

REPORT OF THE AUDITOR GENERAL ON THE ACCOUNT OF



**Central Pacific Producers Ltd
For the Years Ended 31st December 2014 and 2015**

**Kiribati Audit Office
December 2017**



INDEPENDENT AUDITOR'S REPORT

To the Readers of Central Pacific Producers Ltd Financial Statements for the years ended 31st December 2014 and 2015

The Auditor-General, Mrs Matereta Raiman, is the auditor of the Central Pacific Producers Ltd (CPPL)

The audit covered the Company's compliance with the requirements of Part VII of the Public Finance (Control and Audit) Ordinance, 1976, the Companies Ordinance, 1979 and the SOE Act, 2013 that apply to the Financial Statements of the CPPL for the years ended 31st December 2014 and 2015.

CPPL Board of Directors and Management Responsibility

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

Auditor's Responsibility

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

Basis for Disclaimer Opinion

- CPPL was still using a Manual accounting system which produced Financial Statements for years 2014 and 2015. The General Ledger provided only the closing balances while the detailed transactions were not shown. The same applies to individual debtors and creditors ledger card. We still encountered variances between balances in the Cash Payment Journal and the Financial Statement balances, the variances of which are pervasive and would definitely disclaim the financial statements.
- We were unable to verify Cash and Cash equivalents due to the following:
 - There was no regular Bank Reconciliation performed for the years 2014 and 2015.
 - No independent review being done when a reconciliation report is completed.
 - Bank Statement and Bank Reconciliation from Jan – June 2014 were not available.

- Local Trade debtors as per the Aging report did not match Financial Statement figures and the resultant variance was \$210k. Refer table below:

Account Receivable(Local)	2015
Ageing report	\$ 1,082,194.33
Financial Statement	\$ 872,084.05
Variance	\$ 210,110.28

- After reviewing Statements for overseas debtors, Audit noted that Dongwon Industry balance has been understated by \$189,360. There was an error in CPPL's calculation noted on the statement provided thus caused the discrepancy.
- We found that the Doubtful Debts balance taken to Profit and Loss Statement for 2014 and 2015 were incorrect. The Doubtful Debt expense in 2014 had been overstated by \$198,904.66 and in 2015 the overstatement was \$841,923.56 therefore the Net Profit for those years had been understated by such amounts respectively.
- Audit noted that CPPL could not provide listings for Staff Fish advance, Salary advance and others account of \$27,187.84 for the year 2014.
- We were unable to verify Spare parts balance due to the following:
 - There was no register provided that would give the detailed breakdown of received and issued spare parts, the total costs of the parts acquired, and the purpose for which such were being purchased.
 - Cards for Spare parts were not available,
 - Inventory balance reported in the years 2015 of \$179,130.5 was the same balance reported in 2014 and 2013. CPPL could not explain or provide breakdown of the above balance therefore precluded us from verifying the accuracy of the balance as presented.
 - The Cash Payment Journal proved that there were purchases made on spare parts during the year 2014 and 2015 therefore confirmed that the balance given for the years 2014 and 2015 were incorrect.
- Audit noted that Fixed Assets GL for 2014 was not available thus made it difficult to verify the figures presented in the 2014 Account.
- Audit noted that depreciation reported in the Profit and Loss Statement and Depreciation charged shown on the schedule of Fixed Asset did not match. Table below shows the variances for the years 2014 and 2015.

2015				2014		
	Fin/Stmnt	Schedule of FA	Variance	Fin/Stmnt	Schedule of FA	Variance
TRW	85,760.62	69,888.89	15,871.73	22,827	7,342.65	15,484.35
Xmas	37,335.26	0	37,335.26	37,335.26	0	37,335.26

- Audit noted that Vessels, Boats and Canoe opening balance in 2014 FS brought forward only the additions in 2013 when we expect to see both additions and costs to be taken to the following year as the assets accumulated cost.

- The Building (asset) has been struck off from the 2014 Schedule. These were fully depreciated assets and should appear in the financial accounts until CPPL no longer occupy such buildings.
- The table below shows variances between audit Calculations and CPPL calculations of Fixed Assets (2015).

Fixed Asset	Audit Calculation	CPPL A/C	Variances
Total opening cost (Original Cost) 2014	10,287,809.52	1,159,565.87	9,128,243.65
Accumulated depre- 2014 Opening balance	6,448,306.68	1,058,451.81	5,389,854.87
Depreciation charge 2014	23,458.78	7,342.65	16,116.13
Opening cost (Original Cost) 2015	10,346,675.61	1,282,484.56	9,064,191.05
Accumulated depre- 2015 Opening balance	10,194,669.61	1,145,718.80	9,048,950.81
Depreciation charge 2015	74,754.58	69,889.89	4,864.69

- After conducting analysis on Agencies income, we confirmed that the figures recorded in the statement and audit figures did not match. The table below shows variances between audit calculations and the balances given in the Statements for Overseas agencies.

Years	Vessels	Audit figure	Statement	Variance
2014	Dongwon Industry	527,185.08	337,824.84	189,360.24
"	Advance Rich	151,940.08	108,160.41	43,779.67
2015	KFK	128,887.25	(34,527.09)	94,360.16

- It was noted that Pay sheets for Jan, Feb, Mar, June, July for the year 2015 were not available during the audit.
- In 2015 some Payment Vouchers (PV) were not completely signed by responsible officers.
- All 2014 PVs and some for 2015 (165/15, 352/15, 357/15, 655/15, and 933/15) were not available during the audit.
- Audit noted variances of Payroll figures reported in the Cash Payment Journal and the Financial Statement. See table below:

	Cash Payment Journal	Financial Statement	Variance
2014			
Staff Wages	449,740.50	319,975.11	\$ (129,765.39)
Temporary	20,114.11	22,085.00	\$ 1,970.89
Casuals	37,917.81	46,563.00	\$ (8,645.19)

- We were unable to verify the Suspense Receivables account of \$186k in 2014 as breakdown was not available. In 2015 this account was written off, however with concern there hasn't been proper accounting Journal raised or evidence showing approval from the Board.

Disclaimer Opinion

Because of the unavailability of records that leads to the limitation of scope, the various significant variances noted, together with other significant matters described in the Basis for Disclaimer Opinion paragraph above, I have not been able to obtain sufficient appropriate audit evidence, and accordingly I **COULD NOT** express an opinion on the Financial Statements of CPPL for the years ended 31st Dec, 2014 and 2015.

Emphasis of the Matter

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

- The Local outstanding debtors' balances were found static since 2013 which indicated poor follow up action by CPPL. This was cash tied up with debtors and failure to collect these debts could lead to cash losses once they are time barred. The total outstanding debtors as shown in the table below constituted almost half of the total Local debtors' balance therefore indicating the significant negative effect it would have on CPPL, particularly on its cash flow for meeting the company's operational costs, if these were not collected.

Local outstanding debtors	2015	2014	2013
MIA	\$ 220,799.57	\$ 220,799.57	\$ 219,881.36
MLPID	\$ 53,900.68	\$ 53,900.68	\$ 53,900.68
MPWU	\$ 42,352.25	\$ 42,352.25	\$ 42,352.25
MOEL	\$ 28,060.93	\$ 28,060.93	\$ 28,060.93
BKL	\$ 51,949.42	\$ 51,949.42	\$ 51,949.42
Wishing Star	\$ 20,553.36	\$ 20,553.36	\$ 20,553.36
Total	\$ 417,616.21	\$ 417,616.21	\$ 416,698.00
Total Local debtors	1,082,194	861,121	849,242
% of outstanding debts /total Local debtors	38.6%	48.5%	49.1%

The audit was completed on 7 December, 2017, and was the date at which my opinion was expressed.

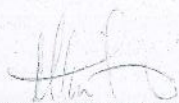
Report on other Legal and Regulatory Requirements

CPPL lodged its 2014 and 2015 Financial Statements for audit on 21/04/2017, therefore indicated CPPLs non-compliance with Sec. 20 of SOE Act, 2013.

Independence

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

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



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Mrs. Matereta. Ralman.
Auditor General.

Date: 7 Dec 2017

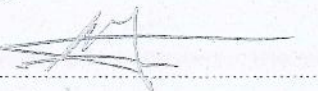
Central Pacific Producers Ltd
Statement of Financial Position
as at December 2014

		Tarawa Jan,14-Dec,14 2014	Xmas Jan,14 - Dec,14 2014	Consolidated Account
	Notes			
Current Assets				
Cash at Bank	10	184,919.08	376,197.43	561,116.51
Petty cash		846.00	329.30	1,175.30
Cash in transit				
Trade accounts receivable	11	1,768,506.26	495,195.47	2,263,701.73
Staff advance	12	27,187.84	55,607.15	82,794.99
Suspense Receivables		186,211.59		186,211.59
Stock of spare parts		169,152.61	9,977.90	179,130.51
Stock of fishing gears			28,977.30	28,977.30
Stock of catering Gears				
		2,336,823.38	966,284.55	3,303,107.93
Less: Current Liabilities				
Accounts Payable	13	553,358.52	45,714.82	599,073.34
Sundry Accounts Payable	14	49,775.13		49,775.13
Accrued Expenses	15	44,934.11	6,724.58	51,658.69
Suspense Payable			169,386.32	169,386.32
		648,067.76	221,825.72	869,893.48
Working Capital		1,688,755.62	744,458.83	2,433,214.45
Plus Non Current Assets	16	288,924.00	409,005.78	697,929.78
Plus IBD		13,557.86	10,000.00	23,557.86
Net Assets		1,991,237.48	1,163,464.61	3,154,702.09
Represented by the Following				
Paid up Share		500.00		500.00
Retained Earnings	17	(1,432,799.49)	(629,014.73)	(2,061,814.22)
Net Profit for the year		529,066.37	119,286.67	648,353.04
Government Aids Reserve	18	2,894,470.60	1,673,192.67	4,567,663.27
		1,991,237.48	1,163,464.61	3,154,702.09

The attached notes form part of this Financial Report.

Chairman

Dates


11/4/17

General Manager

Dates


11/4/17

Central Pacific Producers Ltd
Statement of Financial Performance
for the year ended 31 December 2014

		Jan,14-Dec,14	Jan,14-Dec,14	Consolidated
	Notes	Tarawa	Kiritimati	Account
Sales	1	672,123.00	22,562.56	694,685.56
Less: Cost of Sales	2	67,900.50	8,919.53	76,820.03
Gross Profit		604,222.50	13,643.03	617,865.53
Plus: Operating Revenue				
Agency	3	3,880,091.00	781,867.29	4,661,958.29
Administration fee (Crewing)	3	107,026.00		107,026.00
Charter		24,776.00		24,776.00
Freight & Handling		217,203.57	37,804.52	255,008.09
Hire	4	5,176.00	12,311.55	17,487.55
Seafare		11,306.50		11,306.50
Storage			3,422.85	3,422.85
Ice			20,151.2	20,151.20
Interest on IBD		71.59	51.75	123.34
Fishing gear			815.4	815.40
Catering & Processing				
Rental				
Sundry revenue	5	44,257.70	2,195.89	46,453.59
Seacucumber/Seaweed				
Canoe lease outer island				
other revenue				
		4,289,908.36	858,620.45	5,148,528.81
Total Revenue		4,894,130.86	872,263.48	5,766,394.34
Less: Operating Expense				
Staff salary/wages	6	342,060.11	56,957.70	399,017.81
stationary		19,846.00	75.00	19,921.00
telephone		21,293.00	4,068.81	25,361.81
overseas travelling		7,881.00		7,881.00
local travelling & transport		14,237.00	1,681.30	15,918.30
Fuel & Oil	7	188,698.00	5,405.72	194,103.72
Repair & Maintenance	8	287,108.52	4,259.73	291,368.25
Ration		10,410.00		10,410.00
Subsidised rent		4,434.00	1,459.89	5,893.89
KPF expense		5,033.00	6,862.70	11,895.70
Advertisement & Postage		2,426.00		2,426.00
Freight Expenses		6,382.00		6,382.00
Port Charges		11,590.00		11,590.00
Board of Directors Expenses		6,946.00		6,946.00
Entertainment		2,917.00	2,806.30	5,723.30
Interest & Comission exp		567.00		567.00
Survey expenses		1,313.00		1,313.00
Training/Consultation fee		828.00		828.00
Bank Charges		4,187.00	540.00	4,727.00
Custom				

Insurance			
Doubtful debts	841,923.56		841,923.56
Depreciation	22,827.30	37,335.26	60,162.56
Amortization	37,594.58		37,594.58
Overtime/Extra hour	63,903.90		63,903.90
Leave grant	25,519.00	5,250.00	30,769.00
License	5,248.00	1,492.60	6,740.60
Electricity	53,861.00	24,634.77	78,495.77
Disbursement			
Hire expenses	24,702.00	7,170.00	31,872.00
Marine Allowances	9,427.00		9,427.00
Sundry Expenses			
Cleaning Material	3,498.00	223.25	3,721.25
Subsistence allowance	18,456.00	1,350.00	19,806.00
Audit fee			
Charge & shift allowance	2,330.00		2,330.00
Abnormal/Shift & Bonus allowances			
stevedoring	6,489.00		6,489.00
Fishing gear			
Seacucumber & Seaweed Exp	9		
Service charges			
Compensation of Moamoa	16,843.00	36,859.04	53,702.04
Hiring & processing exp			
Legal fee	4,000.00		4,000.00
Debtors adjustment			
Seasonal ticket	6,802.00		6,802.00
Export fee		35.00	35.00
Agency expense	3 2,251,358.00	494,126.25	2,745,484.25
Casual labour	46,563.00		46,563.00
Other expenses	13,196.98	339.45	13,536.43
Total Expenses	4,392,698.95	692,932.77	5,085,631.72
Operating Profit (Loss) before tax	501,431.91	179,330.71	680,762.62
Less: Non - Operating expense			
PPI		60,044.04	60,044.04
Plus: Non - Operating Revenue			
Other revenue	27,634.46		27,634.46
Government Aids released			
Net Profit (Loss) after tax	529,066.37	119,286.67	648,353.04

Chairman

Date

11/4/17

General Manager


Date

11/4/17


Central Pacific Producers Ltd
Cash flow Statement
for the year ended 31 December 2014

	Tarawa 2014	Xmas 2014	Consolidated 2014
Cash Flow from operating activities			
Net income	\$ 301,882.18	\$ 68,071.47	\$ 369,953.65
Net changes on current assets and liabilities	\$ 368,868.15	\$ 522,117.73	\$ 890,985.88
	\$ 670,750.33	\$ 590,189.20	\$ 1,260,939.53
Cash Flow from investing activities			
Total cash spent on purchase of fixed assets	\$ (804,925.87)	\$ (1,139,339.53)	\$ (1,944,265.40)
			\$ (1,944,265.40)
Cash Flow from financing activities			
Cash received from Government Grant	\$ 911,931.22	\$ 527,127.05	\$ 1,439,058.27
			\$ 1,439,058.27
Net cash increase for the period	\$ 249,693.98	\$ 506,038.42	\$ 755,732.40
Cash at the beginning of the period	\$ (63,928.90)	\$ (129,511.69)	\$ (193,440.59)
Cash at the end of the period	\$ 185,765.08	\$ 376,526.73	\$ 562,291.81

Chairman


Date 11/4/14

General Manager


Date 11/4/2017

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Central Pacific Producers Ltd
Statement of Financial Position
as at December 2014

	Notes	Jan,14-Dec,14 2014	Jan, 13-Dec, 13 2013	May,12 - Dec.12 2012
Current Assets				
Cash at Bank	10	184,919.08	(193,972.79)	(298,740.05)
Petty cash		846.00	532.20	342.70
Cash in transit				
Trade accounts receivable	11	1,768,506.26	1,772,092.06	2,025,941.51
Sundry accounts receivable	12	27,187.84	48,726.14	47,057.08
Inventory			11,320.74	10,256.59
Suspense Debtors		186,211.59		
Stock of spare parts		169,152.61	169,152.61	92,099.66
Stock of fishing gears				
Stock of catering Gears				
		2,336,823.38	1,807,850.96	1,876,957.49
Less: Current Liabilities				
Accounts Payable	13	553,358.52	543,272.01	716,449.19
Sundry Accounts Payable	14	49,775.13	14,683.14	21,230.93
Accrued Expenses	15	44,934.11	60,226.84	34,436.41
Suspense Creditors			31,395.53	
		648,067.76	649,577.52	772,116.53
Working Capital		1,688,755.62	1,158,273.44	1,104,840.96
Plus Non Current Assets	16	288,924.00	116,598.69	15,707.73
Plus IBD		13,557.86	13,417.89	77,030.09
Less: Long term loan				
Net Assets		1,991,237.48	1,288,290.02	1,197,578.78
Represented by the Following				
Paid up Share		500.00	500.00	500.00
Retained Earnings	17	(1,432,799.49)	(1,517,383.10)	(1,453,439.89)
Net Profit for the year		529,066.37	84,583.61	(63,943.21)
Government Aids Reserve	18	2,894,470.60	2,720,589.51	2,713,461.88
		1,991,237.48	1,288,290.02	1,196,578.78

The attached notes form part of this Financial Report.

Notes

We rename sundry expense to Accrued expense to match the account name.

Chairman
Board of Directors

General Manager

Dates

11/4/17

Dates

11/4/17

Tawa

Central Pacific Producers Ltd

Statement of Financial Performance

for the year ended 31 December 2014

		Jan,14-Dec,14	Jan, 13-Dec, 13	May,12 - Dec,12	Apr, 12-May,11
	Notes	2014	2013	2012	2012
Sales	1	672,123.00	187,577.91	142,654.83	168,087.21
Less: Cost of Sales	2	67,900.50	22,150.91	72,572.77	33,810.66
Gross Profit		604,222.50	165,427.00	70,082.06	134,276.55
Plus: Operating Revenue					
Agency	3	3,880,091.00	364,923.64	255,311.54	497,105.11
Administration fee (Crewing)	3	107,026.00	303,076.26	159,447.22	23,329.37
Charter		24,776.00	222,585.00	50,497.01	215,225.00
Freight & Handling		217,203.57	319,358.47	324,299.24	339,781.22
Hire	4	5,176.00	2,055.00	810.00	3,038.50
Seafare		11,306.50	109,406.81	40,756.90	67,152.85
Storage					
Ice					2,361.00
Interest on IBD		71.59	308.02	1,218.75	1,452.63
Fishing gear					
Catering & Processing			20,172.44	8,305.45	43,598.83
Rental					2,054.00
Sundry revenue	5	44,257.70		484.04	4,910.95
Seacucumber/Seaweed			58,721.91	130,000.00	221,931.52
Canoe lease outer island					
other revenue			16,956.66	4,486.55	1,413.30
		4,289,908.36	1,417,564.21	975,616.70	1,423,354.28
Total Revenue		4,894,130.86	1,582,991.21	1,045,698.76	1,557,630.83
Less: Operating Expense					
Staff salary/wages	6	342,060.11	402,534.85	265,367.62	363,915.93
stationary		19,846.00	15,111.90	17,606.00	5,606.60
telephone		21,293.00	19,300.29	16,117.18	16,847.40
overseas travelling		7,881.00		-	7,571.56
local travelling & transport		14,237.00	52,627.61	38,113.20	34,505.20
Fuel & Oil	7	188,698.00	212,107.13	200,517.70	295,263.80
Repair & Maintenance	8	287,108.52	78,420.31	68,828.57	116,117.66
Ration		10,410.00	36,631.05	18,002.95	49,792.02
Subsidised rent		4,434.00	5,397.20	431.00	6,907.00
KPF expense		5,033.00	22,995.17	19,920.51	26,665.95
Advertisement & Postage		2,426.00	1,585.20	6,510.70	2,057.35
Freight Expenses		6,382.00	1,165.35	390.97	2,370.55
Port Charges		11,590.00	7,504.23	13,836.31	20,072.12
Board of Directors Expenses		6,946.00	5,545.00	4,185.00	5,157.50
Entertainment		2,917.00	8,252.42	9,419.70	4,764.30
Interest & Comission exp		567.00		465.05	580.00
Survey expenses		1,313.00	445.00		2,260.00
Training/Consultation fee		828.00	3,567.00		
Bank Charges		4,187.00	29,506.80	24,206.34	57,559.31
Custom		-	4,036.55	1,673.35	1,483.05
Insurance					44,274.29
Doubtful debts		841,923.56			
Depreciation		22,827.30	19,131.19	155,252.38	360,843.08
Amortization		37,594.58			

vertime/Extra hour		63,903.90	32,217.76	31,086.57	28,691.38
Leave grant		25,519.00	33,009.05	16,406.85	20,926.45
License		5,248.00	3,951.80	5,794.70	37,695.62
Electricity		53,861.00	52,561.83	4,983.83	
Disbursement			51,524.63		4,000.00
Hire expenses		24,702.00	21,382.30	13,948.80	19,578.84
Marine Allowances		9,427.00	10,351.94	18,460.31	15,407.56
Sundry Expenses				1,000.96	12,082.88
Cleaning Material		3,498.00	2,667.56	2,540.85	3,355.60
Subsistence allowance		18,456.00	5,658.59	8,715.60	384.00
Audit fee				5,000.00	7,500.00
Charge & shift allowance		2,330.00	7,358.27	3,017.05	3,734.47
Abnormal/Shift & Bonus allowances					
stevedoring		6,489.00	5,052.20	6,386.04	16,223.78
Fishing gear					
Seacucumber & Seaweed Exp	9		15,050.45	105,352.30	105,780.64
Service charges			3,332.61		
Compensation of Moamoa		16,843.00	234,638.27		
Hiring & processing exp			10,160.56	3,248.40	12,651.15
Legal fee		4,000.00	4,265.00	4,729.00	8,004.00
Interest on loan					59,280.30
Seasonal ticket		6,802.00			
Agency expense	3	2,251,358.00			
Casual labour		46,563.00			
Other expenses		13,196.98	1,966.47	8,963.65	7,311.20
Total Expenses		4,392,698.95	1,426,013.54	1,100,479.44	1,788,222.54
Operating Profit (Loss) before tax		501,431.91	156,977.67	(54,780.68)	(230,591.71)
			31,395.53		
Less: Non - Operating expense			(40,998.53)	(4,163.03)	(533,816.51)
Plus: Non - Operating Revenue					
PPI		27,634.46			
Government Aids released					250,533.00
Net Profit (Loss) after tax		529,066.37	84,583.61	(58,943.71)	(513,875.22)

Chairman
Board of Directors

General Manager

Dates

11/4/17

Dates

11/4/17

Jan, 14 - Dec, 14 Jan, 13 - Dec, 13 May, 11 - Apr, 12
 2014 2013 2012
 \$ \$ \$

1 Sales

Sales fish	6,409.00	22,210.11	21,797.52
Discarded fish	447,657.50	159,932.20	129,503.35
Lobsters	2,312.00	1,964.00	1,026.00
Fishing gear	1,110.00	341.60	2,577.50
Seaweed sales	203,483.00		
Fish processing & catering	11,151.00		
	<u>672,122.50</u>	<u>184,447.91</u>	<u>154,904.37</u>

2 Cost of Sales

Inventory (1 Jan 2014)	11,320.74	10,256.59	60,385.77
Plus Purchase	<u>67,900.50</u>	<u>23,215.06</u>	<u>22,443.59</u>

79,221.24 33,471.65 82,829.36

Less: Inventory (31/12/14)

11,320.74 11,320.74 10,256.59

67,900.50 22,150.91 72,572.77

3 Agency Revenue

Agency Service	3,624,552.00	2,104,192.81	1,342,011.81
Agencyc fee	255,539.00		

Total Agency Revenue 3,880,091.00 2,104,192.81 1,342,011.81

Crewing income

Administration Income 107,026.00 303,076.26 159,447.22

Crewing income

3,880,091.00 303,076.26

Add Crewing Wages

447,737.00

Less Agency expense

1,803,621.00 1,739,269.17 1,086,700.27

Total Agency Expense

2,251,358.00 1,739,269.17 1,086,700.27

Actual income

5,508,824.00 364,923.64 255,311.54

5 Sundry Revenue

Sundry revenue 44,142.70 471.64

Assets resales 115

Repair & services 12.40

Gain on Exchange rate

44,257.70 - 484.04

6 Salary Wages & Expense

Staff wages 319,975.11 345,617.52 232,862.05

Temporary 22,085 35,378.11 32,101.02

Casuals 21,539.22 404.55

342,060.11 402,534.85 265,367.62

Local Travelling & Transport

Local Travelling 19,831.18 12,181.80

Vehicles fuel & Oil 23,246.39 19,652.40

Seasonal ticket/ transport 9,550.04 6,279.00

52,627.61 38,113.20

7 Fuel & Oil

Fuel & Oil for transport 31,520.00

Fuel & Oil for Moa, Bene2 157,178.00 202,767.69 178,576.80

Fuel & Oil for Terien/Generator/Boat 9,339.44 21,940.90

Outer Island fuel

188,698.00 212,107.13 200,517.70

8 Repair and Maintenance			
Building	3,762.89	2,292.30	4,161.75
Micamoa	262,466.63	29,367.95	44,474.56
Tebenebene/ Tiāroa		7,053.98	
Teriena		16,725.75	
Vehicles	12,103.00	7,010.60	6,872.06
Cold store & Par access & Generator		3,056.10	
Office Equipment	8,776.00	12,240.18	13,004.20
Seaweed Generator Repair		368.00	316.00
Boat Repair		303.45	
	<u>287,108.52</u>	<u>78,420.31</u>	<u>68,823.57</u>
8 Sundry Expense			
Cash refund/Sales reimbursement	1,223.00		
Cargo recovery/Seafare refund	9,113.00		
Others	2,860.98		1,000.96
	<u>13,196.98</u>		<u>1,000.96</u>
PPI			
Adjustment for creditors		177,513.58	
Adjustment balance related to previous		(27,146.80)	
Adjustment balance of debtors		(191,365.31)	
Stock adjustment	27,634.46		4,000.00
Cargo recovery			163.03
Hiring truck dated	<u>27,634.46</u>	<u>(40,998.53)</u>	<u>4,163.03</u>
9 Seaweed expense			
Seaweed purchase	53,966.00		103,338.75
Seaweed expense		15,050.45	2,013.55
		<u>15,050.45</u>	<u>105,352.30</u>
10 Cheque			
188832 account (cppl)	84,359.05	(200,241.21)	
Seaweed revolvin fund	100,560.03	6,268.42	
	<u>184,919.08</u>	<u>(193,972.79)</u>	
11 Trade Accounts receivable			
Debtors Contrl (Local)	861,121.26	762,213.62	779,235.55
Debtors Control (Overseas)	1,749,308.56	1,208,783.10	1,445,610.62
	<u>2,610,429.82</u>	<u>1,970,996.72</u>	<u>2,224,846.17</u>
	841,923.56	(198,904.66)	(198,904.66)
Less: Provision for Doubtful debts	<u>1,768,506.26</u>	<u>1,772,092.06</u>	<u>2,025,941.51</u>
12 Sundry Accounts Receivable			
Staff imprest control		14,698.57	12,402.14
Staff fish adv & salary advance and others	27,187.84	34,027.57	34,654.94
Other debtors	<u>27,187.84</u>	<u>48,726.14</u>	<u>47,057.08</u>
13 Account Payable			
Accounts Payable	434,582.84		
Long term account payable	118,775.68		
	<u>553,358.52</u>		
14 Sundry Account payable			
Overseas Creditors	49,775.13		

Sundry creditors	49,775.13	35,436.41	187,634.59
		35,436.41	187,634.59
15 Accrued Expense	2,668.94	2,815.62	3,732.44
Payable Tax			
Payable DBK	3,591.88	5,933.76	7,609.54
Payable KPF Contribution		5,933.76	7,609.55
Payable KPF Subsidy			
Payable KPF Loan			1,459.31
Payable staff & Crew wages	38,223.29		81.09
Payable staff BOK loan			739.00
House rent payable			
Internet Arrears	450.00		
	44,934.11	14,683.14	21,230.93
16 Retain Earnings			
Balance Forward	(1,432,799.49)	(1,517,383.10)	(1,453,439.89)
Less Net Profit/(loss)	529066.37	84,583.61	(63,943.21)
Less Provision of tax			
Balance	(903,733.12)	(1,432,799.49)	(1,517,383.10)
17 Government Aids Reserve			
Aids in the form of fixed assets are credited to the Government aids reserve			
in the statement of Financial Position			
Blance forward	2,720,589.51	2,713,461.88	2,713,461.88
New addition	173,881.09	7,127.63	130,000.00
Adjustments			(130,000.00)
Government aids released	2,894,470.60	2,720,589.51	2,713,461.88

31,395.53

Central Pacific Producer Limited
Schedule of Assets Ended 31 December 2014

Non Current Assets	Office Furniture & Equipment	Plant & Machinery	Fittings	Coolers	Motor Vehicle	Vessel	Boats & Canoe	Total
Cost Valuation								
Bal as at 1/1/2014	550,322.85	279,458.50	3,710.00	522.67	250,533.70	42,638.15	32,380.00	1,159,565.87
Added during the Period					27,818.22		31,047.87	58,866.09
Adjustment	550,322.85	279,458.50	3,710.00	522.67	278,351.92	42,638.15	63,427.87	1,218,431.96
Bal as at 31/12/2014								
Depreciation								
Bal as at 1/1/2014	525,152.29	279,458.50	3,710.00	209.07	235,943.99	4,263.82	9,714.15	1,058,451.81
Charge during the period					6,954.56		388.10	7,342.65
Adjustment	525,152.29	279,458.50	3,710.00	209.07	242,898.55	4,263.82	10,102.25	1,065,794.47
Bal as at 31/12/2014								
Net Book Value (NBV)								
As at 31/12/2014	25,170.56			313.60	35,453.38	38,374.34	53,325.62	152,637.49
As at 31/12/2013	33,560.74			418.14	14,589.71	40,506.25	27,523.85	116,598.69

Date	Donated Assets	Rate	NBV 1-1-2014	Bought	Sold	Total	Amortisation	NBV 31-12-2014
2014	3 Ice making Machine	15.00%	\$ 58,756.89			\$ 58,756.89	\$ 8,813.53	\$ 49,943.36
	3 Outboard engine	25.00%	\$ 5,010.53			\$ 5,010.53	\$ 1,252.63	\$ 3,757.90
	Kuria spare parts on engine	25.00%	\$ 1,135.57			\$ 1,135.57	\$ 283.89	\$ 851.68
	3 Fibre Glass Boat	15.00%	\$ 43,362.60			\$ 43,362.60	\$ 6,504.39	\$ 36,858.21
	Truck for CPPL HQ	25.00%	\$ 47,005.52			\$ 47,005.52	\$ 16,087.64	\$ 30,917.88
	6 Truck spare tire	25.00%	\$ 219.36			\$ 219.36	\$ 54.84	\$ 164.52
	Outer Islands spare parts	25.00%	\$ 18,390.62			\$ 18,390.62	\$ 4,597.66	\$ 13,792.97
	Total		\$ 173,881.09			\$ 173,881.09	\$ 37,594.58	\$ 136,286.51

Xmas Branch
Central Pacific Producers Ltd
Statement of Financial Position
as at December-2014

	Notes	Jan,14-Dec,14 2014	Jan, 13-Dec, 13 2013	May,12 - Dec,12 2012
Current Assets				
Cash at Bank		376,197.43	42,589.13	55,418.85
Petty cash		329.30	400.65	400.65
Cash in transit				
Trade accounts receivable	11	495,195.47	422,445.14	397,766.50
Sundry accounts receivable	12	55,607.15	55,607.15	56,361.19
Inventory				
Stock of spare parts		9,977.90	9,977.90	7,256.80
Stock of fishing gears		28,977.30	29,792.70	32,923.00
Other receivable, Agency			61,345.39	141,770.55
Stock of catering Gears				
Payment to ventors				
Imprest			4,055.00	4,055.22
Other debtors				
		966,284.55	626,213.06	695,952.76
Less: Current Liabilities				
Accounts Payable	13	45,714.82	36,226.51	70,928.68
Suspence Payable		169,386.32	3,425.12	12,559.71
Accrued Expenses		6,724.58	6,724.58	27,624.17
Other Creditors				
		221,825.72	46,376.21	111,112.56
Working Capital		744,458.83	579,836.85	584,840.20
Plus Non Current Assets	14	409,005.78	444,341.04	484,372.48
Plus IBD		10,000.00	20,000.00	0
Net Assets		1,163,464.61	1,044,177.89	1,069,212.68
Represented by the Following				
Paid up Share				
Retained Earnings fwd		(629,014.73)	(603,979.99)	(548,215.91)
Net Profit for the year		119,286.67	(25,034.74)	(55,764.08)
Government Aids Reserve		1,673,192.67	1,673,192.67	1,673,192.67
		1,163,464.61	1,044,177.94	1,069,212.68

The attached notes form part of this Financial Report.

Chairman
Board of Directors

General Manager

Dates 11/4/17

Dates 11/4/17

Kiritimati Branch
Central Pacific Producers Ltd
Statement of Financial Performance
for the year ended 31 December 2014

		Jan,14-Dec,14	Jan, 13-Dec, 13	May,12 - Dec,12
	Notes	2014	2013	2012
Sales	1	22,562.56	35,032.68	27,975.60
Less: Cost of Sales	2	8,919.53	8,671.20	14,995.79
Gross Profit		13,643.03	26,361.48	12,979.81
Plus: Operating Revenue				
Agency	3	781,867.29	348,548.90	373,506.80
Administration fee (Crewing)	3			
Charter				
Freight & Handling		37,804.52	58,849.28	100,725.85
Hire	4	12,311.55	3,494.18	41,165.00
Seafare			40,279.89	82,490.81
Storage		3,422.85	4,985.00	2,508.00
Ice		20,151.20	15,099.48	11,102.19
Interest on IBD		51.75	-	-
Fishing gear		815.40	-	-
Catering & Processing				-
Rental				
Sundry revenue			1,831.92	2,071.25
Other income	5	2,195.89	155,404.36	183,018.44
Seacucumber/Seaweed				
Canoe lease outer island				
other revenue & audit adjustment				
		858,620.45	628,493.01	796,588.34
Total Revenue		872,263.48	654,854.49	809,568.15
Less: Operating Expense				
Staff salary/wages	6	56,957.70	86,640.07	71,512.91
stationary		75.00	62.50	304.70
telephone		4,068.81	409.60	1,604.67
overseas travelling				-
local travelling & transport		1,681.30	4,019.40	175.00
Fuel & Oil	7	5,405.72	10,457.37	14,249.40
Repair & Maintenance	8	4,259.73	4,778.82	11,592.20
Ration				-
Subsidised rent		1,459.89	399.10	-
KPF expense		6,862.70	6,087.43	4,893.76
Advertisement & Postage			985.00	-
Freight Expenses				-
Port Charges				20,000.00
Board of Directors Expenses				580.00
Entertainment		2,806.30	938.45	2,869.90
Interest & Comission exp				-
Survey expenses				-
Training/Consultation fee				-
Bank Charges		540.00	620.50	491.20
Custom				
Insurance				
Doubtful debts				
Depreciation		37,335.26	41,082.74	87,922.32

Overtime/Extra hour			461.44	4,067.60
Leave grant		5,250.00	4,500.00	5,250.00
License		1,492.60	1,050.50	-
Electricity		24,634.77	7,138.13	17,630.96
Disbursement			53,889.83	
Hire expenses		7,170.00	21,985.00	13,841.00
Marine Allowances			-	-
Sundry Expenses			818.75	1,808.50
Materials			559.90	-
Subsistence allowance		1,350.00	6,180.90	-
Audit fee			-	-
Charge & shift allowance			966.30	4,674.54
stevedoring			-	-
Donation			-	-
Seacucumber & Seaweed Exp			61,220.90	114,563.35
Service charges			45.39	-
Other expenses	9	339.45	903.90	127.63
Compensation of Moamoa			-	-
Cleaning expense		223.25	-	-
Legal fee			-	-
Debtors adjustment			-	-
Stock adjustment			-	-
Export Fee		35.00	154.00	208.00
Vessel Compensation		36,859.04	194,410.08	172,870.56
Agency service exp	3	494,126.25	168,137.38	166,874.85
Obsolete stock			-	82,253.70
Water			985.85	97.00
Total Expenses		692,932.77	679,889.23	800,463.85
Operating Profit (Loss) before tax		179,330.71	(25,034.74)	9,104.30
Less: Non - Operating expense				
PPI/Other expense	10	60,044.04		(64,868.38)
Plus: Non - Operating Revenue				
Other revenue				
Government Aids released				
Net Profit (Loss) after tax		119,286.67	(25,034.74)	(55,764.08)

Chairman
Board of Directors

General Manager

Dates

11/4/17

Dates

11/4/17

Notes

	Jan, 14 - Dec, 14 2014	Jan, 13 - Dec, 13 2013	May, 11 - Apr, 12 2012
	\$	\$	\$
1 Sales			
Chilled fish	7,323.65	19,557.68	12,030.20
Chilled Lobster			934.85
Fish - Frozen	15,238.91	11,759.55	13,639.05
Fish - Salted			
Seaweed			
Ice block			
Fishing gear		3,059.80	1,371.50
	<u>22,562.56</u>	<u>34,417.03</u>	<u>26,604.10</u>
2 Cost of Sales			
Inventory (1 Jan 2014)		38,463.90	47,918.79
Plus Purchase	<u>8,919.53</u>		
	8,919.53	38,463.90	47,918.79
Less: Inventory (31/12/14)		<u>29,792.40</u>	<u>32,923.00</u>
	<u>8,919.53</u>	<u>8,671.50</u>	<u>14,995.79</u>
3 Agency Revenue			
Agency Service	781,867.29	348,548.90	373,506.80
Agencyc fee			
Total Agency Revenue	<u>781,867.29</u>	<u>348,548.90</u>	<u>373,506.80</u>
Crewing income			
Administration Income			
Total crewing revenue			
Less: Crewing Wages			
Agency expense	<u>494,126.25</u>		
Total Agency Expense	<u>494,126.25</u>		
Actual income	287,741.04	348,548.90	373,506.80
4 Hire			
Boat hire		3,494.13	41,165.00
Truck hire	<u>12,311.55</u>		
	<u>12,311.55</u>	<u>3,494.13</u>	<u>41,165.00</u>
5 Other income			
Sundry revenue	2,195.89	155,404.36	183,018.44
Assets resales			
Repair & services			
Gain on Exchange rate			
	<u>2,195.89</u>	<u>155,404.36</u>	<u>183,018.44</u>
6 Salary Wages & Expense			
Staff wages	53,333.35	86,640.07	71,512.91
Temporary	3,624.35		
Casuals			
	<u>56,957.70</u>	<u>86,640.07</u>	<u>71,512.91</u>
7 Fuel & Oil			
Fuel & Oil for transport	5,405.72	10,457.37	14,249.40
Fuel & Oil for Generator			
	<u>5,405.72</u>	<u>10,457.37</u>	<u>14,249.40</u>
8 Repair and Maintenance			

Building	85.83	2,599.56	8,927.25
Boat	931.65	689.51	333.30
Vehicles	2,137.45	249.80	2,331.65
Equipments	1,104.80	1,239.95	
	<u>4,259.73</u>	<u>4,778.82</u>	<u>11,392.20</u>
10 Sundry Expense			
Cash refund/Sales reimbursement			
Cargo recovery/Seafare refund			
Others	60,044.04		(64,868.38)
	<u>60,044.04</u>		<u>(64,868.38)</u>
11 Trade Accounts receivable			
Debtors Contrl (Local)	391,001.38	422,445.14	397,766.50
Debtors Control (Overseas)	104,194.09		
	<u>495,195.47</u>	<u>422,445.14</u>	<u>397,766.50</u>
Less: Provision for Doubtful debts			
	<u>495,195.47</u>	<u>422,445.14</u>	<u>397,766.50</u>
12 Sundry Accounts Receivable			
Salary advance	29,384.35	29,384.35	30,138.39
Kereboki (overseas)	26,222.80	26,222.80	26,222.80
Other debtors			
	<u>55,607.15</u>	<u>55,607.15</u>	<u>56,361.19</u>
13 Account Payable			
KPA	16,717.38		
Linnix	28,997.44	36,226.51	70,928.68
	<u>45,714.82</u>	<u>36,226.51</u>	<u>70,928.68</u>

Central Pacific Producer Limited
Schedule of Assets Ended 31 December 2014

Non Current Assets	Office Furniture & Equipment	Plant & Machinery	Fittings	Coolers	Motor Vehicle	Building	Boats & Canoe	Total
Cost Valuation								
Balance at 1/1/2014	1,051.30	414,704.80	23,816.85	-	57,600.00	742,500.00	88,400.00	1,328,072.95
Added during the period								
Adjustment	1,051.30	414,704.80	23,816.85	-	57,600.00	742,500.00	88,400.00	1,328,072.95
Balance at 31/12/2014								
Depreciation								
Balance at 1/1/2014	420.52	414,704.80	23,816.85	-	74,000.00	334,125.00	88,400.00	935,467.17
Charge during the period								
Adjustment	420.52	414,704.80	23,816.85	-	74,000.00	334,125.00	88,400.00	935,467.17
Balance at 31/12/2014								
Net Book Value (NBV)								
As at 31/12/2014	630.78	-	-	-	(16,400.00)	408,375.00	-	392,605.78
As at 31/12/2013	841.04	-	-	-	(2,000.00)	445,500.00	-	444,341.04

	NBV 2013	additional	Sold	Total	Depreciation	NBV 2014
Office Furniture & Equipment	841.04			841.04	210.26	630.78
Plant & Machinery						
Fittings						
Coolers						
Motor Vehicle	(2,000.00)	2,000.00				
Building	445,500.00			445,500.00	37,125.00	408,375.00
Boats & Canoe						
	\$ 444,341.04			444,341.04	37,335.26	409,005.78

Central Pacific Producers Ltd
Statement of Financial Position
as at December 2015

	Notes	Jan,15-Dec,15 Tarawa	Jan,15-Dec,15 Xmas	Consolidated Account
Current Assets				
Cash at Bank	10	275,591.74	202,427.44	478,019.18
Petty cash		755.94	398.85	1,154.79
Cash in transit		1,949.98		1,949.98
Trade accounts receivable	11	966,076.89	580,474.32	1,546,551.21
Staff advance	12	12,175.13	55,607.15	67,782.28
Suspense Debtors				-
Stock of spare parts		169,152.61	9,977.90	179,130.51
Stock of fishing gears		15,774.35	28,716.90	44,491.25
Stock of catering Gears				-
		1,441,476.64	877,602.56	2,319,079.20
Less: Current Liabilities				
Accounts Payable	13	386,537.43	27,365.94	413,903.37
Sundry Accounts Payable	14	79,377.75		79,377.75
Accrued Expenses	15	61,897.19	6,724.58	68,621.77
Suspense Payable		392,840.33	208,612.03	601,452.36
		920,652.70	242,702.55	1,163,355.25
Working Capital		520,823.94	634,900.01	1,155,723.95
Plus Non Current Assets	16	1,173,272.77	371,670.52	1,544,943.29
Plus IBD		214,797.80	370,000.00	584,797.80
Less: Long term loan		104,734.95		104,734.95
Net Assets		1,804,159.56	1,376,570.53	3,180,730.09
Represented by the Following				
Paid up Share		500		500.00
Retained Earnings	17	(903,733.12)	(509,728.06)	(1,413,461.18)
Net Profit for the year		(327,700.69)	213,105.92	(114,594.77)
Government Aids Reserve	18	3,035,093.37	1,673,192.67	4,708,286.04
		1,804,159.56	1,376,570.53	3,180,730.09

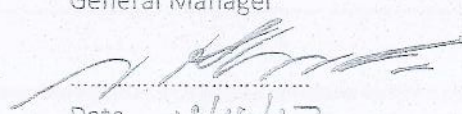
The attached notes form part of this Financial Report.

Chairman



Date 11/4/17

General Manager



Date 11/4/17

Central Pacific Producers Ltd
Statement of Financial Performance
for the year ended 31 December 2015

		Jan,15-Dec,15	Jan,15-Dec,15	Consolidated
	Notes	TRW	XMAS	Account
Sales	1	482,340.06	67,334.65	549,674.71
Less: Cost of Sales	2	182,468.66	74,326.95	256,795.61
Gross Profit		299,871.40	(6,992.30)	292,879.10
Plus: Operating Revenue				
Agency	3	1,606,385.92	1,298,949.20	2,905,335.12
Administration fee (Crewing)	3	746,893.95	84,675.64	831,569.59
Charter		327,285.70		327,285.70
Freight & Handling		287,297.29	91,102.13	378,399.42
Hire	4	18,458.51	81,269.16	99,727.67
Seafare		27,551.25	75,321.68	102,872.93
Storage			17,618.46	17,618.46
Ice		1,260.71	1,257.53	2,518.24
Interest on IBD				
Fishing gear				
Catering & Processing				
Rental	5	365,489.58	10,213.04	375,702.62
Sundry revenue				
Seacucumber/Seaweed				
Canoe lease outer island				
other revenue		3,380,622.91	1,660,406.84	5,041,029.75
Total Revenue		3,680,494.31	1,653,414.54	5,333,908.85
Less: Operating Expense				
Staff salary/wages	6	354,111.64	46,123.57	400,235.21
stationary		14,353.13		14,353.13
telephone		11,835.81	587.93	12,423.74
overseas travelling		13,850.00		13,850.00
local travelling & transport		18,739.00	2,357.20	21,096.20
Fuel & Oil	7	163,571.23	28,005.97	191,577.20
Repair & Maintenance	8	189,958.14	11,589.46	201,547.60
Ration		8,656.30	10,233.90	18,890.20
Subsidised rent		5,351.32	225.80	5,577.12
KPF expense		4,284.15	11,393.26	15,677.41
Advertisement & Postage		2,476.30	388.40	2,864.70
Freight Expenses		21,487.61		21,487.61
Port Charges		12,071.55		12,071.55
Board of Directors Expenses		7,185.00		7,185.00
Entertainment		8,510.80	4,254.20	12,765.00
Interest & Comission exp		355.13		355.13
Survey expenses		1,051.00		1,051.00
Training/Consultation fee		5,170.25	1,450.00	6,620.25
Bank Charges		11,616.60	885.88	12,502.48

Custom	6,533.85		6,533.85
Insurance		3,603.12	3,603.12
Doubtful debts	861,091.07		861,091.07
Depreciation	85,760.62	37,335.26	123,095.88
Amortization	30,161.36		30,161.36
Overtime/Extra hour	41,491.73	594.11	42,085.84
Leave grant	42,350.00	6,000.00	48,350.00
License	16,778.19	78.00	16,856.19
Electricity	49,732.09	19,134.97	68,867.06
Disbursement			-
Hire expenses	7,068.93	2,604.10	9,673.03
Marine Allowances	26,917.06		26,917.06
Sundry Expenses			-
Cleaning Material	411.58		411.58
Subsistence allowance	4,835.81	7,130.00	11,965.81
Audit fee			-
Charge & shift allowance	7,067.43	355.00	7,422.43
Abnormal/Shift & Bonus allowances	696.88		696.88
stevedoring			-
Fishing gear			-
Seacucumber & Seaweed Exp	9		-
Service charges			-
Compensation of Moamoa	13,960.17	234,997.64	248,957.81
Hiring & processing exp			-
Legal fee	4,000.00		4,000.00
Interest on loan	5,778.70		5,778.70
Seasonal ticket	1,188.00		1,188.00
Agency expense	3 1,850,718.31	982,885.20	2,833,603.51
Casual labour	50,224.11		50,224.11
Other expenses	46,794.15		46,794.15
Total Expenses	4,008,195.00	1,412,212.97	5,420,407.97
Operating Profit (Loss) before tax	(327,700.69)	241,201.57	(86,499.12)
Less: Non - Operating expense			
Other expenses		28,095.65	28,095.65
Plus: Non - Operating Revenue			
PPI			
Government Aids released			
Net Profit (Loss) after tax	(327,700.69)	213,105.92	(114,594.77)

Chairman

Date 11/4/17


General Manager

Date 11/4/17

Central Pacific Producers Ltd
Cash Flow Statement
for the year ended 31 December 2015

	Tarawa 2015	Xmas 2015	Consolidated 2015
Cash Flow from operating activities			
Net income	\$ (327,700.69)	\$ 213,105.92	\$ (114,594.77)
Net changes on current assets and liabilities	\$ 368,868.15	\$ 522,117.73	\$ 466,640.95
	\$ 267,343.87	\$ 84,702.31	\$ 352,046.18
Cash Flow from investing activities			
Total cash spent on purchase of fixed assets	\$ (690,834.75)	\$ (218,876.53)	\$ (909,711.28)
Cash Flow from financing activities			
ANZ	\$ 79,535.72	\$ 25,199.23	\$ 104,734.95
Grant	\$ 106,788.93	\$ 33,833.84	\$ 140,622.77
	\$ 186,324.65	\$ 59,033.07	\$ 245,357.72
Net cash increase for the period	\$ (63,119.69)	\$ (19,998.15)	\$ (83,117.84)
Cash at the beginning of the period	\$ 356,528.58	\$ 205,763.23	\$ 562,291.81
Cash at the end of the period	\$ 293,408.89	\$ 185,765.08	\$ 479,173.97

Chairman:


Date 11/4/17

General Manager


Date 11/4/17

Tarawa
Central Pacific Producers Ltd
Statement of Financial Position
as at December 2015

	Notes	Jan,15-Dec,15 2015	Jan,14-Dec,14 2014	Jan, 13-Dec, 13 2013	May,12 - Dec,12 2012
Current Assets					
Cash at Bank	10	275,591.74	184,919.08	(193,972.79)	(298,740.05)
Petty cash		755.94	846.00	532.20	342.70
Cash in transit		1,949.98			
Trade accounts receivable	11	966,076.89	1,768,506.26	1,772,092.06	2,025,941.51
Sundry accounts receivable	12	12,175.13	27,187.34	48,726.14	47,057.08
Inventory			186,211.59	11,320.74	10,256.59
Suspense Debtors					
Stock of spare parts		169,152.61	169,152.61	169,152.61	92,099.66
Stock of fishing gears		15,774.35			
Stock of catering Gears					
		1,441,476.64	2,336,823.38	1,807,850.96	1,876,957.49
Less: Current Liabilities					
Accounts Payable	13	386,537.43	553,358.52	543,272.01	716,449.19
Sundry Accounts Payable	14	79,377.75	49,775.13	14,683.14	21,230.93
Accrued Expenses	15	61,897.19	44,934.11	60,226.84	34,436.41
Suspense Creditors		392,840.33		31,395.53	
		920,652.70	648,067.76	649,577.52	772,116.53
Working Capital		520,823.94	1,688,755.62	1,158,273.44	1,104,840.96
Plus Non Current Assets	16	1173272.77	288,924.00	116,598.69	15,707.73
Plus IBD		214,797.80	13,557.86	13,417.89	77,030.09
Less: Long term loan		104734.95			
Net Assets		1,804,159.56	1,991,237.48	1,288,290.02	1,197,578.78
Represented by the Following					
Paid up Share		500	500.00	500.00	500.00
Retained Earnings	17	-903733.12	(1,432,799.49)	(1,517,383.10)	(1,453,439.89)
Net Profit for the year		-327700.69	529,066.37	84,583.61	(63,943.21)
Government Aids Reserve	18	3035093.37	2,894,470.60	2,720,589.51	2,713,461.88
		1,804,159.56	1,991,237.48	1,288,290.02	1,196,578.78

The attached notes form part of this Financial Report.

Notes

We rename sundry expense to Accrued expense to match the account name.

Chairman
Board of Directors

Dates

11/4/17

General Manager

Dates

11/4/17

Tarawa
Central Pacific Producers Ltd
Statement of Financial Performance
for the year ended 31 December 2015

	Notes	Jan,15-Dec,15 2015	Jan,14-Dec,14 2014	Jan, 13-Dec, 13 2013	May,12 - Dec,12 2012
Sales	1	482,340.06	672,123.00	187,577.91	142,654.83
Less: Cost of Sales	2	182,468.66	67,900.50	22,150.91	72,572.77
Gross Profit		299,871.40	604,222.50	165,427.00	70,082.06
Plus: Operating Revenue					
Agency	3	1,606,385.92	3,880,091.00	364,923.64	255,311.54
Administration fee (Crewing)	3	746,893.95	107,026.00	303,076.26	159,447.22
Charter		327,285.70	24,776.00	222,585.00	50,497.01
Freight & Handling		287,297.29	217,203.57	319,358.47	324,299.24
Hire	4	18,458.51	5,176.00	2,055.00	810.00
Seafare		27,551.25	11,306.50	109,406.81	40,756.90
Storage					
Ice		1,260.71	71.59	308.02	1,218.75
Interest on IBD					
Fishing gear				20,172.44	8,305.45
Catering & Processing					
Rental					484.04
Sundry revenue	5	365,489.58	44,257.70	58,721.91	130,000.00
Seacucumber/Seaweed					
Canoe lease outer island				16,956.66	4,486.55
other revenue		3,380,622.91	4,289,908.36	1,417,564.21	975,616.70
Total Revenue		3,680,494.31	4,894,130.86	1,582,991.21	1,045,698.76
Less: Operating Expense					
Staff salary/wages	6	354,111.64	342,060.11	402,534.85	265,367.62
stationary		14,353.13	19,846.00	15,111.90	17,606.00
telephone		11,835.81	21,293.00	19,300.29	16,117.18
overseas travelling		13,850.00	7,881.00		-
local travelling & transport		18,739.00	14,237.00	52,627.61	38,113.20
Fuel & Oil	7	163,571.23	188,698.00	212,107.13	200,517.70
Repair & Maintenance	8	189,958.14	287,108.52	78,420.31	68,828.57
Ration		8,656.30	10,410.00	36,631.05	18,002.95
Subsidised rent		5,351.32	4,434.00	5,397.20	431.00
KPF expense		4,284.15	5,033.00	22,995.17	19,920.51
Advertisement & Postage		2,476.30	2,426.00	1,585.20	6,510.70
Freight Expenses		21,487.61	6,382.00	1,165.35	390.97
Port Charges		12,071.55	11,590.00	7,504.23	13,836.31
Board of Directors Expenses		7,185.00	6,946.00	5,545.00	4,185.00
Entertainment		8,510.80	2,917.00	8,252.42	9,419.70
Interest & Comission exp		355.13	567.00		465.05
Survey expenses		1,051.00	1,313.00	445.00	
Training/Consultation fee		5,170.25	828.00	3,567.00	
Bank Charges		11,616.60	4,187.00	29,506.80	24,206.34
Custom		6,533.85		4,036.55	1,673.35
Insurance					
Doubtful debts		861,091.07	841,923.56		
Depreciation		85,760.62	22,827.30	19,131.19	155,252.38
Amortization		30,161.36	37,594.58		

Overtime/Extra hour	41,491.73	63,903.90	32,217.76	31,086.57
Leave grant	42,350.00	25,519.00	33,009.05	16,406.85
License	16,778.19	5,248.00	8,951.80	5,794.70
Electricity	49,732.09	53,861.00	52,561.83	4,983.83
Disbursement			51,524.63	
Hire expenses	7,068.93	24,702.00	21,382.30	13,948.80
Marine Allowances	26,917.06	9,427.00	10,351.94	18,460.31
Sundry Expenses				1,000.96
Cleaning Material	411.58	3,498.00	2,667.56	2,540.85
Subsistence allowance	4,835.81	18,456.00	5,658.59	8,715.60
Audit fee				5,000.00
Charge & shift allowance	7,067.43	2,330.00	7,358.27	3,017.05
Abnormal/Shift & Bonus allowances	696.88			
stevedoring		6,489.00	5,052.20	6,386.04
Fishing gear				
Seacucumber & Seaweed Exp	9		15,050.45	105,352.30
Service charges			3,332.61	
Compensation of Moamoa	13,960.17	16,843.00	234,638.27	
Hiring & processing exp			10,160.56	3,248.40
Legal fee	4,000.00	4,000.00	4,265.00	4,729.00
Interest on loan	5,778.70			
Seasonal ticket	1,188.00	6,802.00		
Agency expense	3 1,850,718.31	2,251,358.00		
Casual labour	50,224.11	46,563.00		
Other expenses	46,794.15	13,196.98	1,966.47	8,963.65
Total Expenses	4,008,195.00	4,392,698.95	1,426,013.54	1,100,479.44
Operating Profit (Loss) before tax	(327,700.69)	501,431.91	156,977.67	(54,780.68)
			31,395.53	
Less: Non - Operating expense			(40,998.53)	(4,163.03)
Plus: Non - Operating Revenue				
PPI		27,634.46		
Government Aids released				
Net Profit (Loss) after tax	(327,700.69)	529,066.37	84,583.61	(58,943.71)

Chairman
Board of Directors

Dates

11/4/17

General Manager

Dates

11/4/17

Notes

	Jan, 13 - Dec, 2015	Jan, 14 - Dec, 14	Jan, 13 - Dec, 13	May, 11 - Apr, 12
	2015	2014	2013	2012
	\$	\$	\$	\$
1 Sales				
Sales fish	208.79	6,409.00	22,210.11	21,797.52
Discarded fish	188,457.39	447,657.50	159,932.20	129,503.35
Lobsters	216.00	2,312.00	1,964.00	1,026.00
Fishing gear	738.80	1,110.00	341.60	2,577.50
Seaweed sales	287,723.08	203,483.00		
Fish processing & catering	4,996.00	11,151.00		
	<u>482,340.06</u>	<u>672,122.50</u>	<u>184,447.91</u>	<u>154,904.37</u>
2 Cost of Sales				
Inventory (1 Jan 2014)	11,320.74	11,320.74	10,256.59	60,385.77
Plus Purchase	<u>182,468.66</u>	<u>67,900.50</u>	<u>23,215.06</u>	<u>22,443.59</u>
	193,789.40	79,221.24	33,471.65	82,829.36
	<u>11,320.74</u>	<u>11,320.74</u>	<u>11,320.74</u>	<u>10,256.59</u>
Less: Inventory (31/12/14)	<u>182,468.66</u>	<u>67,900.50</u>	<u>22,150.91</u>	<u>72,572.77</u>
3 Agency Revenue				
Agency Service	1,453,598.75	3,624,552.00	2,104,192.81	1,342,011.81
Agency fee	152,787.17	255,539.00		
Total Agency Revenue	<u>1,606,385.92</u>	<u>3,880,091.00</u>	<u>2,104,192.81</u>	<u>1,342,011.81</u>
Crewing income	687,884.34			
Administration Income	59,009.00	107,026.00	303,076.26	159,447.22
Crewing income	<u>746,893.34</u>	<u>3,880,091.00</u>	<u>303,076.26</u>	
Add Crewing Wages	640,488.85	447,737.00		
Less Agency expense	<u>1,210,229.46</u>	<u>1,803,621.00</u>	<u>1,739,269.17</u>	<u>1,086,700.27</u>
Total Agency Expense	<u>1,850,718.31</u>	<u>2,251,358.00</u>	<u>1,739,269.17</u>	<u>1,086,700.27</u>
Actual income	502,560.95	5,508,824.00	364,923.64	255,311.54
5 Sundry Revenue				
Sundry revenue	361,689.58	44,142.70		471.64
Assets resales	3,800.00	115		12.40
Repair & services				
Gain on Exchange rate				
	<u>365,489.58</u>	<u>44,257.70</u>		<u>484.04</u>
6 Salary Wages & Expense				
Staff wages	322,333.48	319,975.11	345,617.52	232,862.05
Temporary	31,778.16	22,085	35,378.11	32,101.02
Casuals			21,539.22	404.55
	<u>354,111.64</u>	<u>342,060.11</u>	<u>402,534.85</u>	<u>265,367.62</u>
Local Travelling & Transport				
Local Travelling			19,831.18	12,181.80
Vehicles fuel & Oil			23,246.39	19,652.40
Seasonal ticket/ transport			9,550.04	6,279.00
			<u>52,627.61</u>	<u>38,113.20</u>
7 Fuel & Oil				
Fuel & Oil for transport	49,831.19	31,520.00		
Fuel & Oil for Moa, Bene2	113,740.04	157,178.00	202,767.69	178,576.80
Fuel & Oil for Terien/Generator/Boat			9,339.44	21,940.90
Outer Island fuel				
	<u>163,571.23</u>	<u>188,698.00</u>	<u>212,107.13</u>	<u>200,517.70</u>

8 Repair and Maintenance				
Building	33,604.99	3,762.89	2,292.30	4,161.75
Moamoa	146,213.22	262,466.63	29,367.95	44,474.56
Tebenebene/ Tiaroa			7,055.98	
Teriena			16,725.75	
Vehicles	4,679.92	12,103.00	7,010.60	6,872.06
Cold store & Par access & Generator			3,056.10	
Office Equipment	5,460.01	8,776.00	12,240.18	13,004.20
Seaweed Generator Repair			368.00	316.00
Boat Repair			303.45	
	<u>189,958.14</u>	<u>287,108.52</u>	<u>78,420.31</u>	<u>68,828.57</u>
8 Sundry Expense				
Cash refund/Sales reimbursement	581.20	1,223.00		
Cargo recovery/Seafare refund	6,496.30	9,113.00		
Others	39,716.65	2,860.98		1,000.96
	<u>46,794.15</u>	<u>13,196.98</u>	-	<u>1,000.96</u>
PPI				
Adjustment for creditors			177,513.58	
Adjustment balance related to previous			(27,146.80)	
Adjustment balance of debtors			(191,365.31)	
Stock adjustment		27,634.46		4,000.00
Cargo recovery				163.03
Hiring truck dated				
	-	<u>27,634.46</u>	<u>(40,998.53)</u>	<u>4,163.03</u>
9 Seaweed expense				
Seaweed purchase	151,214.51	53,966.00		103,338.75
Seaweed expense			15,050.45	2,013.55
			<u>15,050.45</u>	<u>105,352.30</u>
10 Cheque				
188832 account (cppl)	224,600.30	84,359.05	(200,241.21)	
Seaweed revolv fund	50,991.44	100,560.03	6,268.42	
	<u>275,591.74</u>	<u>184,919.08</u>	<u>(193,972.79)</u>	-
11 Trade Accounts receivable				
Debtors Contrl (Local)	872,084.05	861,121.26	762,213.62	779,235.55
Debtors Control (Overseas)	955,083.91	1,749,308.56	1,208,783.10	1,445,610.62
	<u>1,827,167.96</u>	<u>2,610,429.82</u>	<u>1,970,996.72</u>	<u>2,224,846.17</u>
Less: Provision for Doubtful debts	861,091.07	841,923.56	(198,904.66)	(198,904.66)
	<u>966,076.89</u>	<u>1,768,506.26</u>	<u>1,772,092.06</u>	<u>2,025,941.51</u>
12 Sundry Accounts Receivable				
Staff imprest control			14,698.57	12,402.14
Staff fish adv & salary advance and others	12,175.13	27,187.84	34,027.57	34,654.94
Other debtors				
	<u>12,175.13</u>	<u>27,187.84</u>	<u>48,726.14</u>	<u>47,057.08</u>
13 Account Payable				
Accounts Payable	267,761.76	434,582.84		
Long term account payable	118,775.68	118,775.68		
	<u>386,537.44</u>	<u>553,358.52</u>		
14 Sundry Account payable				
Overseas Creditors	79,377.75	49,775.13		

			35,436.41	187,634.59
Sundry creditors	79,377.75	49,775.13	35,436.41	187,634.59
15 Accrued Expense	2,078.37	2,668.94	2,815.62	3,732.44
Payable Tax				
Payable DBK	4,504.15	3,591.88	5,933.76	7,609.54
Payable KPF Contribution			5,933.76	7,609.55
Payable KPF Subsidy				
Payable KPF Loan	55,314.67	38,223.29		1,459.31
Payable staff & Crew wages				81.09
Payable staff BOK loan				739.00
House rent payable		450.00		
Internet Arrears	61,897.19	44,934.11	14,683.14	21,230.93
16 Retain Earnings	(903,733.12)	(1,432,799.49)	(1,517,383.10)	(1,453,439.89)
Balance Forward	(327,700.69)	529066.37	84,583.61	(63,943.21)
Less Net Profit/(loss)				
Less Provision of tax	(1,231,433.81)	(903,733.12)	(1,432,799.49)	(1,517,383.10)
Balance				
17 Government Aids Reserve				
Aids in the form of fixed assets are credited to the Government aids reserve				
in the statement of Financial Position				
Blance forward	2,894,470.60	2,720,589.51	2,713,461.88	2,713,461.88
New addition	140,622.77	173,881.09	7,127.63	130,000.00
Adjustments				(130,000.00)
Government aids released	3,035,093.37	2,894,470.60	2,720,589.51	2,713,461.88

Central Pacific Producer Limited
Schedule of Assets Ended 31 December 2015

Non Current Assets	Office Furniture & Equipment	Plant & Machinery	Fittings	Coolers	Motor Vehicle	Buildings	Vessel	Boats & Canoe	Engine	Total
Cost Valuation										
Bal as at 1/1/2015	550,322.85	279,458.50	3,710.00	64,575.27	278,351.92		42,638.15	63,427.87		1,282,484.56
Added during the Period	27,445.25	75,514.74	20,804.64	747.00	158,896.49	294,900.90		166,095.21	115,243.75	859,647.98
Adjustment										
Bal as at 31/12/2015	577,768.10	354,973.24	24,514.64	65,322.27	437,248.41	294,900.90	42,638.15	229,523.08	115,243.75	2,142,132.54
Depreciation										
Bal as at 31/12/2015										
Charge during the period	533,542.48	279,458.50	3,710.00	64,366.20	242,898.55		6,395.72	15,347.35		1,145,718.80
Adjustment	2,301.81	12,274.03	1,895.52	62.24	21,595.24	7,372.52		19,013.20	5,374.32	69,888.89
Bal as at 31/12/2015	535,844.29	291,732.53	5,605.52	64,428.45	264,493.79	7,372.52	6,395.72	34,360.54	5,374.32	1,215,607.68
Net Book Value (NBV)										
As at 31/12/2015	41,923.81	63,240.71	18,909.12	893.82	172,754.62	287,528.38	36,242.43	195,162.54	109,869.43	926,524.86
As at 31/12/2014	25,170.56			313.60	35,453.38		38,374.34	53,325.62		152,637.50

Overtime/Extra hour		594.11		461.44	4,067.60
Leave grant				4,500.00	5,250.00
License		6,000.00	5,250.00	4,500.00	5,250.00
Electricity		78.00	1,492.60	1,050.50	
Disbursement		19,134.97	24,634.77	7,138.13	17,630.96
Hire expenses				53,889.83	
Marine Allowances		2,604.10	7,170.00	21,985.00	13,841.00
Sundry Expenses				-	-
Materials				818.75	1,808.60
Subsistence allowance				559.90	-
Audit fee		7,130.00	1,350.00	6,180.90	-
Charge & shift allowance				-	-
stevedoring		355.00		966.30	4,674.54
Donation				-	-
Seacucumber & Seaweed Exp				-	-
Service charges				61,220.90	114,563.35
Other expenses				45.39	-
Compensation of Moamoa	9		339.45	903.90	127.63
Cleaning expense				-	-
Legal fee			223.25	-	-
Debtors adjustment				-	-
Stock adjustment				-	-
Export Fee				-	-
Vessel Compensation			35.00	154.00	208.00
Agency service exp		234,997.64	36,859.04	194,410.08	172,870.56
Obsolete stock	3	982,885.20	494,126.25	168,137.38	166,874.85
Water				-	82,253.70
Total Expenses		1,412,212.97	692,932.77	679,889.23	800,463.85
Operating Profit (Loss) before tax		241,201.57	179,330.71	(25,034.74)	9,104.30
Less: Non - Operating expense					
PPI/Other expense					
Plus: Non - Operating Revenue	10	28,095.65	60,044.04		(64,868.38)
Other revenue					
Government Aids released					
Net Profit (Loss) after tax		213,105.92	119,286.67	(25,034.74)	(55,764.08)

Chairman
Board of Directors



Dates

11/4/17

General Manager



Dates

11/4/17

Notes

	Jan, 13 - Dec, 2015 2015	Jan, 14 - Dec, 14 2014	Jan, 13 - Dec, 13 2013	May, 11 - Apr, 12 2012
	\$	\$	\$	\$
1 Sales				
Chilled fish	3,398.30	7,323.65	19,557.68	12,030.20
Chilled Lobster				934.85
Fish - Frozen	14,649.00	15,238.91	11,799.55	13,639.05
Fish - Salted				
Seaweed	30,010.10			
Ice block	19,016.85			
Fishing gear	260.40		3,059.80	1,371.50
	67,334.65	22,562.56	34,417.03	26,604.10
2 Cost of Sales				
Inventory (1 Jan 2014)			38,463.90	47,918.79
Plus Purchase	67,334.65	8,919.53		
	67,334.65	8,919.53	38,463.90	47,918.79
Less: Inventory (31/12/14)			29,792.40	32,923.00
	74,326.95	8,919.53	8,671.50	14,995.79
3 Agency Revenue				
Agency Service	1,247,998.13	781,867.29	348,548.90	373,506.80
Agency fee	50,951.07			
Total Agency Revenue	1,298,949.20	781,867.29	348,548.90	373,506.80
Crewing income	75,568.56			
Administration Income	9,107.08			
Total crewing revenue	84,675.64			
Less: Crewing Wages	102,790.32			
Agency expense	880,094.88	494,126.25		
Total Agency Expense	982,885.20	494,126.25		
Actual income	400,739.64	287,741.04	348,548.90	373,506.80
4 Hire				
Boat hire	54,615.34		3,494.13	41,165.00
Truck hire	26,653.82	12,311.55		
	81,269.16	12,311.55	3,494.13	41,165.00
5 Other income				
Sundry revenue	10,213.04	2,195.89	155,404.36	183,018.44
Assets resales				
Repair & services				
Gain on Exchange rate				
	10,213.04	2,195.89	155,404.36	183,018.44
6 Salary Wages & Expense				
Staff wages	44,058.60	53,333.35	86,640.07	71,512.91
Temporary	2,064.97	3,624.35		
Casuals				
	46,123.57	56,957.70	86,640.07	71,512.91
7 Fuel & Oil				
Fuel & Oil for transport	28,005.97	5,405.72	10,457.37	14,249.40
Fuel & Oil for Generator				
	28,005.97	5,405.72	10,457.37	14,249.40
8 Repair and Maintenance				

Building				
Boat		85.83	2,599.56	8,927.25
Vehicles	2,092.40	931.65	689.51	333.30
Equipments	4,387.84	2,137.45	249.80	2,331.65
	5,109.22	1,104.80	1,239.95	
	11,589.46	4,259.73	4,778.82	11,592.20
10 Sundry Expense				
Cash refund/Sales reimbursement				
Cargo recovery/Seafare refund				
Others	28,095.65	60,044.04		(64,868.38)
	28,095.65	60,044.04		(64,868.38)
11 Trade Accounts receivable				
Debtors Control (Local)	458,342.52	391,001.38	422,445.14	397,766.50
Debtors Control (Overseas)	122,131.80	104,194.09		
	580,474.32	495,195.47	422,445.14	397,766.50
Less: Provision for Doubtful debts				
	580,474.32	495,195.47	422,445.14	397,766.50
12 Sundry Accounts Receivable				
Salary advance	29,384.35	29,384.35	29,384.35	30,138.39
Kereboki (overseas)	26,222.80	26,222.80	26,222.80	26,222.80
Other debtors				
	55,607.15	55,607.15	55,607.15	56,361.19
13 Account Payable				
KPA	1,300.46	16,717.38		
Linnix	26,065.48	28,997.44	36,226.51	70,928.68
	27,365.94	45,714.82	36,226.51	70,928.68

Central Pacific Producer Limited
Schedule of Assets Ended 31 December 2015

Non Current Assets	Office Furniture & Equipment		Plant & Machinery	Fittings	Coolers	Motor Vehicle	Building	Boats & Canoe	Total
Cost Valuation									
Bal as at 1/1/2015	1,051.30			23,816.85		57,600.00	742,500.00	88,400.00	913,368.15
Added during the Period									
Adjustment									
Bal as at 31/12/2014	1,051.30			23,816.85		57,600.00	742,500.00	88,400.00	913,368.15
Depreciation									
Bal as at 1/1/2015	630.78								
Charge during the period				23,816.85		57,600.00	371,250.00	88,400.00	541,697.63
Adjustment									
Bal as at 31/12/2014	630.78			23,816.85		57,600.00	371,250.00	88,400.00	541,697.63
Net Book Value (NBV)									
As at 31/12/2015	420.52								
As at 31/12/2014	630.78						371,250.00		371,670.52
							408,375.00		409,005.78