

REPORT OF THE AUDITOR GENERAL ON THE ACCOUNT OF



Plant and Vehicle Unit
Financial Statements
For the year ended 31st December 2013 to 2019

Kiribati Audit Office
April 2021

KIRIBATI AUDIT OFFICE



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Audit for an impact for the public

INDEPENDENT AUDITOR'S REPORT

To the Readers Of

Plant & Vehicle Unit Financial Statements

For the years ended 31st December 2013 to 2019

I have audited the Financial Statements of Plant & Vehicle Unit (PVU) for the years ended 31st December, 2013 to 2019 as required under sec 114 (2) of the Constitution, Part VII, Sec 42(4) of the Public Finances (Control and Audit) 1981 and Sec 22(1) of the Kiribati Audit Act, 2017. The Financial Statements comprise of the following:

- Statements of Financial Performance
- Statements of Financial Position
- Statements of Cash Flow
- Notes to the Accounts

Disclaimer of Opinion

I do not express an opinion on the accompanying financial statements of the Company. Because of the significance of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer Opinion:

1. Cash at Bank

- Upon review of the latest bank reconciliation as at 31/12/2019, we are concerned with the reconciliation process of the company, as well as the validity of cheques that have not been presented to the bank for a long period of time.
- Total unpresented cheques amounted to \$7,725.22, which are related to 2006-2012, which are over 7 years.
- Total unpresented cheques amounted to \$10,656.09, which are related to 2013-2019, which are over six months.
- Overdue deposits were dated back to 1995, hence they have been outstanding for over 10 years.
- Bank confirmation as of 31st December 2019 was not available for audit purposes.
- From a review of the cash book for years 2013 to 2019, all records for receipts and payments were maintained manually. We found that some copies of the cash book were too old for review and some are difficult to find. Furthermore, we note that there is no back up or electronic record of the cash book.

2. Advance Account 2013 to 2019

- The Advance account was reported as a negative balance from 2014 to 2019, which indicates that there was an issue in the accounting treatment or entries in this account.
- Furthermore, we noted that when staff are charged for missing tools, the charge was not recorded or invoiced to the staff debtors' account. The correct accounting treatment is to record an invoice against the staff debtors' account so that the charge is reflected in the staff debtors' accounts, ready to be adjusted for when settlement from staff is posted. However, this was not the case therefore, when settlement is made by staff, the staff's account balance is negative as there was no invoice to settle in the staff's account.

3. Fixed Assets

- The net book value (NBV) of Buildings should have been fully depreciated in 2014. Hence the balance should be reported as nil. However, Buildings was only reported as fully depreciated with a nil balance in 2019.

- The net book value of Others - Fixed Assets was negative \$291.11 in 2019. We note this is not the correct accounting treatment. The correct treatment when it comes to negative balances or when the accumulated depreciation is higher than the net book value is to report a zero balance (fully depreciated).

4. Sundry Creditors 2013 to 2019

- Sundry creditors were reported as a negative balance from 2014 to 2019. We note that a negative balance of sundry creditors is not normal and indicates that PVU had overpaid its suppliers.

5. Cost of spares sold

- The cost of spares sold were reported under the operating expense from 2013 to 2019. We note that the presentation of the cost of spares is not correct on the Financial Statement, as this should be presented directly underneath the sales of spare parts to reduce the sales of spare parts, and to correctly reflect the cost of goods sold balance, as per depicted below.

	2019 Account
Sales from spare parts	107,941.81
Less: Cost of spares sold	<u>322,925.61</u>
Net Loss from spare parts	<u>(214,983.80)</u>

6. Trade debtors and Sundry debtors 2013 to 2019

- No ledger cards for trade debtors were available for review.
- No individual listing for sundry debtors were available for review.

7. Retained Earnings

- The balance of current earnings in the retained earnings account was understated by \$93,596.73 in 2012. PVU disclosed current earnings as \$392,579.98, however, it should be \$486,176.71. This has implications on the closing balance for retained earnings for the year 2012.
- Furthermore, the closing balance of retained earnings in 2012 also has further implications on the opening balances for the following years, 2013 to 2019, given that the wrong closing balance from 2012 was carried forward to proceeding financial years.

8. Disengagement of Xmas Branch in FY 2014

- The performance and position of the PVU Christmas branch for financial year 2014 onwards, was not reported in the PVU Consolidated Financial Statements. From this, we note that there was a disengagement of the branch from the Tarawa office. However, we were unable to obtain sufficient information to verify the process and documentation of the disengagement.
- The disengagement has implications on PVU's consolidated financial statements, given that there are certain assets, liabilities and equity accounts that are no longer reported for PVU since the financial year, 2014.

9. Incompliance to IAS 1.10

- No Statement of Changes in Equity was submitted as part of PVU Financial Statement, therefore, the set of financial statements for each particular account submission was incomplete.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, 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 Company'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 Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct an audit of the Company's financial statements in accordance with International Standards on Auditing and to issue an auditor's report. However, because of the matters

described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Kiribati, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

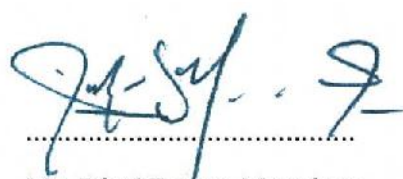
Report on other Legal and Regulatory Requirements

PVU lodged its Financial Statements on the following dates: PVU 2013-2016 on 17/8/2018; PVU 2017 on 17/8/2018; PVU 2018 on 6/5/2020; and PVU 2019 on 22/10/2020, therefore indicating PVU's incompliance to Section 20 of the SOE Act 2012:

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 PVU.



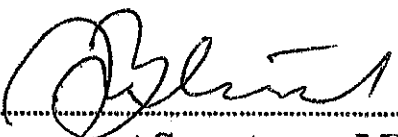
Mr. Eriati Tauma Manaima

Auditor General

Date:28/04/2021

GOVERNMENT PLANT AND VEHICLE UNIT

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

for 
.....
Permanent Secretary – MISE


.....
General Manager - PVU

Government of Kiribati Plant and Vehicle Unit
Consolidated Income Statement
For the Year Ended 31st December 2019

	Headquarter 2019	Headquarter 2018
REVENUE		
Permanent hire income	756,299.40	667,975.00
Casual hire income	65,590.90	534,136.70
Sale of Technical Stores	107,941.81	168,804.41
Maintenance Income - external	42,530.34	74,950.09
Other revenue	1,866,927.60	696,490.34
	2,839,290.05	2,142,356.54
OPERATING EXPENSES		
Employees' Expenses	673,977.42	669,931.42
Electricity and Water	8,795.70	19,516.70
Cost of Spares Used/Sold	322,925.61	115,985.16
Consumable Stores	1,021.90	949.15
Transport Cost	13,432.85	2,224.35
Fuel	44,725.87	29,171.60
Maintenance and repairs	566.00	851.60
Office Supplies and Sundries	9,423.50	11,667.38
Industries gases	3,411.35	19,967.51
Workshop expenses	5,473.12	2,142.23
Lube oils	9,361.00	7,337.20
Overseas Travelling Expenses		
Telephone Charges	4,110.00	7,940.76
Sundry expenses	72,894.03	23,041.05
Depreciation	616,224.25	803,040.08
	1,786,342.60	1,713,766.19
OPERATING PROFIT/(LOSS)	1,052,947.45	428,590.35
OTHER INCOME/(EXPENSES)		
Interest		
Gain on Sales of Fixed Assets		
Deferred Income Aid (Amortised)	10,253.32	11,978.17
Bad and Doubtful Debts		
Disposal of Fixed Assets		
Sale of Fixed Assets	- 209,333.35	- 271,572.59
Prior Items		
Total Other Income	- 199,080.03	- 259,594.42
Net Profit/(Loss)	853,867.42	168,995.93

Government of Kiribati Plant and Vehicle Unit
Balance Sheet
For the Year Ended 31 December 2019

		2019	2018
	Notes		
CURRENT ASSETS			
Cash Account	3	144,912.38	219,049.78
Imprest Account		19,352.96	41,365.32
Advance	-	9,126.87	7,442.30
Trade Debtors	4	4,394,118.78	3,772,252.45
Stock	5	891,181.21	1,086,472.32
Sundry Debtors	6	74,390.07	69,200.97
Prepayments		893,817.46	85,972.42
Total Current Assets		6,408,645.99	5,266,870.96
CURRENT LIABILITIES			
Sundry Creditors	7	82,361.57	82,710.16
Total Current Liabilities		82,361.57	82,710.16
WORKING CAPITAL		6,491,007.56	5,349,581.12
ADD: Non Current Asset	8	2,717,654.61	3,015,466.95
		9,208,662.17	8,365,048.07
REPRESENTED BY:			
Capital Reserve		588,802.00	588,802.00
Retained Earnings	9	8,331,890.51	7,478,023.09
Deferred Income Aid	10	287,969.66	298,222.98
		9,208,662.17	8,365,048.07

Government of Kiribati Plant and Vehicle Unit
Cashflow Statement
For the Year Ended 31 December 2019

	Notes	2019	2018
Cash Flow From Operating Activities			
Cash received from customers		1,604,869.79	1,810,449.47
Cash paid to suppliers and employees		- 1,151,261.93	- 910,782.91
Total Cash received/(used) from Operating activities	1	<u>453,607.86</u>	<u>899,666.56</u>
Cash Flow from Investing Activities			
Acquisition of Fixed Assets		- 527,745.26	- 706,905.81
Gain on disposal			
Total Cash received/(used) from investing activities		<u>-527,745.26</u>	<u>-706,905.81</u>
Cash Flow from Financing Activities			
Increase in Retained		0.00	0.00
Decrease in Amort Reserve		0.00	0.00
Total cash received from financing activities		<u>0.00</u>	<u>0.00</u>
Net Increase/(Decrease) in Cash held		-74,137.40	192,760.75
Cash and Cash Equivalent 1/1/2013		219,049.78	26,289.03
Cash and Cash Equivalent 31/12/2013	2	<u>144,912.38</u>	<u>219,049.78</u>

Note 1 Reconciliation of Net Profit to Cash flow from operating activities

Net Profit		875,879.78	168,995.93
Add: Depreciation		616,224.25	803,040.08
Sale of vehicle		209,333.35	271,572.59
Amort		- 10,253.32	- 11,978.17
Changes in Balance Sheet Items			
Imprest account		-	4,112.63
Advance		1,684.57	2,815.64
Trade Debtors		- 621,866.33	- 402,786.59
Stock		195,291.11	- 112,273.69
Sundry Debtors		- 5,189.10	2,906.52
Prepayments		- 807,845.04	183,153.21
S/Creditors		348.59	- 1,666.33
	0	<u>453,607.86</u>	<u>899,666.56</u>

1. Principal Accounting Policies

The Financial Statements are prepared in accordance with the historical cost convention including certain fixed assets taken over at valuation and in accordance with the International Accounting Standard. The following is a summary of the more important accounting policies used by the fund.

(a) Revenue

Revenue consists mainly of receipts for the Permanent Hire, Casual Hire and Rental Charges of vehicles and plants and workshop Service charges.

(b) Depreciation

Depreciation is calculated to write off the cost or amount of valuation of fixed assets on a straight line basis over the expected useful lives of the assets concerned. The principal amount rates used for this purpose which are consistent with those of the previous years are:-

	Per Cent
Pickups, Light vehicles saws and welding sets	33.30
Medium trucks, folk lifts, pumps, compressor, land rovers/other	20.00
Tractors, Trailers, Heavy equipment and concrete mixers	14.40
Buildings	4.00

c. Grant in Aid

Grants received in kind are recorded at fair valuation and are taken to Deferred Income and credited to revenue over the useful life or usage of the related asset. Aid in kinds are amortised at a rate of 14.4% annually.

(d) Stock

Stock is stated at the lower of cost and net reliasable value on a first in first out basis.

2. The Special Fund

The Special Fund was set up in accordance with Section 13 of the Public Finance (Control and Audit) Act 1976 and Special Fund (Plant and Vehicle Act 1980) to finance the provision and maintenance of Government Plant and Vehicles.

Notes forming part of the Account

3. Cash Account

	2019	2018	2017
Cash at Bank	144,529.98	218,667.38	25,901.63
Petty Cash	382.40	382.40	387.40
	<u>144,912.38</u>	<u>219,049.78</u>	<u>26,289.03</u>

4. Trade Debtors	2019	2018	2017
Headquarter - TRW (Opening balance)	8,034,032.83	7,631,246.24	7,466,878.80
Headquarter - TRW	621,866.33	402,786.59	164,367.44
Adjustments			
Total TD for Tarawa	8,655,899.16	8,034,032.83	7,631,246.24
Kiritimati Branch			
	8,655,899.16	8,034,032.83	7,631,246.24
Provision for BDD(Tarawa)	4,261,780.38	4,261,780.38	4,261,780.38
Total Prov for BDD	4,261,780.38	4,261,780.38	4,261,780.38
Net Trade Debtors	4,394,118.78	3,772,252.45	3,369,465.86

5. Stock	2019	2018	2017
Stock of Spares	1,329,669.98	1,524,961.09	1,412,687.40
Less: Provision for stock Obsolescences	- 438,488.77	- 438,488.77	- 438,488.77
	891,181.21	1,086,472.32	974,198.63

6. Sundry Debtors	2019	2018	2017
Opening balances	69,200.97	72,107.49	72,646.80
Sundry debtors	0 -	721.00 -	15.23
Tax Deductions Control	- 284.95 -	73.54 -	2,473.56
Tax Withholdings	- -	957.50	
Tax Arrears	5,000.00		
Life Insurance - Salary Deductions	40.00	465.00 -	960.00
Rent Deductions	- 92.25 -	92.25	1,182.40
Tank rent fee			
KPF Deductions	- 208.20 -	176.10	817.60
Net Wages Control	646.04 -	3,699.49	3,557.07
KPF Loan Deduction	- 0.02	1,552.38 -	1,731.48
House Loan Scheme - Salary deductions	88.48	795.98 -	916.11
Sub-Total Sundry Debtors HQ	74,390.07	69,200.97	72,107.49
	74,390.07	69,200.97	72,107.49

7. Sundry Creditors	2019	2018	2017
Opening Balance	- 82,710.16 -	81,043.83 -	79,376.68
Other Creditors			
Accrued Expenses/Arrears			-2636.45
Upfront Payment from Ministries			
Save as You Earn			
Service Charges	347.70 -	673.98	-26.15
DBK Loan	-	995.07	995.07
Cents Adjustments	0.89	2.72	0.38
Reversal			
Sub Total - Sundry Creditors	- 82,361.57 -	82,710.16 -	81,043.83
	- 82,361.57 -	82,710.16 -	81,043.83

8. Fixed Assets

FIXED ASSETS & DEPRECIATION SCHEDULE

(last page)

9. Retained Earnings	2019	2018	2017
Balance b/fwd	7,468,360.73	7,299,364.80	7,262,225.06
Current Earnings	853,867.42	168,995.93	37,139.74
Sub total - Retained Earnings	8,322,228.15	7,468,360.73	7,299,364.80
PPI	9662.36	9662.36	9662.36
	8,331,890.51	7,478,023.09	7,309,027.16

10. Deferred Income Aid Reserve	2019	2018	2017
Opening Balance	227019.38	227,019.38	227,019.38
Aid in Kind	71,203.60	83,181.77	97,174.97
Released/Amortised	- 10,253.32 -	11,978.17 -	13,993.20
Kiritimati Branch			
	287,969.66	298,222.98	312,218.15

11. Revenue	2019	2018	2017
Permanent Hire	756,299.40	667,975.00	819,635.00
Casual Hire	65,590.90	534,136.70	158,684.30
Sales of Spare Parts	107,941.81	168,804.41	166,267.61
Maintenance or Workshop Income	42,530.34	74,950.09	91,517.22
Other Revenue	1,866,927.60	696,490.34	774,682.85
Kiritimati Branch			
	2,839,290.05	2,142,356.54	2,012,803.98

12. Employees Expenses	2019	2018	2017
Salaries/Wages - Workshop	188,224.09	207,025.21	146,958.97
Overtime/Bonuses/Allowance - Workshop	52,209.03	30,882.39	23,361.86
Tools Allowance - workshop			
Welding Bonus - Workshop	973.43	558.54	102.75
Dirt Bonus - workshop		1,529.93	1,011.64
Paint Bonus - workshop	206.25	2,125.80	
Salaries/Wages - Transports	33,847.95	23,897.59	22,206.48
Overtime and Allowances - Transport	12,227.73	13,100.44	8,528.82
Dirt Bonuses - Transport	135.00	1,728.68	628.45
Salaries/Wages - General Office	102,260.01	104,583.93	76,775.01
Overtime and Allowances - General Office	39,655.49	34,278.41	26,353.67
Sewerage Bonus - General Office	5,142.76	5,542.90	5,257.57
Salaries/Wages - Account Section	65,863.76	69,740.77	52,848.27
Overtime/Bonuses/Allowance - Account Section	4,602.53	3,844.08	3,546.10
Salaries/Wages - Technical Stores	49,332.93	54,391.49	39,548.42

Overtime/Bonuses/Allowance - Technical Stores	12,011.75	6,634.97	8,912.25
Dirt Bonus - Technical Stores			
KPF Expenses	32,284.71	33,941.29	26,675.84
Leave Passage and Home Island Travel			
Leave Grant	75,000.00	76,125.00	78,000.00
Sub Total-Employees Expenses PVU Trw	673,977.42	669,931.42	520,716.10
	673,977.42	669,931.42	520,716.10

13. Spares	2019	2018	2017
Opening Stock	1,524,961.09	1,412,687.40	1,401,199.38
Plus: Purchases of Spares	127,634.50	228,258.85	224,604.78
Spares/Parts available for use or sale	1,652,595.59	1,640,946.25	1,625,804.16
Less: Closing Stock	1,329,669.98	1,524,961.09	1,412,687.40
Cost of Spares and Parts Sold/Used	322,925.61	115,985.16	213,116.76
	322,925.61	115,985.16	213,116.76

14. Fuel and Petrol	2019	2018	2017
Tarawa - HQ	44,725.87	29,171.60	27,904.85
	44,725.87	29,171.60	27,904.85

15. Sundry Expenses	2019	2018	2017
Tax Penalty Fee			
KPF Penalty Fee			
Bank Charges	1,868.67	1,731.52	2,439.68
Cost of Training			
House rent - Subsidy	7,382.00	5,088.00	7,671.68
Court Order (Compensn for damaged s/car - PVU Xmas)			
Administrative & Accounting			
Advertising and Publication	637.50		463.80
Board & Management Expenses	393.50	7,560.20	2,909.82
Entertainments			
Safety Equipments and Uniforms			8,314.68
Tools			
Overseas Training Expenses			
Travelling Claim Expenses	62,612.36	8,661.33	
Vat expense			
Excise tax			
	72,894.03	23,041.05	21,799.66

FIXED ASSETS SCHEDULE FOR THE YEAR 2018

2018: Fixed Assets Costs/Valuation	VEHICLES			Other	Buildings	Total
	Light	Medium	Heavy			
As at 01.01.2018	6,265,366.38	3,668,701.09	6,780,895.71	637,504.95	594,273.57	17,946,741.70
Additional Costs	507,518.99	143,504.11	54,750.16	1,132.55		706,905.81
Sold out	- 216,822.43		- 54,750.16			-271,572.59
Released (Xmas)						
Disposed off						0.00
Total	6,556,062.94	3,812,205.20	6,780,895.71	638,637.50	594,273.57	18,382,074.92
Depreciation						
As at 01.01.2018	5,225,282.86	3,134,563.47	4,991,828.82	620,435.69	591,457.05	14,563,567.89
Charge for the year	414,190.72	175,929.09	206,748.92	6,171.35		803,040.08
Sold out						0.00
Released (Xmas)						
Disposed Off						0.00
	5,639,473.58	3,310,492.56	5,198,577.74	626,607.04	591,457.05	15,366,607.97
Net Book Value	916,589.36	501,712.64	1,582,317.97	12,030.46	2,816.52	3,015,466.95
As at 31.12.2018						
As at 31/12/2017	1,040,083.52	534,137.62	1,789,066.89	17,069.26	2,816.52	3,383,173.81

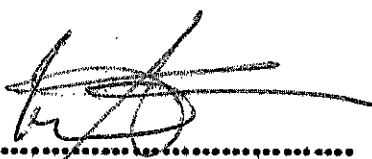
2019: Fixed Assets Costs/Valuation	VEHICLES			Other	Buildings	Total
	Light	Medium	Heavy			
As at 01.01.2019	6,556,062.94	3,812,205.20	6,780,895.71	638,637.50	594,273.57	18,382,074.92
Additional Costs	291,141.76	164,089.29	72,313.96	200.25		527,745.26
Sold out	- 56,162.67	- 80,856.72	- 72,313.96			-209,333.35
Released (Xmas)						
Disposed off	- 29,130.00	- 23,819.06				-52,949.06
Total	6,761,912.03	3,871,618.71	6,780,895.71	638,837.75	594,273.57	18,647,537.77
Depreciation						
As at 01.01.2019	5,639,473.58	3,310,492.56	5,198,577.74	626,607.04	591,457.05	15,366,607.97
Charge for the year	301,506.27	129,994.98	169,384.66	12,521.82	2,816.52	616,224.25
Sold out						0.00
Released (Xmas)						
Disposed Off	-29130	-23819.06				-52,949.06
	5,911,849.85	3,416,668.48	5,367,962.40	639,128.86	594,273.57	15,929,883.16
Net Book Value	850,062.18	454,950.23	1,412,933.31	-291.11	0.00	2,717,654.61
As at 31.12.2019						
As at 31/12/2018	916,589.36	501,712.64	1,582,317.97	12,030.46	2,816.52	3,015,466.95

GOVERNMENT PLANT AND VEHICLE UNIT

FINANCIAL STATEMENTS

FOR YEAR ENDED

DECEMBER 31, 2018



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PERMANENT SECRETARY – MISE



.....
GENERAL MANAGER - PVU

Government of Kiribati Plant and Vehicle Unit
Balance Sheet
For the Year Ended 31 December 2018

		2018	2017
	Notes		
CURRENT ASSETS			
Cash Account	3	219,049.78	26,289.03
Imprest Account		41,365.32	37,252.69
Advance	-	7,442.30	4,626.66
Trade Debtors	4	3,772,252.45	3,369,465.86
Stock	5	1,086,472.32	974,198.63
Sundry Debtors	6	69,200.97	72,107.49
Prepayments		85,972.42	269,125.63
Total Current Assets		5,266,870.96	4,743,812.67
CURRENT LIABILITIES			
Sundry Creditors	7	82,710.16	81,043.83
Total Current Liabilities		82,710.16	81,043.83
WORKING CAPITAL		5,349,581.12	4,824,856.50
ADD: Non Current Asset	8	3,015,466.95	3,383,173.81
		8,365,048.07	8,208,030.31
REPRESENTED BY:			
Capital Reserve		588,802.00	588,802.00
Retained Earnings	9	7,478,023.09	7,309,027.16
Deferred Income Aid	10	298,222.98	310,201.15
		8,365,048.07	8,208,030.31

Government of Kiribati Plant and Vehicle Unit
Income Statement
For the Year Ended 31st December 2018

	Headquarter 2018	Headquarter 2017
REVENUE		
Permanent hire income	667,975.00	819,635.00
Casual hire income	534,136.70	158,684.30
Sale of Technical Stores	168,804.41	166,267.61
Maintenance Income - external	74,950.09	91,517.22
Other revenue	696,490.34	774,682.85
	<u>2,142,356.54</u>	<u>2,010,786.98</u>
OPERATING EXPENSES		
Employees' Expenses	669,931.42	520,716.10
Electricity and Water	19,516.70	32,399.28
Cost of Spares Used/Sold	115,985.16	213,116.76
Consumable Stores	949.15 -	483.25
Transport Cost	2,224.35	7,346.50
Fuel	29,171.60	27,904.85
Maintenance and repairs	851.60	1,553.92
Office Supplies and Sundries	11,667.38	10,563.21
Industries gases	19,967.51	47,642.05
Workshop expenses	2,142.23	737.50
Lube oils	7,337.20	4,357.20
Overseas Travelling Expenses		13,857.00
Telephone Charges	7,940.76	16,790.02
Sundry expenses	23,041.05	21,799.66
Depreciation	803,040.08	664,632.77
	<u>1,713,766.19</u>	<u>1,582,933.57</u>
OPERATING PROFIT/(LOSS)	<u>428,590.35</u>	<u>427,853.41</u>
OTHER INCOME/(EXPENSES)		
Interest		
Gain on Sales of Fixed Assets		
Deferred Income Aid (Amortised)	11,978.17	13,993.20
Bad and Doubtful Debts		
Disposal of Fixed Assets		
Sale of Fixed Assets	- 271,572.59 -	404,706.87
Prior Items		
Total Other Income	- 259,594.42 -	390,713.67
Net Profit/(Loss)	<u>168,995.93</u>	<u>37,139.74</u>

Government of Kiribati Plant and Vehicle Unit
Cashflow Statement
For the Year Ended 31 December 2018

	Notes	2018	2017
Cash Flow From Operating Activities			
Cash received from customers		1,810,449.47	1,853,385.14
Cash paid to suppliers and employees		- 910,782.91	-938,217.53
Total Cash received/(used) from Operating activities	1	899,666.56	915,167.61
Cash Flow from Investing Activities			
Acquisition of Fixed Assets		- 706,905.81	-1,000,966.30
Gain on disposal			
Total Cash received/(used) from investing activities		-706,905.81	-1,000,966.30
Cash Flow from Financing Activities			
Increase in Retained		0.00	0.00
Decrease in Amort Reserve		0.00	0.00
Total cash received from financing activities		0.00	0.00
Net Increase/(Decrease) in Cash held		192,760.75	-85,798.69
Cash and Cash Equivalent 1/1/2013		26,289.03	112,087.72
Cash and Cash Equivalent 31/12/2013	2	219,049.78	26,289.03

Note 1 Reconciliation of Net Profit to Cash flow from operating activities

Net Profit	168,995.93	37,139.74
Add: Depreciation	803,040.08	664,632.77
Sale of vehicle	271,572.59	404,706.87
Amort	- 11,978.17	- 13,993.20
Changes in Balance Sheet Items		
Imprest account	- 4,112.63	- 21,997.61
Advance	2,815.64	3,208.72
Trade Debtors	- 402,786.59	- 164,367.44
Stock	- 112,273.69	- 11,488.02
Sundry Debtors	2,906.52	539.31
Prepayments	183,153.21	18,453.62
S/Creditors	- 1,666.33	- 1,667.15
	899,666.56	915,167.61

1. Principal Accounting Policies

The Financial Statements are prepared in accordance with the historical cost convention including certain fixed assets taken over at valuation and in accordance with the International Accounting Standard. The following is a summary of the more important accounting policies used by the fund.

(a) Revenue

Revenue consists mainly of receipts for the Permanent Hire, Casual Hire and Rental Charges of vehicles and plants and workshop Service charges.

(b) Depreciation

Depreciation is calculated to write off the cost or amount of valuation of fixed assets on a straight line basis over the expected useful lives of the assets concerned. The principal amount rates used for this purpose which are consistent with those of the previous years are:-

	Per Cent
Pickups, Light vehicles saws and welding sets	33.30
Medium trucks, folk lifts, pumps, compressor, land rovers	20.00
Tractors, Trailers, Heavy equipment and concrete mixers	14.40
Buildings	4.00

c. Grant in Aid

Grants received in kind are recorded at fair valuation and are taken to Deferred Income and credited to revenue over the useful life or usage of the related asset. Aid in kinds are amortised at a rate of 14.4% annually.

(d) Stock

Stock is stated at the lower of cost and net reliable value on a first in first out basis.

2. The Special Fund

The Special Fund was set up in accordance with Section 13 of the Public Finance (Control and Audit) Act 1976 and Special Fund (Plant and Vehicle Act 1980) to finance the provision and maintenance of Government Plant and Vehicles.

Notes forming part of the Account

2018

2017

3. Cash Account

Cash at Bank	218,667.38	25,901.63
Petty Cash	382.40	387.40
	<u>219,049.78</u>	<u>26,289.03</u>

4. Trade Debtors

2018

2017

Headquarter - TRW (Opening balance)	7,631,246.24	7,466,878.80
Headquarter - TRW	402,786.59	164,367.44
Adjustments		
Total TD for Tarawa	<u>8,034,032.83</u>	<u>7,631,246.24</u>
Kiritimati Branch		
	<u>8,034,032.83</u>	<u>7,631,246.24</u>
Provision for BDD(Tarawa)	4,261,780.38	4,261,780.38
Total Prov for BDD	<u>4,261,780.38</u>	<u>4,261,780.38</u>
Net Trade Debtors	<u>3,772,252.45</u>	<u>3,369,465.86</u>

5. Stock

	2018	2017
Stock of Spares	1,524,961.09	1,412,687.40
Less: Provision for stock Obsolescences	- 438,488.77	- 438,488.77
Kiritimati Branch		
	<u>1,086,472.32</u>	<u>974,198.63</u>

6. Sundry Debtors

	2018	2017
Opening balances	72,107.49	72,646.80
Sundry debtors	- 721.00	- 15.23
Tax Deductions Control	- 73.54	- 2,473.56
Tax Withholdings	- 957.50	
Tax Arrears		
Life Insurance - Salary Deductions	465.00	- 960.00
Rent Deductions	- 92.25	1,182.40
Tank rent fee		
KPF Deductions	- 176.10	817.60
Net Wages Control	- 3,699.49	3,557.07
KPF Loan Deduction	1,552.38	- 1,731.48
House Loan Scheme - Salary deductions	795.98	- 916.11
Housing Hire Purchases		
Bounced Cheque		
Reversal		
Sub-Total Sundry Debtors HQ	69,200.97	72,107.49
Kiritimati Branch		
	<u>69,200.97</u>	<u>72,107.49</u>

7. Sundry Creditors

	2018	2017
Opening Balance	- 81,043.83	- 79,376.68
Other Creditors		
Accrued Expenses/Arrears		-2636.45
Upfront Payment from Ministries		
Save as You Earn		
Service Charges	- 673.98	-26.15
DBK Loan	- 995.07	995.07
Cents Adjustments	2.72	0.38
Reversal		
Sub Total - Sundry Creditors	- 82,710.16	- 81,043.83
Kiritimati Branch		
	<u>- 82,710.16</u>	<u>- 81,043.83</u>

8. Fixed Assets

FIXED ASSETS & DEPRECIATION SCHEDULE 2009 AND 2010
(last page)

9. Retained Earnings

	2018	2017
Balance b/fwd	7,299,364.80	7,262,225.06
Current Earnings	168,995.93	37,139.74
JV - Balance Day Entries		
Sub total - Retained Earnings	7,468,360.73	7,299,364.80
Kiritimati Branch		
PPI	9662.36	9662.36
	<u>7,478,023.09</u>	<u>7,309,027.16</u>

10. Deferred Income Aid Reserve	2018	2017
Opening Balance	227,019.38	227,019.38
Aid in Kind	83,181.77	97,174.97
Released/Amortised	11,978.17	13,993.20
Kiritimati Branch		
	298,222.98	312,218.15

11. Révenue	2018	2017
Permanent Hire	667,975.00	819,635.00
Casual Hire	534,136.70	158,684.30
Sales of Spare Parts	168,804.41	166,267.61
Maintenance or Workshop Income	74,950.09	91,517.22
Other Revenue	696,490.34	774,682.85
Kiritimati Branch		
	2,142,356.54	2,012,803.98

12. Employees Expenses	2018	2017
Salaries/Wages - Workshop	207,025.21	146,958.97
Overtime/Bonuses/Allowance - Workshop	30,882.39	23,361.86
Tools Allowance - workshop		
Welding Bonus - Workshop	558.54	102.75
Dirt Bonus - workshop	1,529.93	1,011.64
Paint Bonus - workshop	2,125.80	
Salaries/Wages - Transports	23,897.59	22,206.48
Overtime and Allowances - Transport	13,100.44	8,528.82
Dirt Bonuses - Transport	1,728.68	628.45
Salaries/Wages - General Office	104,583.93	76,775.01
Overtime and Allowances - General Office	34,278.41	26,353.67
Sewerage Bonus - General Office	5,542.90	5,257.57
Salaries/Wages - Account Section	69,740.77	52,848.27
Overtime/Bonuses/Allowance - Account Section	3,844.08	3,546.10
Salaries/Wages - Technical Stores	54,391.49	39,548.42
Overtime/Bonuses/Allowance - Technical Stores	6,634.97	8,912.25
Dirt Bonus - Technical Stores		
KPF Expenses	33,941.29	26,675.84
Leave Passage and Home Island Travel		
Leave Grant	76,125.00	78,000.00
Sub Total-Employees Expenses PVU Trw	669,931.42	520,716.10
Kiritimati Branch		
	669,931.42	520,716.10

13. Spares	2018	2017
Opening Stock	1412687.4	1,401,199.38
Plus: Purchases of Spares	228258.85	224,604.78
Spares/Parts available for use or sale	1,640,946.25	1,625,804.16
Less: Closing Stock	1524961.09	1,412,687.40
Cost of Spares and Parts Sold/Used	115,985.16	213,116.76
Cost of Spares and Parts Sold/Used Kiritimati		
	115,985.16	213,116.76

14. Fuel and Petrol	2018	2017
Tarawa - HQ	29,171.60	27,904.85
Kiritimati Branch		
	29,171.60	27,904.85

15. Sundry Expenses	2018	2017
Tax Penalty Fee		
KPF Penalty Fee		
Bank Charges	1,731.52	2,439.68
Cost of Training		
House rent - Subsidy	5,088.00	7,671.68
Court Order (Compensn for damaged s/car - PVU Xmas)		
Administrative & Accounting		
Advertising and Publication		463.80
Board & Management Expenses	7,560.20	2,909.82
Entertainments		
Safety Equipments and Uniforms		8,314.68
Tools		
Overseas Training Expenses		
Travelling Claim Expenses	8,661.33	
Vat expense		
Excise tax		
Kiritimati Branch		
	23,041.05	21,799.66

FIXED ASSETS SCHEDULE FOR THE YEAR 2018

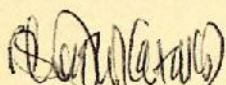
2018: Fixed Assets	VEHICLES					Total
	Light	Medium	Heavy	Other	Buildings	
Costs/Valuation						
As at 01.01.2018	6,265,366.38	3,668,701.09	6,780,895.71	637,504.95	594,273.57	17,946,741.70
Additional Costs	507,518.99	143,504.11	54,750.16	1132.55		706,905.81
Sold out	-216822.43		-54,750.16			-271,572.59
Released (Xmas)						
Disposed off						0.00
Total	6,556,062.94	3,812,205.20	6,780,895.71	638,637.50	594,273.57	18,382,074.92
Depreciation						
As at 01.01.2018	5,225,282.86	3,134,563.47	4,991,828.82	620,435.69	591,457.05	14,563,567.89
Charge for the year	414,190.72	175,929.09	206,748.92	6171.35		803,040.08
Sold out						0.00
Released (Xmas)						
Disposed Off						0.00
	5,639,473.58	3,310,492.56	5,198,577.74	626,607.04	591,457.05	15,366,607.97
Net Book Value	916,589.36	501,712.64	1,582,317.97	12,030.46	2,816.52	3,015,466.95
As at 31.12.2018						
As at 31.12/2017	1,040,083.52	534,137.62	1,789,066.89	17,069.26	2,816.52	3,383,173.81

GOVERNMENT PLANT AND VEHICLE UNIT

FINANCIAL STATEMENTS

FOR YEAR ENDED

31st DECEMBER 2017



PERMANENT SECRETARY – MISE



GENERAL MANAGER - PVU

Government of Kiribati Plant and Vehicle Unit
Consolidated Balance Sheet
For the Years Ended 31 December 2017

	Notes	2017	2016
			\$
CURRENT ASSETS			
Cash Account	3	26,289.03	112,087.72
Imprest Account		37,252.69	15,255.08
Advance	-	4,626.66	- 1,417.94
Trade Debtors	4	3,369,465.86	3,205,098.42
Stock	5	974,198.63	962,710.61
Sundry Debtors	6	72,107.49	72,646.80
Prepayments		269,125.63	287,579.25
Total Current Assets		<u>4,743,812.67</u>	<u>4,653,959.94</u>
CURRENT LIABILITIES			
Sundry Creditors	7	- 81,043.83	- 79,376.68
Total Current Liabilities		- 81,043.83	- 79,376.68
WORKING CAPITAL		<u>4,824,856.50</u>	<u>4,733,336.62</u>
ADD: Non Current Asset	8	<u>3,383,173.81</u>	<u>3,451,547.15</u>
		<u>8,208,030.31</u>	<u>8,184,883.77</u>
REPRESENTED BY:			
Capital Reserve		588,802.00	588,802.00
Retained Earnings	9	7,309,027.16	7,271,887.42
Deferred Income Aid	10	310,201.15	324,194.35
		<u>8,208,030.31</u>	<u>8,184,883.77</u>

Government of Kiribati Plant and Vehicle Unit
Consolidated Income Statement
For the Years Ended 31st December 2017

	Notes	2017	2016
REVENUE		\$	\$
Permanent Hire	11	819,635.00	1,044,606.80
Casual Hire		158,684.30	224,576.95
Sales of Spare Parts		166,267.61	179,793.38
Maintenance or Workshop Income		91,517.22	109,807.06
Other Income		774,682.85	647,728.30
Kiritimati Branch			
		2,010,786.98	2,206,512.49
OPERATING EXPENSES			
Employees' Expenses	12	520,716.10	545,375.89
Electricity and Water		32,399.28	30,462.24
Cost of Spares Used/Sold	13	213,116.76	55,381.83
Consumable Stores		-	-
Transport Cost		7,346.50	12,931.49
Fuel	14	27,904.85	36,329.71
Maintenance and repairs		1,553.92	5,474.95
Office Supplies and Sundries		10,079.96	8,895.07
Industries gases		47,642.05	-
Workshop expenses		737.50	1,426.85
Lube oils		4,357.20	4,817.35
Overseas Travelling Expenses		13,857.00	22,031.63
Telephone Charges		16,790.02	18,289.87
Sundry expenses	15	21,799.66	14,105.17
Depreciation	8	664,632.77	750,094.95
		1,582,933.57	1,505,617.00
OPERATING PROFIT/(LOSS)		427,853.41	700,895.49
OTHER INCOME/(EXPENSES)			
Interest			
Gain on Sales of Fixed Assets			
Deferred Income Aid (Amortised)	10	13,993.20	16,347.19
Bad and Doubtful Debt		-	68,950.67
Sale of Vehicles	-	404,706.87	- 487,870.55
Prior Items			
Total Other Income		- 390,713.67	- 540,474.03
Net Profit/(Loss)		37,139.74	160,421.46

Attached Notes form part of the Financial Statement

PVU Cash Flow Statements
For years ended 31 December 2017

Cash Flow From Operating Activities

		2017	2016
Cash Flow From Operating Activities	Notes		
Cash received from customers		1,853,385.14	1,475,477.18
Cash paid to suppliers and employees		-938,217.53	-754,604.00
Total Cash received/(used) from Operating activities	1	915,167.61	720,873.18

Cash Flow from Investing Activities

Acquisition of Fixed Assets		-1,000,966.30	-814,996.34
Gain on disposal			

Total Cash received/(used) from investing activities		-1,000,966.30	-814,996.34
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Cash Flow from Financing Activities

Increase in Retained		0.00	0.00
Decrease in Amort Reserve		0.00	0.00

Total cash received from financing activities		0.00	0.00
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Net Increase/(Decrease) in Cash held		-85,798.69	-94,123.16
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Cash and Cash Equivalent 1 Jan 2017		112,087.72	206,210.88
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Cash and Cash Equivalent 31 Dec 2017	2	26,289.03	112,087.72
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Note 1 Reconciliation of Net Profit to Cash flow from operating activities

Net Profit		37,139.74	160,421.46
Add: Depreciation		664,632.77	750,094.95
Sale of vehilce		404,706.87	487,870.55
Amort		-13,993.20	-16,347.19
Changes in Balance Sheet Items			
Imprest account		-21,997.61	-12.47
Advance		3,208.72	1,000.00
Trade Debtors		-164,367.44	-156,996.76
Stock		-11,488.02	-294,297.60
Sundry Debtors		539.31	-54,275.33
Prepayments		18,453.62	-156,514.95
S/Creditors		-1,667.15	-69.48
		915,167.61	720,873.18

2016: Fixed Assets	VEHICLES				BUILDINGS	TOTAL
Costs/Valuation	LIGHT	MEDIUM	HEAVY	OTHER		
As at 01.01.2016	5,810,222.75	3,485,401.49	6,637,918.53	631,790.25	594,273.57	17,159,606.59
Additional Costs	470,304.63	226,349.68	116,356.94	1,985.09	-	814,996.34
Sold out	- 215,305.98	-	- 272,564.57	-	-	- 487,870.55
Released (Xmas)						
Disposed off	- 15,396.74	- 21,228.00	-	- 1,550.00	-	- 38,174.74
Total	6,049,824.66	3,690,523.17	6,481,710.90	632,225.34	594,273.57	17,448,557.64
Depreciation						
As at 01.01.2016	4,642,890.82	2,846,717.28	4,612,908.53	613,574.32	568,999.33	13,285,090.28
Charge for the year	359,860.37	186,400.39	184,695.78	7,909.55	11,228.86	750,094.95
Sold out						
Released (Xmas)						
Disposed Off	- 15,396.74	- 21,228.00	-	- 1,550.00	-	- 38,174.74
Total	4,987,354.45	3,011,889.67	4,797,604.31	619,933.87	580,228.19	13,997,010.49
Net Book Value	1,062,470.21	678,633.50	1,684,106.59	12,291.47	14,045.38	3,451,547.15
As at 31.12.2015						3,874,516.31

2017: Fixed Assets	VEHICLES				BUILDINGS	TOTAL
Costs/Valuation	LIGHT	MEDIUM	HEAVY	OTHER		
As at 01.01.2017	6,049,824.66	3,690,523.17	6,481,710.90	632,225.34	594,273.57	17,448,557.64
Additional Costs	479,636.90	146,777.79	369,272.00	5,279.61		1,000,966.30
Sold out	- 231,998.18	- 102,621.50	- 70,087.19			- 404,706.87
Released (Xmas)						
Disposed off	- 32,097.00	- 65,978.37				- 98,075.37
Total	6,265,366.38	3,668,701.09	6,780,895.71	637,504.95	594,273.57	17,946,741.70
Depreciation						
As at 01.01.2017	4,987,354.45	3,011,889.67	4,797,604.31	619,933.87	580,228.19	13,997,010.49
Charge for the year	270,025.41	188,652.17	194,224.51	501.82	11,228.86	664,632.77
Sold out						
Released (Xmas)						
Disposed Off	- 32,097.00	- 65,978.37				- 98,075.37
Total	5,225,282.86	3,134,563.47	4,991,828.82	620,435.69	591,457.05	14,661,643.26
Net Book Value	1,040,083.52	534,137.62	1,789,066.89	17,069.26	2,816.52	3,285,098.44
As at 31.12.2016						3,451,547.15

1. Principal Accounting Policies

The Financial Statements are prepared in accordance with the historical cost convention including certain fixed assets taken over at valuation and in accordance with the International Accounting Standard. The following is a summary of the more important accounting policies used by the fund.

(a) Revenue

Revenue consists mainly of receipts for the Permanent Hire, Casual Hire and Rental Charges of vehicles and plants and workshop Service charges.

(b) Depreciation

Depreciation is calculated to write off the cost or amount of valuation of fixed assets on a straight line basis over the expected useful lives of the assets concerned. The principal amount rates used for this purpose which are consistent with those of the previous years are:-

	Per Cent
Pickups, Light vehicles saws and welding sets	33.30
Medium trucks, folk lifts, pumps, compressor, land rovers	20.00
Tractors, Trailers, Heavy equipment and concrete mixers	14.40
Buildings	4.00

c. Grant in Aid

Grants received in kind are recorded at fair valuation and are taken to Deferred Income and credited to revenue over the useful life or usage of the related asset. Aid in kinds are amortised at a rate of 14.4% annually.

(d) Stock

Stock is stated at the lower of cost and net reliable value on a first in first out basis.

2. The Special Fund

The Special Fund was set up in accordance with Section 13 of the Public Finance (Control and Audit) Act 1976 and Special Fund (Plant and Vehicle Act 1980) to finance the provision and maintenance of Government Plant and Vehicles.

Notes forming part of the Account

3. Cash Account

	2017	2016
Cash at Bank	25,901.63	111,700.32
Cash at Bank - Kiritimati Branch		
Petty Cash	387.40	387.40
	<u>26,289.03</u>	<u>112,087.72</u>

4. Trade Debtors

	2017	2016
Headquarter - TRW (Opening balance)	7,466,878.80	7,240,931.37
Headquarter - TRW	164,367.44	225,947.43
Adjustments		
Total TD for Tarawa	<u>7,631,246.24</u>	<u>7,466,878.80</u>
Kiritimati Branch		
	<u>7,631,246.24</u>	<u>7,466,878.80</u>
Provision for BDD(Tarawa)	4,261,780.38	4,192,829.71
Adjustments (Add back direct w/off)		
Adjustments (Add back amount written off)		
Adjustments (New write off amount for 2013)		68,950.67
Provision for BDD(Kiritimati)		
Total Prov for BDD	<u>4,261,780.38</u>	<u>4,261,780.38</u>
Net Trade Debtors	<u>3,369,465.86</u>	<u>3,205,098.42</u>

5. Stock

	2017	2016
Stock of Spares	1,412,687.40	1,401,199.38
Less: Provision for stock Obsolescences	- 438,488.77	- 438,488.77
Kiritimati Branch		
	<u>974,198.63</u>	<u>962,710.61</u>

6. Sundry Debtors	2017	2016
Opening balances	72,646.80	18,371.47
Sundry debtors	- 15.23	51,378.24
Tax Deductions Control	- 2,473.56	1,726.64
Tax Withholdings		
Tax Arrears		
Life Insurance - Salary Deductions	- 960.00	
Rent Deductions	1,182.40	536.13
Tank rent fee		8.30
KPF Deductions	817.60	1,698.28
Net Wages Control	3,557.07	
KPF Loan Deduction	- 1,731.48	
House Loan Scheme - Salary deductions	- 916.11	
Housing Hire Purchases		
Bounced Cheque		
Reversal		
Sub-Total Sundry Debtors HQ	72,107.49	72,646.80
Kiritimati Branch		
	72,107.49	72,646.80

7. Sundry Creditors	2017	2016
Opening Balance	- 79,376.68	79,307.20
Other Creditors		
Accrued Expenses/Arrears	-2636.45	
Upfront Payment from Ministries		
Save as You Earn		
Service Charges	-26.15	69.49
DBK Loan	995.07	
Cents Adjustments	0.38	0.01
Reversal		
Sub Total - Sundry Creditors	- 81,043.83	79,376.68
Kiritimati Branch		
	- 81,043.83	79,376.68

8. Fixed Assets

FIXED ASSETS & DEPRECIATION SCHEDULE 2009 AND 2010
(last page)

9. Retained Earnings	2017	2016
Balance b/fwd	7,262,225.06	7,101,803.60
Current Earnings	37,139.74	160,421.46
IV - Balance Day Entries		
Sub total - Retained Earnings	7,299,364.80	7,262,225.06
Kiritimati Branch		
PPI	9662.36	9,662.36
	7,309,027.16	7,271,887.42

10. Deferred Income Aid Reserve	2017	2016
Opening Balance	227,019.38	227,019.38
Aid in Kind	97,174.97	113,522.16
Released/Amortised	- 13,993.20	16,347.19
Kiritimati Branch		
	312,218.15	324,194.35

11. Revenue	2017	2016
Permanent Hire	819,635.00	1,044,606.80
Casual Hire	158,684.30	224,576.95
Sales of Spare Parts	166,267.61	179,793.38
Maintenance or Workshop Income	91,517.22	109,807.06
Other Revenue	774,682.85	647,728.30
Kiritimati Branch		
	2,012,803.98	2,206,512.49

12. Employees Expenses	2017	2016
Salaries/Wages - Workshop	146,958.97	152,966.58
Overtime/Bonuses/Allowance - Workshop	23,361.86	35,213.44
Tools Allowance - workshop		
Temporaries - workshop		
Welding Bonus - Workshop	102.75	
Dirt Bonus - workshop	1,011.64	923.00
Paint Bonus - workshop		
Salaries/Wages - Transports	22,206.48	22,711.80
Overtime and Allowances - Transport	8,528.82	6,634.42
Dirt Bonuses - Transport	628.45	355.00
Salaries/Wages - General Office	76,775.01	75,135.92
Overtime and Allowances - General Office	26,353.67	29,869.00
Sewerage Bonus - General Office	5,257.57	5,420.88
Salaries/Wages - Account Section	52,848.27	60,235.14
Overtime/Bonuses/Allowance - Account Section	3,546.10	4,105.03
Salaries/Wages - Technical Stores	39,548.42	38,933.49
Overtime/Bonuses/Allowance - Technical Stores	8,912.25	10,146.78
KPF Expenses	26,675.84	26,225.41
Leave Passage and Home Island Travel		
Leave Grant	78,000.00	76,500.00
Sub Total-Employees Expenses PVU Trw	520,716.10	545,375.89
Kiritimati Branch		
	520,716.10	545,375.89

13. Spares	2017	2016
Opening Stock	1,401,199.38	1,106,901.78
Plus: Purchases of Spares	224,604.78	349,679.43
Spares/Parts available for use or sale	1,625,804.16	1,456,581.21
Less: Closing Stock	1,412,687.40	1,401,199.38
Cost of Spares and Parts Sold/Used	213,116.76	55,381.84
Cost of Spares and Parts Sold/Used Kiritimati		
	213,116.76	55,381.84

14. Fuel and Petrol	2017	2016
Tarawa - HQ	27,904.85	36,329.71
Kiritimati Branch		
	27,904.85	36,329.71

15. Sundry Expenses	2017	2016
Tax Penalty Fee		
KPF Penalty Fee		235.03
Bank Charges	2,439.68	990.15
Cost of Training		
House rent - Subsidy	7,671.68	1,678.97
Compenstn for damaged s/car - PVU Xmas		25,000.00
Administrative & Accounting		
Advertising and Publication	463.80	
Board & Management Expenses	2,909.82	2,735.05
Entertainments		
Safety Equipments and Uniforms	8,314.68	
Tools		
Overseas Training Expenses		613.20
Travelling Claim Expenses		
Vat expense	-	17,147.23
Excise tax		
Kiritimati Branch		
	21,799.66	14,105.17

GOVERNMENT PLANT AND VEHICLE UNIT

FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2013, 2014, 2015 AND 2016



PERMANENT SECRETARY – MISE



GENERAL MANAGER - PVU

Government of Kiribati Plant and Vehicle Unit
Consolidated Balance Sheet
For the Years Ended 31 December 2013 to 2016

	Notes	2016 \$	2015 \$	2014 \$	2013 \$	2012 \$
CURRENT ASSETS						
Cash Account	3	112,087.72	206,210.88	335,435.89	240,399.37	309,396.00
Imprest Account		15,255.08	15,242.61	12,373.01	7,563.61	25,336.11
Advance	-	1,417.94	417.94	1,332.24	12,148.49	6,832.57
Trade Debtors	4	3,205,098.42	3,048,101.66	1,791,334.82	2,058,056.28	2,499,825.09
Stock	5	962,710.61	668,413.01	631,097.76	599,556.52	258,465.17
Sundry Debtors	6	72,646.80	18,371.47	25,920.04	33,233.21	35,647.09
Prepayments		287,579.25	131,064.30	118,150.45	545,421.09	536,493.99
Total Current Assets		4,653,959.94	4,086,985.99	2,912,979.73	3,429,912.15	3,600,701.84
CURRENT LIABILITIES						
Sundry Creditors	7	79,376.68	79,307.20	79,293.04	453,046.78	1,466,582.96
Total Current Liabilities		79,376.68	79,307.20	79,293.04	453,046.78	1,466,582.96
WORKING CAPITAL						
ADD: Non Current Asset	8	3,451,547.15	3,874,516.31	4,154,959.47	4,193,712.40	3,959,586.10
		8,184,883.77	8,040,809.50	7,147,232.24	7,170,577.77	6,093,704.98
REPRESENTED BY:						
Capital Reserve		588,802.00	588,802.00	588,802.00	1,687,630.42	1,687,630.42
Retained Earnings	9	7,271,887.42	7,111,465.96	6,198,791.51	4,987,361.60	3,884,425.96
Deferred Income Aid		324,194.35	340,541.54	359,638.73	495,585.75	521,648.60
		8,184,883.77	8,040,809.50	7,147,232.24	7,170,577.77	6,093,704.98

Government of Kiribati Plant and Vehicle Unit
Consolidated Income Statement
For the Years Ended 31st December 2013 to 2016

	Notes	2016	2015	2014	2013	2012
REVENUE		\$	\$	\$	\$	\$
Permanent Hire	11	1,044,606.80	1,356,941.57	1,384,586.06	1,308,907.85	1,256,341.71
Casual Hire		224,576.95	513,131.29	942,259.89	279,650.02	438,529.10
Sales of Spare Parts		179,793.38	181,398.42	125,831.73	92,350.20	109,230.95
Maintenance or Workshop Income		109,807.06	147,072.83	119,380.79	84,364.92	109,313.76
Other Income		647,728.30	1,957,913.38	1,066,027.57	3,442,747.89	348,488.25
Kiritimati Branch					568,400.56	666,194.11
		2,206,512.49	4,156,457.49	3,638,086.04	5,776,421.44	2,928,097.88
OPERATING EXPENSES						
Employees' Expenses	12	545,375.89	607,840.26	671,792.09	945,748.32	849,858.02
Electricity and Water		30,462.24	36,533.84	33,712.97	34,167.00	112,024.75
Cost of Spares Used/Sold	13	55,381.83	315,774.48	279,151.51	48,477.30	302,972.89
Consumable Stores			870.88	85.80	1,746.25	654.70
Transport Cost		12,931.49	29,849.58	5,071.00	6,725.60	6,569.14
Fuel	14	36,329.71	37,638.52	74,234.20	44,349.25	43,606.03
Maintenance and repairs		5,474.95	3,589.73	1,022.80	4,461.40	22,925.21
Office Supplies and Sundries		8,895.07	10,366.96	16,522.28	19,114.66	25,671.05
Industries gases			22,352.27	14,700.87	2,456.36	2,507.20
Workshop expenses		1,426.85	1,723.49	9,536.23	40,396.98	28,482.86
Lube oils		4,817.35	744.50	1,349.80	30,915.17	14,170.55
Overseas Travelling Expenses		22,031.63	39,734.00	54,958.80	33,857.41	44,158.76
Telephone Charges		18,289.87	21,275.08	23,183.56	22,456.24	23,815.08
Sundry expenses	15	14,105.17	40,641.63	38,899.20	57,776.52	46,388.26
Depreciation	8	750,094.95	824,700.21	804,751.49	864,748.52	880,917.97
		1,505,617.00	1,993,635.43	2,028,972.60	2,157,396.98	2,404,722.47
OPERATING PROFIT/(LOSS)		700,895.49	2,162,822.06	1,609,113.44	3,619,024.46	523,375.41
OTHER INCOME/(EXPENSES)						
Interest						
Gain on Sales of Fixed Assets						
Deferred Income Aid (Amortise)	10	16,347.19	19,097.19	22,309.80	26,062.85	
Bad and Doubtful Debt	-	68,950.67	- 66,660.21	- 79,387.57	- 805,356.21	
Sale of Vehicles	-	487,870.55	- 1,202,584.59	- 723,754.16	- 1,736,795.08	
Prior Items						
Total Other Income		- 540,474.03	- 1,250,147.61	- 780,831.93	- 2,516,088.44	-
Net Profit/(Loss)		160,421.46	912,674.45	828,281.51	1,102,936.02	523,375.41

Attached Notes form part of the Financial Statement

PVU Cash Flow Statements

For years ended 31 December 2013 to 2016

Cash Flow From Operating Activities

Cash Flow From Operating Activities

Cash received from customers

Cash paid to suppliers and employees

Total Cash received/(used) from Operating activities

1

Notes

	2016	2015	2014	2013
Cash received from customers	1,475,477.18	2,790,349.91	4,161,996.08	4,968,051.51
Cash paid to suppliers and employees	-754,604.00	-1,172,733.28	-1,747,889.60	-2,293,728.06
Total Cash received/(used) from Operating activities	720,873.18	1,617,616.63	2,414,106.48	2,674,323.45

Cash Flow from Investing Activities

Acquisition of Fixed Assets

Gain on disposal

Total Cash received/(used) from investing activities

	-814,996.34	-1,746,841.64	-2,319,069.96	-2,743,320.08
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Cash Flow from Financing Activities

Increase in Retained

Decrease in Amort Reserve

Total cash received from financing activities

Net Increase/(Decrease) in Cash held

Cash and Cash Equivalent 1 Jan 2013, 2014, 2015 & 2016

Cash and Cash Equivalent 31 Dec 2013, 2014, 2015, & 2016

2

	0.00	0.00	0.00	0.00
	0.00	0.00	0.00	0.00
Total cash received from financing activities	0.00	0.00	0.00	0.00
Net Increase/(Decrease) in Cash held	-94,123.16	-129,225.01	95,036.52	-68,996.63
Cash and Cash Equivalent 1 Jan 2013, 2014, 2015 & 2016	206,210.88	335,435.89	240,399.37	309,396.00
Cash and Cash Equivalent 31 Dec 2013, 2014, 2015, & 2016	112,087.72	206,210.88	335,435.89	240,399.37

Note 1 Reconciliation of Net Profit to Cash flow from operating activities

Net Profit

Add: Depreciation

Sale of vehicle

Amort

Changes in Balance Sheet Items

Imprest account

Advance

Trade Debtors

Stock

Sundry Debtors

Prepayments

S/Creditors

	160,421.46	912,674.45	828,281.51	1,010,585.82
	750,094.95	824,700.21	804,751.49	864,748.52
	487,870.55	1,202,584.59	723,754.16	1,736,795.08
	-16,347.19	-19,097.19	-22,309.80	-26,062.85
	-12.47	-2,869.60	-4,809.40	17,772.50
	1,000.00	-914.30	13,480.73	-5,315.92
	-156,996.76	-1,256,766.84	266,721.46	441,768.81
	-294,297.60	-37,315.25	-31,541.24	-341,091.35
	-54,275.33	7,548.57	-59,153.25	-2,413.88
	-156,514.95	-12,913.85	427,270.64	-8,927.10
	-69.48	-14.16	-532,339.82	-1,013,536.18
	720,873.18	1,617,616.63	2,414,106.48	2,674,323.45

1. Principal Accounting Policies

The Financial Statements are prepared in accordance with the historical cost convention including certain fixed assets taken over at valuation and in accordance with the International Accounting Standard. The following is a summary of the more important accounting policies used by the fund.

(a) Revenue

Revenue consists mainly of receipts for the Permanent Hire, Casual Hire and Rental Charges of vehicles and plants and workshop Service charges.

(b) Depreciation

Depreciation is calculated to write off the cost or amount of valuation of fixed assets on a straight line basis over the expected useful lives of the assets concerned. The principal amount rates used for this purpose which are consistent with those of the previous years are:-

	Per Cent
Pickups, Light vehicles saws and welding sets	33.30
Medium trucks, folk lifts, pumps, compressor, land rovers	20.00
Tractors, Trailers, Heavy equipment and concrete mixers	14.40
Buildings	4.00

(c) Grant in Aid

Grants received in kind are recorded at fair valuation and are taken to Deferred Income and credited to revenue over the useful life or usage of the related asset. Aid in kinds are amortised at a rate of 14.4% annually.

(d) Stock

Stock is stated at the lower of cost and net reliable value on a first in first out basis.

2. The Special Fund

The Special Fund was set up in accordance with Section 13 of the Public Finance (Control and Audit) Act 1976 and Special Fund (Plant and Vehicle Act 1980) to finance the provision and maintenance of Government Plant and Vehicles.

Notes forming part of the Account	2016	2015	2014	2013	2012
3. Cash Account					
Cash at Bank	111,700.32	205,823.48	335,048.49	39,553.35	219,168.44
Cash at Bank - Kiritimati Branch				200,858.62	90,240.16
Petty Cash	387.40	387.40	387.40	12.60	12.60
	<u>112,087.72</u>	<u>206,210.88</u>	<u>335,435.89</u>	<u>240,399.37</u>	<u>309,396.00</u>
4. Trade Debtors					
Headquarter - TRW (Opening balance)	7,240,931.37	5,917,504.32	5,435,810.14	2,803,272.03	2,559,526.64
Headquarter - TRW	225,947.43	1,323,427.05	481,694.18	303,571.39	243,745.39
Adjustments				2,328,966.72	
Total TD for Tarawa	<u>7,466,878.80</u>	<u>7,240,931.37</u>	<u>5,917,504.32</u>	<u>5,435,810.14</u>	<u>2,803,272.03</u>
Kiritimati Branch				669,028.07	609,012.06
	<u>7,466,878.80</u>	<u>7,240,931.37</u>	<u>5,917,504.32</u>	<u>6,104,838.21</u>	<u>3,412,284.09</u>
Provision for BDD(Tarawa)	4,192,829.71	4,126,169.50	4,046,781.93	912,459.00	912,459.00
Adjustments (Add back direct w/off)				2,328,966.72	
Adjustments (Add back amount written off)				912,459.00	
Adjustments (New write off amount for 2013)	68,950.67	66,660.21	79,387.57	1,717,815.21	
Provision for BDD(Kiritimati)					
Total Prov for BDD	<u>4,261,780.38</u>	<u>4,192,829.71</u>	<u>4,126,169.50</u>	<u>4,046,781.93</u>	<u>912,459.00</u>
Net Trade Debtors	<u>3,205,098.42</u>	<u>3,048,101.66</u>	<u>1,791,334.82</u>	<u>2,058,056.28</u>	<u>2,499,825.09</u>
5. Stock					
Stock of Spares	1,401,199.38	1,106,901.78	1,069,586.53	999,197.41	672,131.71
Less: Provision for stock Obsolescences	438,488.77	438,488.77	438,488.77	438,488.77	438,488.77
Kiritimati Branch				38,847.88	24,822.23
	<u>962,710.61</u>	<u>668,413.01</u>	<u>631,097.76</u>	<u>599,556.52</u>	<u>258,465.17</u>

6. Sundry Debtors	2016	2015	2014	2013	2012
Opening balances	18,371.47	25,920.04 -	54,832.95 -	36,314.33 -	33,081.25
Sundry debtors	51,378.24 -	22,234.56	82,185.76 -	3,584.84 -	7,512.70
Tax Deductions Control	1,726.64	7,888.33 -	8,213.44 -	2,212.68	324.54
Tax Withholdings					
Tax Arrears					
Life Insurance - Salary Deductions		390.00 -	80.00 -	200.00 -	320.05
Rent Deductions	- 536.13 -	182.16 -	319.11	301.18 -	228.01
Tank rent fee	8.30				
KPF Deductions	1,698.28	5,123.57 -	5,630.97 -	9,601.96	4,503.12
Net Wages Control		1,592.30	11,545.72	123.10	
KPF Loan Deduction		126.05	1,301.03 -	3,241.42	
House Loan Scheme - Salary deductions		-	36.00 -	102.00	0.02
Housing Hire Purchases					
Bounced Cheque					
Reversal					
Sub-Total Sundry Debtors HQ	72,646.80	18,371.47	25,920.04 -	54,832.95 -	36,314.33
Kiritimati Branch				21,599.74	667.24
	72,646.80	18,371.47	25,920.04 -	33,233.21 -	35,647.09

7. Sundry Creditors	2016	2015	2014	2013	2012
Opening Balance	- 79,307.20 -	79,293.04 -	78,342.26	879,509.96	881,027.90
Other Creditors					
Accrued Expenses/Arrears				955,992.75	
Upfront Payment from Ministries					
Save as You Earn					1,248.04
Service Charges	- 69.49 -	13.74	57.63	5.97 -	269.90
DBK Loan	-	1.00 -	1,009.12 -	1,868.88	
Cents Adjustments	0.01	0.58	0.71	3.44	
Reversal					
Sub Total - Sundry Creditors	- 79,376.68 -	79,307.20 -	79,293.04 -	78,342.26	879,509.96
Kiritimati Branch				531,389.04	587,073.00
	- 79,376.68 -	79,307.20 -	79,293.04	453,046.78	1,466,582.96

8. Fixed Assets

FIXED ASSETS & DEPRECIATION SCHEDULE 2009 AND 2010 (last page)

9. Retained Earnings	2016	2015	2014	2013	2012
Balance b/fwd	7,101,803.60	6,189,129.15	5,360,847.64	4,368,138.48	3,975,558.50
Current Earnings	160,421.46	912,674.45	828,281.51	992,709.16	392,579.98
JV - Balance Day Entries					
Sub total - Retained Earnings	7,262,225.06	7,101,803.60	6,189,129.15	5,360,847.64	4,368,138.48
Kiritimati Branch				383,148.40 -	493,375.26
PPI	9,662.36	9,662.36	9,662.36	9,662.36	9,662.74
	7,271,887.42	7,111,465.96	6,198,791.51	4,987,361.60	3,884,425.96

10. Deferred Income Aid Reserve	2016	2015	2014	2013	2012
Opening Balance	227,019.38	227,019.38	227,019.38	227,019.38	227,019.38
Aid in Kind	113,522.16	132,619.35	154,929.15	180,992.00	180,992.00
Released/Amortised	- 16,347.19 -	19,097.19 -	22,309.80 -	26,062.85	
Kiritimati Branch				113,637.22	113,637.22
	324,194.35	340,541.54	359,638.73	495,585.75	521,648.60

11. Revenue	2016	2015	2014	2013	2012
Permanent Hire	1,044,606.80	1,356,941.57	1,384,586.06	1,308,907.85	1,256,341.71
Casual Hire	224,576.95	513,131.29	942,259.89	279,650.02	438,529.10
Sales of Spare Parts	179,793.38	181,398.42	125,831.73	92,350.20	109,230.95
Maintenance or Workshop Income	109,807.06	147,072.83	119,380.79	84,364.92	109,313.76
Other Revenue	647,728.30	1,957,913.38	1,066,027.57	3,442,747.89	348,488.25
Kiritimati Branch				568,400.56	666,194.11
	2,206,512.49	4,156,457.49	3,638,086.04	5,776,421.44	2,928,097.88

12. Employees Expenses	2016	2015	2014	2013	2012
Salaries/Wages - Workshop	152,966.58	150,057.23	167,195.79	177,565.12	183,344.74
Overtime/Bonuses/Allowance - Workshop	35,213.44	66,573.98	76,149.04	57,847.84	43,414.41
Tools Allowance - workshop			2,890.16	286.19	439.92
Temporaries - workshop		724.50			
Welding Bonus - Workshop		2,598.66	568.50	2,033.87	5,656.95
Dirt Bonus - workshop	923.00	597.35	287.46	2,287.37	2,512.58
Paint Bonus - workshop		23,931.90	7,960.25	559.10	1,439.14
Salaries/Wages - Transports	22,711.80	7,524.28	29,841.94	32,599.30	40,502.03
Overtime and Allowances - Transport	6,634.42	839.89	24,684.03	26,581.33	22,214.22
Dirt Bonuses - Transport	355.00	73,822.03	643.59	2,037.76	1,915.69
Salaries/Wages - General Office	75,135.92	46,692.39	78,877.14	84,857.92	91,658.99
Overtime and Allowances - General Office	29,869.00	4,289.71	66,113.51	51,811.84	31,289.28
Sewerage Bonus - General Office	5,420.88	64,913.80	6,145.78	5,497.95	7,840.95
Salaries/Wages - Account Section	60,235.14	5,860.07	71,052.93	67,960.51	61,142.21
Overtime/Bonuses/Allowance - Account Section	4,105.03	39,857.96	2,506.61	1,951.45	1,114.84
Salaries/Wages - Technical Stores	38,933.49	10,769.17	44,532.71	46,545.26	50,060.04
Overtime/Bonuses/Allowance - Technical Stores	10,146.78	211.56	17,869.98	13,547.09	8,676.06
KPF Expenses	26,225.41	26,607.03	28,722.67	30,793.39	32,221.29
Leave Passage and Home Island Travel					4,137.00
Leave Grant	76,500.00	81,968.75	45,750.00	49,125.00	4,770.00
Sub Total-Employees Expenses PVU Trw	545,375.89	607,840.26	671,792.09	653,888.29	594,350.34
Kiritimati Branch				291,860.03	255,507.68
	545,375.89	607,840.26	671,792.09	945,748.32	849,858.02

13. Spares	2016	2015	2014	2013	2012
Opening Stock	1,106,901.78	1,069,586.53	999,197.41	672,131.71	703,848.48
Plus: Purchases of Spares	349,679.43	353,089.73	349,540.63	357,531.80	238,260.07
Spares/Parts available for use or sale	1,456,581.21	1,422,676.26	1,348,738.04	1,029,663.51	942,108.55
Less: Closing Stock	1,401,199.38	1,106,901.78	1,069,586.53	999,197.41	672,131.71
Cost of Spares and Parts Sold/Used	55,381.84	315,774.48	279,151.51	30,466.10	269,976.84
Cost of Spares and Parts Sold/Used Kiritimati				18,011.20	32,996.05
	55,381.84	315,774.48	279,151.51	48,477.30	302,972.89

14. Fuel and Petrol	2016	2015	2014	2013	2012
Tarawa - HQ	36,329.71	37,638.52	74,234.20	44,349.25	43,606.03
Kiritimati Branch					
	36,329.71	37,638.52	74,234.20	44,349.25	43,606.03

15. Sundry Expenses	2016	2015	2014	2013	2012
Tax Penalty Fee					288.20
KPF Penalty Fee	235.03	2,002.60	224.59		256.44
Bank Charges	990.15	3,866.65	3,344.08	8,265.80	2,311.70
Cost of Training		98.00			3,583.85
House rent - Subsidy	1,678.97	1,474.50	2,909.30	1,796.10	1,401.00
Compensn for damaged s/car - PVU Xmas	25,000.00				
Administrative & Accounting					
Advertising and Publication		226.74	674.10		600.00
Board & Management Expenses	2,735.05	5,802.95	6,344.00		15,113.76
Entertainments			6,422.55	5,004.35	2,801.30
Safety Equipments and Uniforms				23,566.38	10,002.03
Tools				159.63	-
Overseas Training Expenses	613.20		10,951.56	8,867.20	
Travelling Claim Expenses		4,282.00		4,182.16	
Vat expense	17,147.23	22,888.19	8,029.02		
Excise tax					
Kiritimati Branch				5,934.90	10,029.98
	14,105.17	40,641.63	38,899.20	57,776.52	46,388.26

2013: Fixed Assets	VEHICLE					
Costs/Valuation	Light	Medium	Heavy	Other	Buildings	Total
As at 01.01.2013	4,768,529.49	3,129,476.80	5,884,574.54	608,608.27	594,273.57	14,985,462.67
Additional Costs	685,995.37	181,638.53	2,014,327.74	16,908.64	-	2,898,870.28
Sold out	- 170,537.72	-	- 1,566,257.36	-	-	- 1,736,795.08
Released (Xmas)	-	-	-	-	-	-
Disposed off	- 144,529.53	- 96,519.77	- 81,500.00	- 11,115.57	-	- 333,664.87
	-	-	-	-	-	-
Total	5,139,457.61	3,214,595.56	6,251,144.92	614,401.34	594,273.57	15,813,873.00
Depreciation						
As at 01.01.2013	3,745,636.66	2,386,316.05	4,075,895.93	596,097.64	536,867.32	11,340,813.60
Charge for the year	360,387.05	217,136.71	175,941.77	10,541.66	25,586.86	789,594.05
Sold out	-	-	-	-	-	-
Released (Xmas)	-	-	-	-	-	-
Disposed Off	- 144,529.53	- 96,519.77	- 81,500.00	- 11,115.57	-	- 333,664.87
Total	3,961,494.18	2,506,932.99	4,170,337.70	595,523.73	562,454.18	11,796,742.78
Net Book Value	1,177,963.43	707,662.57	2,080,807.22	18,877.61	31,819.39	4,017,130.22
NSV Kiritimati						
As at 31.12.2012						3,644,649.07

2015: Fixed Assets	VEHICLES					
Costs/Valuation	LIGHT	MEDIUM	HEAVY	OTHER	BUILDINGS	TOTAL
As at 01.01.2015	5,497,451.13	3,401,691.55	6,568,970.17	633,335.35	594,273.57	16,695,721.77
Additional Costs	407,932.28	135,602.64	1,202,766.72	15,766.11	-	1,762,067.75
Sold out	- 68,766.23	-	- 1,133,818.36	- 15,226.11	-	- 1,217,810.70
Released (Xmas)	-	-	-	-	-	-
Disposed off	- 26,394.43	- 51,892.70	-	- 2,085.10	-	- 80,372.23
Total	5,810,222.75	3,485,401.49	6,637,918.53	631,790.25	594,273.57	17,159,606.59
Depreciation	-	-	-	-	-	-
As at 01.01.2015	4,310,497.28	2,690,903.09	4,372,076.37	604,831.38	562,454.18	12,540,762.30
Charge for the year	358,787.97	207,706.89	240,832.16	10,828.04	6,545.15	824,700.21
Sold out	-	-	-	-	-	-
Released (Xmas)	-	-	-	-	-	-
Disposed Off	- 26,394.43	- 51,892.70	-	- 2,085.10	-	- 80,372.23
Total	4,642,890.82	2,846,717.28	4,612,908.53	613,574.32	568,999.33	13,285,090.28
Net Book Value	1,167,331.93	638,684.21	2,025,010.00	18,215.93	25,274.24	3,874,516.31
NBV Kiritimati	-	-	-	-	-	-
As at 31.12.2014	-	-	-	-	-	4,154,959.47

2015: Fixed Assets**VEHICLES****Costs/Valuation****LIGHT****MEDIUM****HEAVY****OTHER****BUILDINGS****TOTAL**

As at 01.01.2016

5,810,222.75 3,485,401.49 6,637,918.53 631,790.25 594,273.57 17,159,606.59

Additional Costs

470,304.63 226,349.68 116,356.94 1,985.09 - 814,996.34

Sold out

- 215,305.98 - - 272,564.57 - - 487,870.55

Released (Xmas)

- 15,396.74 - 21,228.00 - - 1,550.00 - - 38,174.74

Disposed off

- 15,396.74 - 21,228.00 - - 1,550.00 - - 38,174.74

Total**6,049,824.66 3,690,523.17 6,481,710.90 632,225.34 594,273.57 17,448,557.64****Depreciation**

As at 01.01.2016

4,642,890.82 2,846,717.28 4,612,908.53 613,574.32 568,999.33 13,285,090.28

Charge for the year

359,860.37 186,400.39 184,695.78 7,909.55 11,228.86 750,094.95

Sold out

Released (Xmas)

- 15,396.74 - 21,228.00 - - 1,550.00 - - 38,174.74

Disposed Off

- 15,396.74 - 21,228.00 - - 1,550.00 - - 38,174.74

Total**4,987,354.45 3,011,889.67 4,797,604.31 619,933.87 580,228.19 13,997,010.49****Net Book Value****1,062,470.21 678,633.50 1,684,106.59 12,291.47 14,045.38 3,451,547.15**

As at 31.12.2015

3,874,516.31

GOVERNMENT PLANT AND VEHICLE UNIT- KIRITIMATI
PROFIT AND LOSS STATEMENT
FOR THE PERIOD ENDED 31ST DECEMBER, 2013

	NOTES	2013	2012
Sales Trading Accounts		600,097.98	424,041.81
Less:			
Opening Stock		1,190.39	31,627.10
Purchases		520,046.98	383,272.93
Total Cost of Goods available for sale		521,237.37	414,900.03
Closing Stock		15,216.04	1,190.39
Total Cost of Goods for sold		506,021.33	413,709.64
Gross profit		94,076.65	10,332.17
REVENUE			
Hire Charges	1	406,734.75	510,233.90
Workshop Charges	2	67,589.16	145,628.04
		474,323.91	655,861.94
Overall Income		568,400.56	666,194.11
Less:			
OPERATING EXPENDITURE			
Spares	4	18,011.20	32,996.05
Wages	6	256,519.03	226,584.26
Depreciation	5	75,154.47	106,618.51
Fuel & Electricity	7	30,594.17	96,267.05
Travel Expenses	8	35,341.00	30,183.74
Sundry Expenses	9	39,154.03	39,585.07
License Expenses		3,399.80	3,164.00
		458,173.70	535,398.68
Operating Profit (Loss)		110,226.86	130,795.43
OTHER INCOME / EXPENDITURE			
Interest	3	-	-
Prior period items	10	-	-
Net Profit (Loss)		110,226.86	130,795.43

Attached notes form part of the Accounts.

GOVERNMENT PLANT AND VEHICLE UNIT - KIRITIMATI
BALANCE SHEET
YEAR ENDED 31ST DECEMBER, 2013

EMPLOYMENT OF CAPITAL	NOTES	2013	2012
		\$	
FIXED ASSETS	11	176,582.18	324,936.65
CURRENT ASSETS			
Stock	12	38,847.88	24,822.23
Trade Debtors	14	669,028.07	609,012.06
Interest Bearing Deposit	18		
Cash at Bank	17	200,858.62	90,240.16
Sundry Debtors	15	21,599.74	18,299.74
Other Debtors	16	-	
Prepaid Expenses		218,704.32	208,704.32
Advance Payments For F/A	19	22,481.41	22,481.41
Advance	13	12,604.06	7,666.81
		1,184,124.10	981,226.73
CURRENT LIABILITIES			
Sundry Creditors	20	432,036.52	432,036.52
Accounts Payable	21	99,352.52	155,036.48
		531,389.04	587,073.00
Working Capital		652,735.06	394,153.73
Net Current Assets		829,317.24	719,090.38
CAPITAL EMPLOYED			
Capital Revenue	22	1,098,828.42	1,098,828.42
Retained Earnings	23	- 383,148.40 -	493,375.26
Defferred income (Aid Release)	24	113,637.22	113,637.22
		829,317.24	719,090.38

Attached notes form part of the Accounts.