Charges		
BT Management & other fees	327,466	234,095
ANZ Trustees Ltd management fees & withhold tax	276,371	342,096
Subscription fees	16,220	
Audit Fees	3,000	3,000
International membership fees	477	35,290
Legal fees	4,015	515
Council service fees	1,040	1,084
Subscription & member fees	4,070	
Bank Charges	12,336	15,073
Total	644,995	631,153

KIRIBATI PROVIDENT FUND
Consolidated Notes to the accounts
For the year ended 31 March 2019

Notes	2019	2018
B-6 Miscellaneous		
Public Awareness	6,394	25,428
Community Obligation	2,500	3,483
Support Services	8,850	71,093
Board of Directors	39,355	46,213
Rental Lease	1,157	1,158
KPF Office Rent	4,544	7,069
Management allowance	2,828	
Sundry Expenses	0	6,860
Total	65,628	161,304
B-7 Financial		
Prior period expenses	612,088	
Bad debt	524,814	
Depreciation	217,844	171,226
Subsidised House Rent	7,020	13,585
Total	1,361,765	184,811
Current Assets		
C-1 Cash and Cash equivalents		
Cash at Bank - A/c 254079	301,060	637,664
Cash at Bank - A/c 831558	642,105	892,958
Petty Cash	200	400
Total Cash and Cash equivalents	943,366	1,531,022
C-2 Accounts Receivable		
Accounts Receivable - surcharges	3,451,248	3,180,640
Provision for d/debt - surcharges	(2,524,814)	(2,000,000)
Rent Receivable - commercial building	25,586	1,368
Accounts Receivable -Others	7,071	7,071
Total Accounts Receivable	959,091	1,189,079
C-3 Accruals & Prepayments		
Returned cheques	32,612	29,364
Accrued interest - DBK educational investment	183,431	209,361
Accrued interest - Air Kiribati Loan	2,199,118	1,988,901
Prepayment - Solar Energy Company	40,000	42,733
C-3a sp1 JV clearing - loans & operations	(13,817)	(8,078)
Total accruals & prepayments	2,441,343	2,262,281
C-4 Sundry Accounts Receivable		
Staff imprest	7,442	5,384
Staff loan	229,139	272,393
Bank clearing - unknown Dr/Cr	72,553	23,504
Loan clearing account	321,195	321,195
Total sundry accounts receivable	630,329	622,477

KIRIBATI PROVIDENT FUND
Consolidated Notes to the accounts
For the year ended 31 March 2019

Notes	2019	2018
C-5 Members' loan scheme account		
Members loan control account	17,726,360	15,935,263
Members' loan holding	(924,019)	(512,107)
Total Members' loan balances	16,802,341	15,423,155
C-6 Fixed assets		
Land	9,000	9,000
Buildings	1,005,967	1,102,777
Furniture & Fittings	25,902	2,241
Motor Vehicles	-	39,920
System enhancement	241,848	258,816
Office Machineries	24,290	13,646
Total fixed assets	1,307,007	1,426,400
Investments		
C-7 Overseas		
BTIM		
Australian Fixed Interest Securities	15,780,081	14,809,717
Overseas Fixed Interest Securities	7,127,360	6,732,032
Australian Equities	4,816,242	16,221,986
Real Estate	2,974,648	7,180,242
Overseas Equities	35,647,424	16,669,011
Cash equivalent	2,435,245	2,562,793
Other	3,558,554	3,403,935
Total BTIM investment	72,339,553	67,579,716
ANZ Trustees Ltd Investment:-		
Australian equities	57,294,127	52,820,799
income accruals	128,686	180,035
Total ANZ Trustees Ltd Investment	57,422,813	53,000,834
Total overseas investments	129,762,366	120,580,550
C-8 Local		
Air Kiribati Loan No.1	1,482,716	1,684,129
Air Kiribati Loan No.2	4,640,000	4,640,000
DBK Education support investment	1,182,468	1,476,538
KPF Complex building - Xmas	3,322,470	1,974,091
Total for local investments	10,627,654	9,774,758
TOTAL INVESTMENTS	140,390,020	130,355,308

KIRIBATI PROVIDENT FUND
Consolidated Notes to the accounts
For the year ended 31 March 2019

Notes	2019	2018
Current Liabilities		
D-1 Payroll Liabilities		
Withholding Taxes	20,905	(2,147)
KPF loan repayment	-	(100)
Wages Payable	-	(10)
Total	20,905	(2,257)
D-2 Sundry Accounts Payable		
Accounts Payable	24,043	25,949
Audit Fees Payable	66,000	63,000
Hotel Tarawa Prepayments	51,905	
GST Liabilities	(13,655)	(16,051)
Rent received in advance	-	-
KPF Social Fund	-	-
Total	128,293	72,898
D-3 Accruals & Advances		
Accrued Expenses	4,000	10,707
Total	4,000	10,707
E-1 Member's Contribution Account		
Opening balance	154,732,277	148,046,673
Adjustment to opening balance	(2)	3
Total Adjusted opening balance	154,732,280	148,046,676
Contribution & adjustments	16,453,068	13,244,491
Interest on Withdrawals	133,112	174,386
Interest on Members Accounts	7,930,880	6,999,510
Withdrawals	13,165,415	(13,249,373)
transferred to unclaimed deposit account		(646,859)
Debit adjustments	1,459,986	163,446
Ending Member's contribution	164,623,938	154,732,277
Adjustments to Members account		
Receipted employer unallocated contribution	2,215,536	2,695,388
Total Member's Account	166,839,474	157,427,666
E-2 Reserves		
Unclaimed Account Reserve	646,859	646,859
Total	646,859	646,859
E-3 Accumulated Surplus/(Deficit)		
Accumulated Surplus/(Deficit)	(5,346,151)	(5,411,445)
Surplus/(Deficit) for the year	1,180,116	65,294
Total	(4,166,036)	(5,346,151)

KIRIBATI PROVIDENT FUND
Consolidated Notes to the accounts
For the year ended 31 March 2019

Notes	2019	2018
Reconciliation of net surplus/(deficit) to net cash flow		
F from operating activities		
Surplus/(deficit)	1,180,116	65,294
Add/(less) non-cash items:		
Depreciation	219,014	141,630
add adjustment to cash movement		281
	1,399,130	207,205
Add/(less) items classified as investing or financing activities		
Gain on sale of investments	(9,808,675)	
Accrued members' contributions	133,112	
Members' interest	7,930,880	
	(1,744,683)	
Add/(less) movements in working capital items		
- increase in accounts receivable	229,987	(284,086)
- increase in accruals	(179,062)	(243,973)
+ decrease in sundry accounts receivable	(7,852)	4,754
- increase in members' loan balances	(1,379,186)	(1,752,442)
- decrease in payroll liabilities	23,163	(6,902)
+ increase in sundry accounts payable	55,396	9,661
+ increase in accruals	(6,707)	10,707
	(1,264,261)	(2,262,282)
Net cash inflow/(outflow) from operating activities	(1,609,813)	(2,055,077)

KIRIBATI PROVIDENT FUND
Consolidated Notes to the accounts
For the year ended 31 March 2019

Note G: Fixed Asset Depreciation Schedule - 2019

Cost	Land	Buildings	F/Fittings	Vehicles	Equipment & Machinery	System Enhancement	Total
Balance 01 April 2018	9,000	1,981,057	109,753	382,424	188,787	432,190	3,103,211
Additions	0	2,361	34,536	0	33,557	29,168	99,621
Disposal	0	0	0	0	4,670	0	4,670
Balance 31 March 2019	9,000	1,983,418	144,289	382,424	217,674	461,358	3,198,162
Accumulated Depreciation							
Balance 01 April 2018	0	878,280	107,512	342,504	175,141	173,374	1,676,811
Reversal acc depn of disposal		0	0	0	3,500	0	3,500
Depreciation charged	0	99,171	10,875	39,920	21,743	46,136	217,844
Accumulated Depreciation 31 March 2019	0	977,451	118,387	382,424	199,384	219,510	1,891,155
Net Book Value 31/03/2019	9,000	1,005,967	25,902	0	24,290	241,848	1,307,007
Net Book Value 31/03/2018	9,000	1,102,777	2,241	39,920	13,646	258,816	1,426,400