

REPORT OF THE AUDITOR GENERAL ON THE ACCOUNT OF



**Kiribati Green Energy Solutions
Financial Statements
For the Year Ended 31st December 2020**

**Kiribati Audit Office
December 2022**

KIRIBATI AUDIT OFFICE



P.O BOX 63
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Audit for an impact for the public

INDEPENDENT AUDITOR'S REPORT

To the Readers of

**Kiribati Green Energy Solution Company Ltd (KGES) Financial Statements
for the years ended 31st December 2020**

I have audited the Financial Statements of Kiribati Green Energy Solution Company Ltd (KSEC) for the year ended 31st December, 2020 in accordance with sec 114 (2) of the Constitution, Part VII, Sec 42(4) of the Public Finances (Control and Audit) 1981, Sec 22(1) of the Kiribati Audit Act, 2017.

The Financial Statements comprise of the following:

- Statement of Financial Performance.
- Statement of Financial Position.
- Statement of Changes in Equity.
- Statement 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 of Opinion:

The following issues has been agreed with KGES management thus formed the basis of our Disclaimer Audit Opinion:

- No Reconciliation of Cashflow from Operating Activities
- No Details of cash and Bank Balances reflecting Cash at end of period 2020
- lack of consistency in the application/presentation of financial statement
- Variances detected in the account compared as per MYOB Account receivable of \$20k(\$915k-\$935k), Inventory \$1k(\$42k-\$43), Total asset \$22k(\$2.360m-\$2.383m), Net Asset \$22k (\$1.917m-\$1.939m), Retained Earnings \$503k(\$990k-\$1.493m)
- Owners Contribution stated account \$250k was omitted under Equity as per MYOB breakdown
- Undisclosed amount for cashflow operating, investing and financing of 2019
- Cashflow cash at the closing balance 2019 is differ with opening balance stated in 2020
- Unable to verify the netbook value of fixed asset (Asset schedule) compared to total amount fixed Asset as per F/S(\$1,094,987.25)
- No notes to fully disclose the financial statement (summary of accounting policies, estimates, depreciation rate, Recognition of revenue, Currency, Inventory recognition,)

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

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Board's and 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 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 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 objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion as required under the Public Finance (Control and Audit) Ordinance 1976 and Kiribati Audit Act, 2017. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISA/ISSAI will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs & ISSAI, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission'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 Commission to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

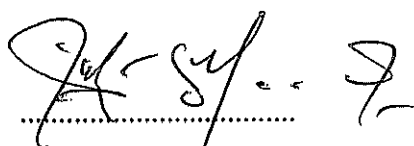
Report on other Legal and Regulatory Requirements

KGES lodged its 2020 Financial Statements for audit on 22nd December 2021, therefore indicated KGES non-compliance with Section 20 of 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 KGES.



Eriati Tauma Manaima

Auditor General

Date:

KIRIBATI AUDIT OFFICE



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Kiribati

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Audit for an impact for the public

File Ref: SOE 13

28/11/2022

CEO
KGES
Betio, Tarawa

Attention: Finance Manager

Dear Sir,

Confirmation of Final Exit Meeting on KGES Annual Account 2020 audit issues.

This is to be confirmed that following the last exit meeting held at the KGES Board room 21/11/2022, 10.00am regarding on KGES Annual Account 2020 between the Audit office and KGES management. It has been agreed that the audit issues raised in the audit as noted below will formed the basis of the audit opinion as stated in the Audit report.

- No Reconciliation of Cashflow from Operating Activities
- No Details of cash and Bank Balances reflecting Cash at end of period 2020
- lack of consistency in the application/presentation of financial statement
- Variances detected in the account compared as per MYOB Account receivable of \$20k(\$915k-\$935k), Inventory \$1k(\$42k-\$43), Total asset \$22k(\$2.360m-\$2.383m), Net Asset \$22k (\$1.917m-\$1.939m), Retained Earnings \$503k(\$990k-\$1.493m)
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- No notes to fully disclose the financial statement (summary of accounting policies, estimates, depreciation rate, Recognition of revenue, Currency, Inventory recognition,)

Thank you for cooperation and looking forward in our next auditing.

Date signed document.....

Yours sincerely,



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



.....
Buriti Tokam
Chief Executive Officer

(34)

KIRIBATI GREEN ENERGY SOLUTION
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 ST DECEMBER 2020

	SHARE CAPITAL	RESERVE	RETAINED EARNINGS	EQUITY
	\$	\$	\$	\$
YEAR 2020				
Balance at beginning of the period	\$ 500.00	\$ 676,750.00	\$ 1,493,512.36	\$ 2,170,762.36
Profit / loss			\$ 230,788.09	
Transfer from Reserve				
Deferred income				
Issue of Share Capital				
Balance at the end of the period	\$ 500.00	\$ 676,750.00	\$ 1,262,724.27	\$ 1,939,974.27
Year 2019				
Balance at beginning of the period	\$ 500.00	\$ 676,750.00	\$ 1,164,827.00	\$ 1,842,077.00
Profit / loss				
Transfer from Reserve				
Deferred income				
Issue of Share Capital				
Balance at end of the Period	\$ 500.00	\$ 676,750.00	\$ 1,164,827.00	\$ 1,842,077.00

KIRIBATI GREEN ENERGY SOLUTION LTD		
STATEMENT OF CASH FLOW JANUARY THRU DECEMBER 2020		
	2020	2019
NET CASH FROM OPERATING ACTIVITIES	\$ (184,334.16)	
CASH FLOW FROM INVESTING ACTIVITIES	\$ 14,631.00	\$
NET CASH FLOW FROM INVESTING ACTIVITIES		\$
CASH FLOW FROM FINANCING ACTIVITIES		\$
NET CASH FLOW FROM FINANCING ACTIVITIES		\$
NET INCREASE/DECREASE FOR THE PERIOD	\$ (169,703.16)	
CASH AT THE BEGINNING OF THE PERIOD	\$ 442,570.24	\$
CASH AT THE END OF THE PERIOD	\$ 272,867.08	

Kiribati Green Energy Solution

CEO

KGS OFFICE

Baiti

Tarawa

Statement of Cash Flow

January 2020 through December 2020

Cash Flow from Operating Activities

Net Income	(\$220,788.09)
Trade Debtors	\$24,872.82
Sundry Debtors	\$3,137.79
Staff Advances & Loans	\$139.57
Tools & Equipment at Cost	(\$837.75)
Acc Deprn Tools & Equipment	\$94.00
Office Equipment at Cost	(\$3,033.18)
Acc Deprn Office Equipment	\$304.00
Acc Deprn O/H Hra Purch DOR	\$69,838.00
Outstanding Cheques	(\$5,541.77)
Payroll Accruals Payable	\$1,202.39
Payroll KPF Contribution	\$2,652.52
Payroll Staff PAYE	\$1,234.75
Payroll Staff House Rents	\$228.76
Payroll Staff KPF Voluntary	\$556.00
Payroll Staff DBK Loan Repymnt	\$966.00
Payroll Staff ANZ Loan Repymnt	\$17.06
Payroll Staff KPF Loan Repymnt	(\$966.00)
Payroll Staff Canteen Fund	\$76.16
Payroll Staff ANZ SAYE	(\$916.70)
Payroll Staff Life Insurance	\$10.00
Payroll Staff PUB Bills	(\$210.00)
Payroll Staff Uniform	(\$64.00)
Payroll Staff Sundry Debtors	\$1,547.47
Payroll Staff Purchases	\$700.00
Allowance PAYE	\$1,314.36
Withholding Tax	(\$623.85)
Net Cash Flows from Operating Activities	(\$184,334.16)

Cash Flow from Investing Activities

Buildings at Cost	(\$9,541.00)
Acc Depreciation- Building	\$15,832.00
Acc Depreciation- Plants & Equ	\$2,528.00
Acc Deprn Furniture & Fittings	\$123.00
Acc Deprn Motor Vehicles	\$5,689.00
Net Cash Flows from Investing Activities	\$14,831.00

Cash Flow from Financing Activities

Net Cash Flows from Financing Activities	\$0.00
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Net Increase/Decrease for the period (\$169,703.16)

Cash at the Beginning of the period \$442,570.24

Cash at the End of the period \$272,867.08

Financial Review on 2020 Financial Year

1. Overall Performance

The overall financial performance of the KIRIBATI Green Energy Solutions Company Ltd for the year 2020 incurred a total loss of \$230,788.

The detailed performance for each division are as follows:-

- i) The Engineering Department made a stunning sale of \$467,813 in its overall services, a 24% increase over its budgeted overall sale of \$ 286,463.
- ii) The Marketing and Sale Departments contributed with its overall sale of \$ 216,871 which is 61% below its budgeted sale of \$547,904.
- iii) The Outer Islands Utility fees recovery was poor with total recovered of \$7,590-00 which is only 15.18% of its budgeted amounts of \$50,000-00.
- iv) Other incomes predicted were also not achieved given an overall Revenue for the complete year of 2020 amounted to \$785,160-29 which is 71.95% below an overall budget of \$1,091,165.60.

2. Analysis over the Past 3 Years Performance

The table below provides an insight information on the performance of the company for the years 2018 to 2020.

DETAIL	2020	2019	2018
TOTAL REVENUE	\$785,160-29	\$875,838.10	\$867,167.00
TOTAL COST OF SALE	\$486,339-17	\$298,617.71	\$304,219.00
GROSS PROFIT	\$298,821-12	\$577,220.39	\$562,948.00
TOTAL EXPENSES	\$529,609.21	\$435,824.39	\$464,804.00
SURPLUS/DEFICIT	(\$230,788.09)	\$141,396.92	\$98,144.02

In comparing the 2018 and 2020 figures, we can easily follow the declining of the company performance in its total revenue in 2020. Despite the decrease in its revenue, the total cost of sale and total expenses were increased, giving a very low gross profit that therefore led to a drastic net loss of \$230,788.09.

The following factors and incidents occurred in 2020 had a severe impact on the year 2020 performance:-

- i) The order of AUD \$91,918.60 made to Greenco in Fiji since March 2020 had not been received until now. If the cargoes were received as scheduled in April 2020 we would have been able to continue to make 3 more full load container orders through out 2020 with an estimated sale value of \$441,206-40. Simply calculated as \$91,918 x 160% (profit margin) x 3 (orders to be made) = \$441,206-40).
- ii) Outer Islands Recovery Collection/Other Debtors collection
It is also paramount important to note that the recovery collection fees from the Outer Islands/other Debtors had been declining since 2018. The total outstanding receivables is quite alarming amounting to \$935,940.00 yet the recovery collection fees collected in 2020 of \$7,590-00 is quite trivial.

It is reported from people in the outer islands that the status of the solar equipment systems are deteriorating and people are reluctant to pay. It is highly recommended that the total outstanding under Outer Islands Recovery Collection fees to be written off.

- iii) The total cost of sale was increased in 2020 compared to 2018. This increase in cost of sale is related to the order made to Greenco Fiji which has not been received and has not yet made any revenue being earned from that order.
- iv) The total expenses was also increased in 2020. It is worth noting that The total employees expenses for 2020 was \$295,630 which is 55.82% of KGES total operational expenditure for the year 2020 of \$529,609 and 37.6% of the total revenue for 2020 of \$785,160 and 98.9% of the Gross Profit of \$298,821.

In other words in every \$1.00, we spend 0.55 cents went to an employee, in every \$1.00 we earn from Sale we spend 0.37 cents to an employee and every \$1.00 we accumulate as Gross Profit we would spend 0.98cents toward an employee. Those ratios of spending are considered to be so high if we are venturing as an ongoing entity.

On the other hand as a State Own Enterprise we are obliged to follow the government salary increments and the new increase of Leave Grants of \$1,500. The increase in the Leave Grant rate to \$1500 made a big blow to KGES budget for 2020.

3. Other factors contributing to overspending

Covid19 has contributed tremendously in exploding our expenditures towards our 3 employees overstaying whilst undertaking installation of KPF Solar System complex in Kiridimati Island and one staff stranded in Tabuaeran while collecting arrears. The three and two weeks duration trip became a 6 months travelling.

4. Taxation Commitments

An additional burden to KGES in the year 2020 was to make a repayment of \$5,000.00 each month to recover its outstanding taxation which were not made since 2015. A total payment of \$15,236 had been paid to Tax office. The Tax debt amount had not been included in our balance sheet due to the KGES complaints lodged to the Tax Department.

5. End of Year Stock and Strength

The total remaining Stock on hand at 30 December 2020 is valued at \$5370,353.40 consists of the following

- Tarawa \$352,594.90 and on
- Kiridimati \$17,758.50

This demonstrated our ability to keep up with our services and operation for the year 2021.

6. Concluding Remarks

The 2020 financial year review provides a factual portrait of KGES struggle and survival in a turbulence and turmoil environment that are likely to happen in any year. The net loss of \$230,788.09 is quite fearsome, this is only on paper, however the actual operation is a success given the following:-

- i) There is an estimated value of \$441,206.40 to be earned from the \$91,918 order from Greenco Fiji. But, we need to work hard to ensure that this order is received this year.

- ii) The end of year stock valued of \$370,353.40 becomes the current asset for the year 2021. This will ensure continued operation in 2021

Kiribati Green Energy Solution

CEO

KGES OFFICE

Baita

Tarawa

Profit & Loss Statement

January 2020 through December 2020

NOTES	Income	BUDGET 2020	ACTUAL 2020	DIFFERENCE
				E
	OUTER ISLANDS REVENUES			
	Utility Fees Recovered	\$50,000.00	\$7,402.95	\$42,597.05
	Home Solar System		\$188.00	
	SALES & MARKETING REVENUE			
	Sales-Direct (Gilbert Group)	\$477,904.00	\$184,314.18	\$313,589.82
	Sales Surplus (Gilbert Group)		\$0.80	
	Sales- Rental		\$300.00	
	Sales-Direct(Line Phoenix Grp)	\$70,000.00	\$52,256.15	\$17,743.85
	ENGINEERING REVENUE			
	Consultancy Survey and Design Fees	\$5,000.00		
	Installn Solar PV System Comp	\$100,953.00	\$370,138.50	\$269,185.50
	Repair and Maintenance Fees	\$18,458.00	\$7,730.80	\$10,728.20
	Battery Charging	\$240.00	\$25.00	\$215.00
	Sales of Manufactured Items	\$41,160.00	\$16,199.30	\$24,960.70
	Sale of Assembled Items-Prewir	\$120,654.00	\$73,721.20	\$46,932.80
	HP Loan Interest	\$1,499.00	\$840.00	\$659.00
	HP Loan Establishment	\$200.00	\$120.00	\$80.00
	Handling		\$996.38	
	OTHER INCOMES			
	refund charge fee (7%)		\$11.20	
	Delivery & Freight Refund		\$156.73	
	Sale of Disposed Assets		\$3,730.00	
	Sale of Donated Assets	\$4,000.00	\$87,029.10	\$83,029.10
	UTILITY REVENUE			
	Electricity			
1	Total Income	\$890,066.00	\$765,160.29	\$104,905.71
	Cost Of Sales			
	Purchases-Direct Sales	\$148,944.98	\$158,047.84	\$9,102.86
	Purchases-Base Stock Manufactu	\$190,308.00	\$307,704.62	\$117,396.62
	Customs Import Charges Var oth	\$40,073.00	\$8,084.00	\$31,989.00
	Import Charges Overseas	\$500.00	\$12,103.15	\$11,603.15
	Import Charges Port clear Hand	\$4,800.00	\$399.56	\$4,400.44
2	Total Cost Of Sales	\$384,625.98	\$486,339.17	\$101,713.19
	Gross Profit	\$505,440.02	\$298,821.12	\$206,618.90
3	Expenses			
	EMPLOYEES EXPENSES			

Wages & Salaries	\$288,981.00	\$225,166.05	\$43,815.95
Leave Grants	\$37,500.00	\$30,259.05	\$7,240.95
Overtime	\$4,394.00	\$2,377.34	\$2,016.66
Allowances (Act.Charge.Dirtsht)	\$3,586.00	\$1,441.95	\$2,144.05
Employees Subsidised H/rents	\$763.00	\$129.78	\$633.22
Temporary salaries	\$7,997.00	\$12,600.88	\$4,603.88
Other Employer Exp-KPF Contrib	\$20,597.00	\$23,653.07	\$3,056.07
Total Employees Expenses	\$343,808.00	\$295,629.92	\$48,178.08
Advertisements	\$500.00	\$206.00	\$294.00
Sales Promotions	\$5,000.00	\$874.50	\$4,125.50
VAT Exps		\$660.73	
Company Tax Arrears	\$19,500.00	\$15,236.57	\$4,263.43
Bank Charges		\$1,729.22	
Management Meetings	\$500.00	\$413.30	\$86.70
Board Meeting Expenses	\$1,800.00	\$1,845.80	-\$14.20
Shareholders AGM	\$1,500.00	\$1,148.47	\$351.53
License & Fees		\$18.50	
Land Lease & others	\$1,060.00	\$57.50	\$1,002.50
Casual labors	\$3,100.00	\$1,696.60	\$1,403.40
Board Allowance	\$12,000.00	\$7,201.73	\$4,798.27
Electricity & Water	\$8,320.00	\$6,816.90	\$1,503.10
Sewerage	\$2,400.00	\$609.80	\$1,790.20
Entertainment	\$2,000.00	\$1,799.29	\$200.71
Freights-Local	\$8,500.00	\$2,045.84	\$6,454.16
Freight levy		\$3,229.31	
Hire of Vehicles, Plants & Equ	\$280.00	\$1,594.00	\$1,304.00
Uniform & Protective Outfits	\$3,030.00	\$84.50	\$2,945.50
Internet & Webpage Hosting	\$4,800.00	\$3,928.07	\$871.93
Donation & Charities	\$1,020.00		
Legal Fees	\$2,000.00	\$643.80	\$1,356.20
Repair Maintenance- Motor Veh	\$2,800.00	\$2,061.08	\$738.92
Vehicle Running Costs	\$8,478.00	\$7,281.57	\$1,196.43
Office Supplies & Consumables	\$6,911.00	\$8,384.39	\$1,473.39
Purchased Services Local	\$12,983.00	\$11,765.75	\$1,217.25
Repair Maintenance-Other fixed A	\$1,545.00	\$657.88	\$887.12
Account System Maintenance	\$1,000.00	\$815.48	\$184.52
Sales Refund	\$2,000.00	\$998.65	\$1,001.35
Staff Amenities	\$1,012.00	\$866.46	\$145.54
Launching of NEW Name	\$9,560.00	\$9,507.23	\$52.77
Postal & Telmo Charges	\$100.00	\$12.60	\$87.40
Telephones	\$2,600.00	\$2,236.87	\$363.13
Travelling Local	\$38,317.00	\$40,846.90	\$1,529.90
Project Expenses		\$350.00	
Travelling Overseas	\$10,000.00	\$3,356.00	\$6,644.00
Membership fees & contribution	\$800.00		
Audit and Tax fees	\$2,000.00		
Fines and late fees	\$10,750.00		
Staff Training and Developments	\$2,730.00		
Incentive and Bonuses	\$400.00		
Council rates and Service charges	\$1,200.00		

3 Total Expenses 8851,510.00 \$435,201.21 \$446,408.70

4 Operating Profit 376,169.98 (\$136,360.09)

Other Expenses

5 Depreciation Expenses 34,408.00

Total Other Expenses 34,408.00

6 Net Profit / (Loss) 376,169.98 (\$230,788.09)

Kiribati Green Energy Solution

CEO

KGES OFFICE

Baiti

Tarawa

Balance Sheet

As of December 2020

NOTES ASSETS

CURRENT ASSETS

BANK ACCOUNTS

IBD-504256	\$(194.59)
IBD 190390	\$924.85
975410	\$(360.00)
KGES-Payroll Clearing Account	\$(305.18)
CHEQUE ACCOUNT NO. 975410	\$108,709.18
CHEQUE ACCOUNT NO. 1025887	\$30,073.72
Undeposited Funds	\$134,439.10
7 TOTAL CASH	\$272,867.08

ACCOUNT RECEIVABLES

O.I Utility Debtors-EDF8	\$348,608.03
Provision for Bad & Doubt Debt	\$(206,044.00)
O.I Utility Debtors-EDF10	\$690,024.97
Provision Bad & Doubt Debt	\$(137,156.02)
Trade Debtors	\$209,936.78
Provision Bad Doubt Debt	\$(70,095.43)
Sundry Debtors	\$98,584.07
Staff Advances & Loans	\$(139.57)
CASH IN TRANSIT (ATHKL)	\$2,000.00

\$935,939.84

STOCK

PETTY CASH - KIRITIMATI ISLAND	\$326.10
Inventory	\$43,543.84
Prepayments/ Others	\$35,454.27

FIXED ASSETS

Buildings at Cost	\$158,322.60
Acc Depreciation- Building	\$(25,751.00)
Plants and Equipment at Cost	\$25,284.11
Acc Depreciation-Plants & Equi	\$(6,209.50)
Furniture & Fittings at Costs	\$1,224.35
Acc Depn Furniture & Fittings	\$(319.90)
Motor Vehicles at Costs	\$28,444.66
Acc Depn Motor Vehicles	\$(5,689.00)
Tools & Equipment at Cost	\$937.78
Acc Depn Tools & Equipment	\$(94.00)
Office Equipment at Cost	\$3,033.18
Acc Depn Office Equipment	\$(304.00)
Intangible Assets Donated	\$287,553.00
Off Hire Purches Donated Items	\$698,393.00

	Acc Debn O.I Hire Purch DOR	(569,838.00)
8	Total ASSETS	\$2,393,120.51
	Liabilities	
	Trade Creditors	\$443,482.69
	Outstanding Cheques	(\$5,941.77)
	Payroll Accruals Payable	\$1,202.39
	Payroll KPF Contribution	\$1,435.92
	Payroll Staff PAYE	\$1,234.75
	Payroll Staff House Rents	\$229.76
	Payroll Staff KPF Voluntary	\$566.00
	Payroll Staff DBK Loan Repymnt	\$202.00
	Payroll Staff ANZ Loan Repymnt	\$17.06
	Payroll Staff KPF Loan Repymnt	(\$968.00)
	Payroll Staff Canteen Fund	\$76.18
	Payroll Staff ANZ S.AYE	(\$916.70)
	Payroll Staff Life Insurance	(\$230.00)
	Payroll Staff PUB Bills	(\$210.00)
	Payroll Staff Uniform	(\$84.00)
	Payroll Staff Sudry Debtors	\$1,547.47
	Payroll Staff Purchases	\$700.00
	Allowance PAYE	\$1,314.38
	Withholding Tax	(\$523.85)
9	Total Liabilities	\$443,146.24
10	Net Assets	\$1,939,974.27
11	Equity	
	Share Capital	\$500.00
	Reserve	\$875,750.00
	Retained Earnings	\$1,499,512.36
	Current Year Earnings	(\$230,798.09)
	Total Equity	\$1,939,974.27

Kiribati Green Energy Solution

CEO

KGES OFFICE

Betio

Torawa

NOTES

Statement of Cash Flow

January 2020 through December 2020

13.1 Cash Flow from Operating Activities

Net Income	(\$230,788.09)
Trade Debtors	(\$24,072.62)
Sundry Debtors	\$3,137.79
Staff Advances & Loans	\$139.57
Tools & Equipment at Cost	(\$937.78)
Acc Depn Tools & Equipment	\$94.00
Office Equipment at Cost	(\$3,033.18)
Acc Depn Office Equipment	\$304.60
Acc Depn O.I Hire Purch DOR	\$69,838.00
Outstanding Cheques	(\$5,941.77)
Payroll Accruals Payable	\$1,202.39
Payroll KPF Contribution	\$2,052.52
Payroll Staff PAYE	\$1,234.75
Payroll Staff House Rents	\$229.79
Payroll Staff KPF Voluntary	\$566.00
Payroll Staff DBK Loan Repymnt	\$966.00
Payroll Staff ANZ Loan Repymnt	\$17.08
Payroll Staff KPF Loan Repymnt	(\$966.00)
Payroll Staff Caritas Fund	\$76.16
Payroll Staff ANZ SAYE	(\$916.70)
Payroll Staff Life Insurance	\$10.00
Payroll Staff PUB Bills	(\$210.00)
Payroll Staff Uniform	(\$64.00)
Payroll Staff Sundry Debtors	\$1,547.47
Payroll Staff Purchases	\$700.00
Allowance PAYE	\$1,314.36
Withholding Tax	(\$523.55)
13.2 Net Cash Flows from Operating Activities	(\$154,334.16)

Cash Flow from Investing Activities

Buildings at Cost	(\$9,541.00)
Acc Depreciation- Building	\$16,832.00
Acc Depreciation-Plants & Equip	\$2,528.00
Acc Depn Furniture & Fittings	\$123.00
Acc Depn Motor Vehicles	\$5,689.00
Net Cash Flows from Investing Activities	\$14,931.00

Cash Flow from Financing Activities

Net Cash Flows from Financing Activities \$0.00

Net Increase/Decrease for the period (\$169,703.10)

Cash at the Beginning of the period \$442,570.24

Cash at the End of the period \$272,867.08

Kiribati Green Energy Solution

CEO

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Bello

Tarawa

Reconciliation Report

Cheque 1-0115 CHEQUE ACCOUNT NO. 975410
Account:
Date of Bank 31/12/2020
Statement
Reconciled
Cheques

1487706	24/09/2020	Goodlife Enterprise	\$213.75
1487750	26/11/2020	Petty Cash	\$153.80
1487792	30/11/2020	Etau Neeru & Others	\$750.00
1487793	30/11/2020	Request Respond Under Control	\$463.00
1487794	30/11/2020	Kiribati Government No 1	\$461.59
1487795	3/12/2020	KHC	\$0.00
1487796	3/12/2020	KIC	\$115.00
1487797	3/12/2020	KPF	\$1,027.70
1487798	3/12/2020	DBK	\$966.00
1487799	3/12/2020	Tavita Airam & Others	\$1,081.83
1487800	3/12/2020	Canlean Fund	\$979.73
1487801	3/12/2020	Petty cash	\$106.10
1487802	3/12/2020	Maria	\$350.00
1487803	3/12/2020	KHC	\$129.78
Nil	3/12/2020	ANZ BANK	\$2,965.39
SC311220	3/12/2020		\$0.01
SC311220	3/12/2020	TRANS CAP SYS	\$13.50
1487804	7/12/2020	Kanoo Aberaam	\$910.00
1487805	7/12/2020	Tiem Ienraol	\$439.55
1487806	9/12/2020	Petty Cash	\$170.35
1487807	15/12/2020	VODAFONE	\$354.18
1487809	15/12/2020	Kiribati Govt	\$1,493.64
1487810	15/12/2020	Etau Neeru & Others	\$1,600.00
1487811	17/12/2020	DBK	\$966.00
1487812	17/12/2020	KPF	\$1,027.70
1487813	17/12/2020	KIC	\$115.00
1487814	17/12/2020	PUB	\$100.00
1487815	17/12/2020	Tavita Airam & Others	\$481.40
1487816	17/12/2020	Tavita Airam	\$128.70
1487817	17/12/2020	RRU	\$177.45
1487818	17/12/2020	Retna Teingira	\$335.40
nil	17/12/2020		\$3,260.95
SC311220	17/12/2020	trans cap sys	\$14.50
1487819	20/12/2020	Taaro Aukitino & Others	\$470.00
1487820	20/12/2020	Petty Cash	\$201.30

1487821	20/12/2020	Golden Dragon	\$72.00
1487823	23/12/2020	Blau Neeru & Others	\$1,100.00
1487826	23/12/2020	Petty Cash	\$132.06
1487827	23/12/2020	Punjia LTD	\$135.40
1487828	23/12/2020	Punjia LTD	\$131.60
1487829	31/12/2020	Burli & Others	\$442.00
1487834	31/12/2020	Teirake Boitau	\$180.00
Nil	31/12/2020	ANZ Bank	\$3,202.84
SC311220	31/12/2020	TRANS CAP SYS	\$14.50
SC311220	31/12/2020	LEDGER	\$10.00
SC311220	31/12/2020	TRANS	\$19.80
SC311220	31/12/2020	COLLECTION	\$12.00

Total: \$0.00 \$27,355.80

Reconciled Deposits

IE311220	3/12/2020	MATAIO KAITAAKE	\$40.00
CR000142	4/12/2020	Bank Deposit	\$1,439.18
IE311220	16/12/2020	CXI SALES	\$657.50
IE311220	17/12/2020	MATAIO KAITAAKE	\$40.00
CR000150	22/12/2020	Bank Deposit	\$3,110.30
IE311220	22/12/2020	CXI SALES	\$2,030.00
IE311220	30/12/2020		\$4,000.00
IE311220	30/12/2020	MATAIO KAITAAKE	\$40.00
CR000149	31/12/2020	Bank Deposit	\$17,677.40

Total: \$29,034.38 \$0.00

Outstanding Cheques

1165737	23/01/2019		\$701.00
1165788	26/02/2019		\$69.00
1335029	20/03/2019		\$50.00
1334848	31/07/2019		\$143.44
1334950	30/09/2019		\$78.70
1334996	29/10/2019		\$315.00
1334601	6/11/2019		\$393.75
1334605	7/11/2019		\$1,216.60
1334607	7/11/2019		\$392.00
1334610	8/11/2019		\$80.00
1334613	12/11/2019		\$128.10
1334672	23/12/2019		\$112.50
1334777	17/02/2020	TSS	\$399.00
1487669	31/08/2020	Kiribati Govt No.1	\$1,500.00
1487678	4/09/2020	LU's Marine	\$183.65
1487684	7/09/2020	Taotin Hardware	\$345.40

1487694	17/09/2020	MARIA PRINTING	\$210.00
1487706	23/09/2020	Tactin Electronic	\$11,120.25
1487708	24/09/2020	Taimwanuoka Shipping	\$137.90
1487808	15/12/2020	Island Stationary	\$135.00
1487822	23/12/2020	Lee's Trading	\$172.10
1487824	23/12/2020	KHC	\$129.78
1487825	23/12/2020	KIRIBATI GOVERNMENT	\$177.10
1487830	31/12/2020	DBK	\$966.00
1487831	31/12/2020	KPF	\$1,027.70
1487832	31/12/2020	KIC	\$116.00
1487833	31/12/2020	KPF	\$2,898.36
Total:			\$0.00 \$22,963.32

Outstanding Deposits

CR000087	29/04/2019	Misposting/Incorrect bank Charges	\$16,967.25
GJ000085	8/11/2019	1334811	\$3.60
CR000086	13/11/2019	Refer 31/1/19 Reconciliation Report	\$595.10
Total:			\$17,565.95 \$0.00

Reconciliation

Balance on 31/12/2020:	\$108,709.18
Outstanding Cheques:	\$22,963.32
Subtotal:	\$131,672.50
Outstanding Deposits:	\$17,565.95
Balance on Statement:	\$114,106.55

Cheque Account: 1-0120 CHEQUE ACCOUNT NO 1025887
Date of Bank Statement: 31/12/2020

Reconciled Cheques

689385	15/12/2020	Tentamini	\$1,518.75
SC311220	31/12/2020	LEDGER	\$10.00
SC311220	31/12/2020	TRANSACTION FEE	\$8.40

SC311220 31/12/2020 COLLECTION FEE

\$5.40

Total:

\$0.00

\$1,542.66

Reconciled
Deposits

CR000146 4/12/2020 Bank Deposit

\$4,160.03

CR000147 22/12/2020 Bank Deposit

\$3,717.50

CR000148 31/12/2020 Bank Deposit

\$2,430.00

Total:

\$10,317.53

\$0.00

Reconciliation

Balance on 31/12/2020: \$30,073.72

Outstanding Cheques: \$0.00

Subtotal: \$30,073.72

Outstanding Deposits: \$0.00

Balance on Statement: \$30,073.72

NOTES KIRIBATI GREEN ENERGY SOLUTIONS DEPRECIATION SCHEDULE 2020

14	Cost value	31/12/2020 ACC/DEPRN	ADDITIONAL	N VALUE	DEPRN	Sep-21
BUILDINGS	\$ 156,322.60	\$ 25,751.00	\$ 132,571.60	\$132,572	10%	\$ 13,257
PLANTS AND EQUIPMENTS	\$ 25,284.11	\$ 6,202.50	\$ 19,071.61	\$ 19,075	10%	\$ 1,907
FURNITURE AND FITTINGS	\$ 3,224.35	\$ 319.90	\$ 904.45	\$ 904	10%	\$ 90
MOTOR VEHICLES	\$ 28,444.66	\$ 5,689.00	\$ 22,755.66	\$ 22,756	20%	\$ 4,551
TOOLS & EQUIPMENTS	\$ - 997.76	\$ 94.00	\$ 843.78	\$ 844	10%	\$ 84
OFFICE EQUIPMENTS	\$ 3,034.18	\$ 304.00	\$ 2,729.18	\$ 3,397.00	\$ 6,126	\$ 613
INTANGIBLE ASSETS DONATED	\$ 287,553.00		\$ 287,553.00	\$287,553		
OJ HIRE PURCHASE DONATED ITEMS	\$ 698,393.00	\$ 69,838.00	\$ 628,555.00	\$628,555	10%	\$ 62,856

BUILDINGS	6430
PLANTS & EQUIPMENTS	3033
FURNITURE AND FITTINGS	3397
MOTOR VEHICLES	10%
	10%
	10%
	20%