

REPORT OF THE AUDITOR GENERAL ON THE ACCOUNT OF



**Kiribati Provident Fund's Financial Statements
For the period 1st Jan 2016 to 31st March 2017**

**Kiribati Audit Office
September 2019**





INDEPENDENT AUDITOR'S REPORT

To the readers of Kiribati Provident Fund's Financial Statements For the period 1st Jan 2016 to 31st March 2017.

The Auditor-General, Mr. Eriati Tauma Manaima, is the auditor of Kiribati Provident Fund (KPF).

The audit covered the Fund's compliance with the requirements of Part VII of the Public Finances (Control and Audit) 1981 and Provident Fund Ordinance, 1977 that apply to the Financial Statements of the KPF for the period 1st Jan 2016 to 31st March, 2017.

Responsibilities of the Board of Directors.

The Board of Directors is responsible for preparing the Financial Statements in accordance with generally accepted accounting practice. The Financial Statements must give a true and fair view of the Financial Position of the Fund as at 31st March 2017 and the results of its operations and cash flows for the period ended on that date. The Board of Directors' responsibilities arise from the Public Finance (Control and Audit) Act 1981 and Provident Fund Act.

Auditor's Responsibility

In accordance with Part VII of the Public Finance (Control and Audit), 1976 and Kiribati Audit Act, 2017 our responsibility is to express an opinion on the Financial Statements. We conducted the audit in accordance with International Standards of Supreme Audit Institutions (ISSAI).

Basis for Disclaimer of Opinion:

The following issues formed the basis of our disclaimer opinion:

- We were still unsatisfied with the revised Cashflow Statement as figures provided especially for cash receipt from customers and cash payment to suppliers and employees were inconsistent with balances reflected in the Financial Statements and the changes in Assets and Liabilities. Refer table on the next page for details:

Cashflows from operating activities	Notes	1/1/16-31/3/17 \$	Total Income / (expense) \$	Inc/dec in Acc and Sundry Rec'bles \$	Inc/dec in A/c payables + others \$	Comments
Receipts from customers		4,574,928.00	14,420,255	3,499,031		KPF Cash flow receipt from customers was very small compared to the income and change in Receivables and accruals.
Payments to suppliers and employees		(3,510,645.00)	(9,849,040)		(7,902.00)	Even the payment to customers and employees seemed quite low when compared to the total expense and change in payables and accruals.
Net cash from operating activities	F	1,064,283				The total net cash from Operating activities was correct but the receipt and payment as above were wrongly calculated.

- Account Receivable end of year adjustments in 2015 of \$1.19m had also contributed to reducing the Account Receivable balance that year however supporting document and breakdown are required for verification but were not provided. In 2016, the end of year adjustment was \$697k and again we require breakdown and supporting document but were also not available.
- Negative balance for Sundry account receivable (c-4) reported in 2015 of \$(534k) did not appear on the GL in 2016, this may have been cleared however postings shown on GL 2016 did not indicate adjustments on the negative amount \$534k but huge adjustments of Debit \$17k and Credit \$902k which again raised further query on the veracity of these adjustments, as their supportings and breakdown were not provided. In addition, the explanation we require for the negative \$534k was not provided.
- Accruals and advances adjustment of \$40k in the revised 2015 FS were not explained. In the absence of proper explanation, we would not be able to confirm the validity of the adjustment.

- Special Imprest end of Year adjustment:
 - Breakdown and supporting documents for the adjustment made to Staff imprest account of \$298k in 2016 were not available therefore hindered us from verifying that the total adjustment was proper.
- Cash Receipting System weaknesses led to Fraud:
 - The inadequacies of the control over Cash Receipting System which we reported last audit still exist hence another fraud case emerged in 2016.
 - A total of \$9,332 and \$17,350 were amounts being falsely created by Loan Accountant, forging figures on used receipts to reflect bigger amounts and regarded them as his and his wife's loan repayment.
 - Cash receipting system had been reported for its proven vulnerability to fraud risk last audit but there seemed to be no action yet taken to counter the risk. Specifically, the system is still open for manipulation, although KPF has in place an improved procedure for making changes to accounting data and restriction of access to the system.
 - The inadequacy of controls as mentioned had raised significant concerns on the data integrity as a whole and the reliability of the reports it produced.
- Local Income:
 - We were unable to verify an account balance called other income, a new account balance appeared in the revised 2015 FS worth \$5.04m due to the unavailability of supporting documents and breakdown. In 2016 the account balance was reduced to \$654k, however we were unable to confirm the significant drop for Local income given no explanation provided.
- Overseas Income – Note A-4 (Income on Investments – ANZ Trustees Ltd)
 - Net Capital gain/(loss) of \$63k which appeared in the 2015 old account, was not seen on 2015 revised. Movement in the account to be explained otherwise this would cast doubt on the creditability of the revised 2015 FS thus affected 2016 FS through the Retained Earnings.

- KPF provided AKL a significant loan of \$4.64m, however the loan remained unpaid until to date hence raising doubts on its recovery. This was members fund being
- We would like to draw the attention to the matter described below:

Emphasis of Matter

Financial Statements of KPF for the period ended 31st March, 2017.

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph above, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the

Disclaimer of Opinion

Members Contribution	2016	2015	2014	2013
Total Members Account (add unallocated to o/bal)	150,442,131	144,074,536	141,249,979	134,379,391
FS total Members account	150,468,261	144,045,668	141,221,110	134,379,391
Variances	(26,130)	28,868	28,869	-

- and are shown in table below:
- Unallocated contributions for 2014, 2015, 2016 were not added to the opening balance of Members contribution. As a result, significant variances were detected
 - We were unable to confirm correctness of MYOB Members contribution balance of \$150m, withdrawals \$17m, unallocated funds \$2.4m and interest on member's accounts of \$6.8m as Systems balances were not available.
 - KPF has no capitalisation policy therefore making it difficult to confirm payments meant to be expensed and those which should be capitalised.
 - Fixed Asset register has not been updated for the year ended 31st March 2017 and in effect, it raised doubt on completeness and correctness of asset balance reported in the Financials. Fixed asset total was \$1.2m.
 - We were unable to verify Fixed Asset balance due to the following:

deprived from loan repayment arrears and accumulated unpaid interest return which could have benefited members on an annual basis since the loan started.

The audit was completed on 25th April 2019 and is the date at which our opinion is expressed.

Report on other legal and regulatory requirements

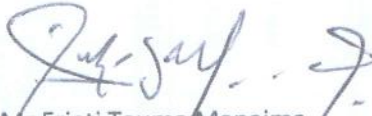
KPF Financial Statements for the period ended 31st March, 2017 was submitted to the audit office on 8th Sept 2017 therefore indicated KPFs' compliance with submission requirement of KPF Ordinance, 1977.

However, it's also worth noting that the revised 2015 FS which had incorporated significant adjustments as corrections to the audited 2015 FS was submitted to the Audit for further audit checking in **August 2018**. This had therefore contributed to extending duration of the audit for KPF as we need to confirm the revised 2015 balances and opening balances for 2016.

Independence

We confirm that, for the audit of the Financial Statements of the KPF for the period ended 31 March 2017, we have maintained our independence in accordance with the requirements of the International Standard of Supreme Audit Institutions (ISSAI). An Independence Declaration form was signed by auditors before carrying out their audit, to confirm that they have no independence issues with the company. Where there are independence issues, the responsibility rests with the concerned staff member to inform their superiors so that appropriate action is taken.

Other than the audit, we have no relationship with the management of the Fund.



Mr Eriati Tauma Manaima.
Auditor General

KIRIBATI PROVIDENT FUND
Consolidated Statement of Financial Position
as at 31 March 2017

Account Name	Note	1/1/16-31/3/17	2015	2014	2013	2012	2011	2010	2009
Current Assets									
Cash on Hand & at Bank	C-1	2,089,795	1,450,399	503,220	348,506	1,566,911	515,258	252,303	352,569
Accounts Receivable	C-2	904,993	309,832	2,364,865	2,017,551	1,785,504	1,475,467	1,229,226	864,804
Accruals and Prepayments	C-3	2,018,308	279,912	299,314	426,299	278,295	957,670	429,721	232,933
Sundry Accounts Receivable	C-4	627,231	312,843	721,330	636,780	651,321	687,428	705,403	740,217
Members' loan balances	C-8	13,670,714	12,813,563	12,620,647	11,336,762	10,084,700	2,578,198	2,101,901	
		19,311,040	15,166,549	16,509,376	14,765,898	14,366,731	6,214,021	4,718,554	2,190,523
Less Current Liabilities									
Payroll Liabilities	D-1	4,645	1,751	45,578	(113)	(722)	(11,846)	(22,971)	(42,670)
Sundry Accounts Payable	D-2	63,237	59,524	170,783	52,133	82,956	79,711	42,736	39,736
Accruals & Advances	D-3		5,550	(849)	(35,946)	(32,922)	(27,072)	(27,040)	(12,158)
		67,882	66,825	215,512	16,074	49,312	40,793	(7,275)	(15,092)
Working Capital		19,243,158	15,099,724	16,293,864	14,749,824	14,317,419	6,173,228	4,725,829	2,205,615
Non-Current Assets									
Investments									
Overseas - BT/ANZ Trustee	C-5	1,281,030	1,452,708	1,326,315	1,229,487	1,274,441	1,294,064	1,366,326	1,385,077
Local	C-6	116,576,920	108,789,367	104,933,367	96,749,695	87,812,435	86,454,434	93,301,747	92,231,592
	C-7	7,955,706	9,030,706	8,529,332	8,620,354	5,882,449	6,412,449	1,953,759	2,897,805
		124,532,626	117,820,073	113,462,699	105,370,049	93,694,884	92,866,883	95,255,506	95,129,397
Total Net Asset		145,056,814	134,372,505	131,082,878	121,349,360	109,286,744	100,334,175	101,347,661	98,720,089
Member's Accumulated Funds									
Members Contributions	E-1	150,468,261	144,045,668	141,221,110	134,379,391	129,701,066	124,517,194	118,042,754	113,158,380
Reserves	E-2							5,443,472	5,443,472
Accumulated surplus/(deficit)	E-3	5,411,445	(9,673,163)	(10,138,231)	(13,030,031)	(20,414,324)	(24,183,018)	(22,138,564)	(19,881,765)
Net Worth		145,056,817	134,372,505	131,082,879	121,349,360	109,286,742	100,334,176	101,347,662	98,720,087

Signature.....
Chairman (KPF Board of Directors)

Signature.....
Chief Executive Officer (KPF)

Date.....08/09/17

Kiribati Provident Fund
Consolidated Statement of Financial Performance
For the year ended 31 March 2017

	Notes	1/1/16-31/3/17	2015	2014	2013	2012	2011	2010	2009
Overseas Income									
Income on Investments									
Gain/(Loss) on Sale of Investment	A-1	4,232,523	3,302,929	3,117,572	2,745,076	3,448,155	4,294,642	3,976,128	5,046,469
Gain/(Loss) on Investments Revaluation	A-2	6,057,192	3,655,529	1,474,919	646,415	(550,147)	(940,501)	(6,969,470)	(3,130,510)
Income on Investments - ANZ Trustees Ltd	A-3	3,989,186	(1,994,770)	3,441,538	7,586,760	5,250,257	(2,887,258)	6,435,664	9,897,356
Interest received - Maritime Mutual Building	A-4	2,348,543	1,020,160	1,707,341	3,929,428	3,124,085	44,905	74,526	
	A-5	13,276	20,389	18,836	6,350	94,163	125,573	190,713	261,121
Total Overseas Income		8,662,347	6,004,237	9,760,206	14,914,029	11,366,513	637,361	4,357,561	12,074,436

Local Income									
Bank Interest					12,923	172,446	8,698	155,954	277,895
Interest/Fee/Admin/Application/Penalty - Small Loan Scheme		3,179,817	1,713,803	1,581,099	1,438,114	1,096,032	562,472	202,359	
Interest - DBK educational scheme investment		4,508	6,280	-	5,494	8,388	12,209	20,499	37,118
Interest - Air Kiribati Loan		890,603	451,208	582,113	337,809				
Staff Loan Interest								6,910	6,910
Staff Quarters Rent		1,036	521	-	837	978	1,092	1,183	934
Commercial Building Rent		146,315	182,023	183,477	142,907	142,906	137,520	153,198	133,930
Electricity from Tenants						28,696	32,995	39,771	48,367
Sure charges		650,189	976,103	681,025	306,533	357,103	258,418	399,001	124,643
Essentials Interest									
Membership Card		20,107	17,678	18,470	17,008	15,161	17,431	17,142	2,797
Gain on sale of fixed asset		21,129			30	7,332			
Other Income		645,970	5,035,568						
Sandries		240,493	115,514	232,953	35,746	49,123	42,599	42,778	24,352
Total Local Income		5,757,908	8,498,698	3,279,136	2,297,401	1,878,165	1,073,434	1,038,795	656,946
Total Income		14,420,256	14,502,935	13,039,342	17,211,430	13,244,678	1,710,795	5,396,356	12,731,382

Less Operating Expenses									
Staff payroll	B-1	744,988	563,762	526,980	490,877	564,360	585,379	537,771	444,143
Office expenses	B-2	261,962	171,023	123,481	121,006	195,064	247,614	237,037	192,054
Traveling - Local & Overseas	B-3	392,576	610,099	114,666	191,621	112,713	153,633	222,124	232,130
Fees & Other Charges	B-4	698,959	466,523	532,208	515,450	471,397	657,256	450,757	397,448
Repairs and Maintenance	B-5	42,962	36,669	24,688	28,241	29,522	36,598	64,613	58,928
Miscellaneous	B-6	708,482	281,920	95,077	103,829	108,612	112,863	96,552	62,765
Financial	B-7	321,494	2,161,680	113,974	119,199	130,855	112,546	105,601	92,230
Total Expenditure		3,171,423	4,291,076	1,531,074	1,570,223	1,612,523	1,905,889	1,714,455	1,479,698

Operating Profit/(Loss) before Members interest on full withdrawal

11,248,833	10,211,859	11,508,268	15,641,207	11,632,155	(195,094)	3,681,901	11,251,684
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total is wrong
x not agreed with
variance \$42259

Less: members' interest on full withdrawal

144,926

Operating profit/(loss) before members interest

Less Members Expenditure

Interests on Members Accounts

Total Members Expenditure

Profit/(Loss) after Members Expenditure

Add/(less) Prior Period Items

Net Surplus/(Loss)

Accumulated Surplus/(Deficit) at 1/1/16

Consolidated MYOB adjustment

Transfer of general reserves

Accumulated Surplus/(Deficit) at 31/03/17

The accompanying notes form part of these financial statements

11,103,906	10,211,859	11,508,268	15,641,207	11,632,155	195,094	3,681,901	11,251,684
		4,132,939	4,009,052	11,827,249	3,876,995		
		-0.359127783	0.256313464	1,016,771,957	0.913957637	0.304652546	19,872,446.1
6,842,188	9,667,855	8,580,771	8,192,459	7,858,169	7,351,863	5,982,572	5,906,677
6,842,188	9,667,855	8,580,771	8,192,459	7,858,169	7,351,863	5,982,572	5,906,677
4,261,718	544,004	2,927,497	7,448,748	3,773,986	(7,546,957)	(2,300,671)	5,345,007
		110	64,454	5,292	(59,032)	(43,871)	7,877
4,261,718	544,004	2,927,387	7,384,294	3,768,694	(7,487,925)	(2,256,800)	5,337,130
(9,673,166)	(10,138,233)	(13,030,030)	(20,414,324)	(24,183,018)	(22,138,564)	(19,881,764)	(25,218,894)
	78,937	(35,590)			5,443,471		
(5,411,448)	(9,673,166)	(10,138,233)	(13,030,030)	(20,414,324)	(24,183,018)	(22,138,564)	(19,881,764)

B-8

Kiribati Provident Fund
Statement of Movements in equity
For the year ended 31 March 2017

Notes	1/1/16-31/3/17	2015	2014	2013	2012	2011	2010	2009
Balance 1 January	134,372,504	131,082,880	121,349,361	109,286,742	100,334,175	101,347,660	98,720,086	90,907,520
Add/(less) net surplus/deficit for the year	4,261,718	465,067	2,891,800	7,384,294	3,768,694	(7,487,925)	(2,256,800)	5,337,130
Total recognised revenue and expenses for the year	4,261,718	465,067	2,891,800	7,384,294	3,768,694	(7,487,925)	(2,256,800)	5,337,130
Movement in Capital contributions by members	6,422,593	2,824,557	6,841,719	4,678,325	5,183,872	6,474,440	4,884,374	2,475,436
Consolidated net worth	145,056,816	134,372,504	131,082,880	121,349,361	109,286,741	100,334,175	101,347,660	
Balance at 31 December	145,056,816	134,372,504	131,082,880	121,349,361	109,286,741	100,334,175	101,347,660	98,720,086
<i>Represented as follows:</i>								
Members' accounts	E-1	150,468,261	144,045,668	141,221,110	134,379,391	129,701,066	124,517,194	118,042,754
Reserves	E-2							5,443,472
Retained earnings	E-3	5,411,448	(9,673,163)	(10,138,230)	(13,030,031)	(20,414,324)	(24,183,018)	(22,138,564)
Total equity		145,056,814	134,372,505	131,082,880	121,349,360	109,286,742	100,334,176	101,347,662
								98,720,086

Kiribati Provident Fund
Consolidated Statement of Cashflows
For the year ended 31 March 2017

	Notes	1/1/16-31/3/17	2015	2014	2013	2012	2011	2010	2009
Cashflows from operating activities									
Receipts from customers & employees		\$4,058,758	2,169,202	7,279,693	493,186	239,663	1,328,803	431,105	604,932
Payments to suppliers and employees		(\$4,932,352)	(2,560,255)	(4,369,393)	(1,603,048)	(2,064,247)	(1,773,441)	(2,138,025)	(1,663,180)
Net cash from operating activities	F	\$ (873,594)	\$ (391,053)	2,910,300	(1,109,862)	(1,824,584)	(444,638)	(1,706,920)	(1,058,248)
Cashflows from investing activities									
Receipts from investments		\$1,847,445	3,067,170	(996,564)	10,302,784	7,978,112	2,019,523	3,344,712	11,182,739
Purchase of property, plant and equipment		(\$114,790)	(127,054)	(110,908)	(68,276)	(99,322)	(35,625)	(69,307)	(49,918)
Purchase of investments				(335,185)	(6,800,000)	(2,000,000)	(279,931)	(2,300,670)	(6,675,399)
Net cash from investing activities		1,732,655	2,940,116	(1,442,657)	3,434,508	5,878,790	1,703,967	974,735	4,457,422
Cashflows from financing activities									
Members' contributions		\$17,071,960	12,790,320	12,957,411	10,998,886	10,063,918	10,377,804	10,847,515	10,213,601
Members' withdrawals		(\$17,291,625)	(14,392,204)	(14,270,389)	(14,541,887)	(13,066,471)	(11,374,178)	(10,215,596)	(13,309,208)
Net cash from financing activities		(219,665)	(1,601,884)	(1,312,978)	(3,543,001)	(3,002,553)	(\$996,374)	631,919	(3,095,607)
Net increase/(decrease) in cash		639,396	947,179	154,664	(1,218,355)	1,051,653	262,955	(100,266)	303,567
Add opening cash		1,450,399	503,220	348,556	1,566,911	515,258	252,303	352,569	49,002
Closing cash		2,089,795	1,450,399	503,220	348,556	1,566,911	515,258	252,303	352,569
Made up as follows:									
Cash at Bank - 254079		\$362,167	531,025	398,944	86,316	1,573,952	391,484	29,225	351,707
Petty cash		\$513			1,852	1,652	1,652	1,260	
Cash at Bank - 831558		\$1,727,115	919,374	104,276	260,388	8,693	119,491	215,086	
loan cash float							2,631	6,732	
Loan current a/c - initial injection									860
Total	C-1	2,089,795	1,450,399	503,220	348,556	1,566,911	515,258	252,303	352,569

The accompanying notes form part of these financial statements

KIRIBATI PROVIDENT FUND
Consolidated Notes to the accounts
For the year ended 31 March 2017

Notes	1/1/16-31/3/17	2015	2014	2013	2012	2011	2010	2009
A-1	Income on Overseas Investments - BITM							
Dividends - Australian Shares	1,091,864	862,928	902,809	732,784	639,530	606,139	695,750	703,181
Dividends - Overseas Shares	586,031	12,637	335,406	838,114	145,140	1,537,069	1,111,220	1,349,173
Distribution - Real Estate	318,440	404,366	312,163	292,475	280,858	773,772	263,785	492,285
Distribution - International real estate	174,962							
Distribution - Australian Bond	1,249,238	1,221,896	1,197,026	567,432	1,456,688	840,442	1,038,890	1,451,755
Distribution - Overseas Bond	590,880	684,632	277,244	236,241	758,849	271,002	716,264	925,251
Australian Cash	58,522	60,468	57,287	67,178	61,055	100,558	120,673	124,824
Other	162,586	56,002	35,637	10,901	106,035	165,660	29,547	
Total income	4,232,523	3,302,929	3,117,572	2,745,076	3,448,155	4,294,642	3,976,128	5,046,469
A-2	Realized Gain/(loss) on Sale of Investments							
Australian Fixed Interest Securities	(150,778)	(380)	10,063	(245,958)	118,236	39,164	(159,569)	(50,676)
Overseas Fixed Interest Securities	(154,797)	-	10,632	54,544	14,525	10,596	(113,489)	(29,132)
Real Estate	2,018,354	1,087,554	288,827	120,825	(415,165)	(2,584,560)	(1,777,485)	
Australian Shares	1,043,210	1,909,575	1,125,264	811,474	(606,734)	161,322	1,046,585	(827,443)
International Shares	3,181,713	642,887	35,394	452,600	(193,452)	(751,436)	(5,175,935)	(1,440,370)
Other investment	119,488	15,893	4,739	(425,569)	(3,547)	17,591	20,102	(5,404)
Cash equivalent		-	-			-	4,004	
Future contracts		-	-					
Options contract		-	-					
Total	6,057,190	3,655,529	1,474,919	646,415	(550,147)	(940,501)	(6,969,470)	(3,130,510)
A-3	Unrealised Gains/(losses) on Investment valuation							
International Fixed Interest	(186,998)	(99,914)	459,830	(95,643)	66,454	369,147	15,207	(333,214)
Overseas Equities	5,215,946	7,238,267	6,113,976	4,023,898	(682,234)	(2,996,473)	(1,592,299)	(6,094,604)
Australian Fixed Interest	(648,120)	(302,982)	508,609	108,737	141,251	530,038	(167,071)	(693,869)
Australian shares	1,327,242	1,209,883	2,381,776	3,529,193	1,170,653	(1,151,708)	982,179	3,119,761
Australian real estate	264,360	1,250,835	1,533,247	756,363	701,517	(269,964)	(677,512)	(2,702,481)
International real estate	739,243	1,291,503	1,582,960	961,791	885,266	503,032	1,166,938	90,456

other investment	139,861	253,128	255,062	109,495	(439,328)	(387,995)	(239,107)	(333,378)
Real Estate								
Forward exchange contract								
Investment revaluation 31/12/2010	6,851,534	10,840,720	12,835,490	9,393,834	1,843,579	(3,398,923)	(511,665)	(6,947,329)
Backdated price adjustment	6,851,534	10,840,720	12,835,490	9,393,834	1,843,579	(3,398,923)	(511,665)	(6,947,329)
Less Opening investment revaluation	10,840,720	12,835,490	9,393,834	1,843,579	(3,398,923)	(511,665)	(6,947,329)	(16,844,685)
Gain/(loss) on investment revaluation	(3,989,186)	(1,994,770)	3,441,538	7,586,760	5,250,257	(2,887,258)	6,435,664	9,897,356

A-4 ANZ Trustees Ltd investment

Unrealized Gain/(Loss)	912,773		819,273	2,840,641	1,933,418	(1,654,464)	382,445	
Gross cash income				1,088,787	1,190,667	1,560,089	203,645	
Accrued income	65,776					139,280	138,436	
Dividend - Australian equity	881,306	550,891	463,926					
Income - International equity	109,072	131,279	99,716					
Fixed Interest	313,671	304,012	289,509					
Bank Interest	65,945	33,978	34,917					

Total income from ANZ Trustee investment

	2,348,543	1,020,160	1,707,341	3,929,428	3,124,085	44,905	724,526	
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A-5 GILT - overseas s/term investment

Interest received	13,276	20,389	18,836	6,350	94,163	125,573	190,713	261,121
Total Maitland income	13,276	20,389	18,836	6,350	94,163	125,573	190,713	261,121

B-1 Staff Payroll

Salaries - Established Staff	617,844	426,298	389,189	378,949	367,285	403,526	387,949	321,910
Salaries - Temporary Staff	30,638	21,392	11,956	10,536	52,290	58,951	51,987	34,772
Overtime	29,104	17,164	19,386	12,259	40,698	47,154	54,445	51,571
Allowances	17,489	65,346	75,324	59,973	45,587	42,054	12,100	8,897
Retirement benefit					25,000			
KPF Contributions	49,914	33,562	31,125	29,160	33,500	33,694	31,289	26,993
Total	744,988	563,762	526,980	490,877	564,360	585,379	537,770	444,143

B-2 Office Expenses

Electricity	67,625	42,123	53,326	52,381	107,185	126,087	116,721	105,189
Insurance Fire	5,578	5,578	5,709	5,836	5,578	16,511	1,690	11,109
Office Supplies	72,888	36,176	26,890	18,345	18,599	34,416	69,146	26,027
Telecom	101,267	70,095	26,217	36,302	46,211	58,314	47,831	46,241
Recruitment	10,410	9,465	4,713	4,130	10,257	5,500		
Postage	1,496	1,105	1,178	205	201	734	584	103

Printing
Entertainment
Total

	3,002	3,320	3,058	3,947	3,686	485	1,635
2,699	3,479	2,128	749	3,086	2,366	580	1,750
261,962	171,023	123,481	121,006	195,064	247,614	237,037	192,054

B-3 Travelling - Local & Overseas

Annual leave
Transport
Agent expenses
Xmas island visit
Xmas staff return transport
Conference/ Workshop
Internal travel
Overseas training
Local training
Total

116,187	88,477	55,280	47,814	30,782	31,166	39,924	28,406
23,255	20,314	16,111	18,057	18,086	13,806	24,987	29,635
6,947							
24,119	101,153	2,343	1,839	4,236	11,336	19,546	14,562
183,992	253,262	19,139	83,076	48,870	43,643	110,476	107,010
4,886	139,844	13,640	2,815	3,756	21,089	148	19,095
33,189			11,342				
	7,049	8,153	26,678	6,983	32,593	27,043	33,422
392,576	610,099	114,666	191,621	112,713	153,633	222,124	232,130

KIRIBATI PROVIDENT FUND

Notes to the accounts
For the year ended 31 March 2017

B-4

Fees & Other Charges

BT Management & other fees
ANZ Trustees Ltd management fees & withhold tax
International Social Security Association
Financial Synergy
SFL Fees
Audit Fees
Bank Charges
Legal fees
Other fees
VMS agent fee
Total

1/1/16-31/3/17	2015	2014	2013	2012	2011	2010	2009
445,303	273,524	340,370	299,551	256,708	265,641	342,096	366,155
201,552	145,179	147,470	174,685	169,663	345,128	49,992	
15,836	16,476	14,117	13,951	12,147	13,174	12,228	
						9,331	
	2,880	2,880		3,916	6,517	16,040	11,211
6,000		3,000	3,000	3,000	3,000	3,000	3,000
24,662	24,815	19,645	17,929	19,878	17,422	12,492	10,299
1,088	1,173	599	5,447	5,062	5,909	5,278	6,408
4,518	2,386	3,512	632	858			
	90	615	255	165	465	300	375
698,959	466,523	532,208	515,450	471,397	657,256	450,757	397,448

B-5

Repairs & Maintenance

Commercial Building

16,253	15,387	13,161	15,575	19,264	25,879	50,480	40,597
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Staff House	920	1,308	1,224	2,316	1,370	3,032	5,953	9,219
KPF Office & xmas [repair & rent]	10,764	9,164	3,751	4,200	2,928	2,854	3,174	3,416
furniture & fittings	-	-	-	-	-	-	-	-
Vehicle - Motorbike	-	-	-	-	-	-	-	-
office equipment	-	-	-	-	-	-	-	-
Vehicle - Double cab & minibus	15,025	10,210	6,552	6,150	5,960	4,833	4,806	5,696
Generator	-	-	-	-	-	-	-	-
Total	42,962	36,069	24,688	28,241	29,522	36,598	64,613	58,928

B-6								
Miscellaneous								
Public Awareness	12,299	9,045	5,963	2,566	5,521	347	5,588	5,418
Board of Directors	70,574	45,104	36,681	38,092	49,162	55,279	39,676	14,163
Rental Lease	2,327	47,169	828	866	650	650	1,130	650
KPF Office Rent	53,346	44,685	46,976	46,138	46,472	46,471	38,393	35,700
Computerisation	-	-	-	-	-	-	-	-
Staff Uniform	6,184	1,965	339	10,688	91	-	4,713	2,318
Promotion	4,770	6,340	3,488	4,184	5,796	4,500	3,400	4,110
Donation	-	-	-	-	-	-	300	-
Work experience	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-
Sundry Expenses	554,117	127,612	802	1,295	920	5,616	3,352	406
Total	708,482	281,920	95,077	103,829	108,612	112,863	96,552	62,765
B-7								
Financial								
Depreciation	306,603	156,822	108,333	110,424	120,190	108,979	99,798	82,656
Asset write off expense	-	-	-	-	-	-	-	-
Subsidised House Rent	14,891	4,858	5,641	8,775	10,665	3,567	5,803	9,574
Bad debt	-	2,000,000	-	-	-	-	-	-
Total	321,494	2,161,680	113,974	119,199	130,855	112,546	105,601	92,230
B-8								
Prior Period Items								
Prior period expenses	-	-	110	64,454	5,292	184	3,135	7,877
Write off expense adjustment	-	-	-	-	-	-	-	-
Write back of revenue adjustment	-	-	-	-	-	-	-	-
Total	-	-	110	64,454	5,292	184	3,135	7,877

C-1								
Current Assets								
Cash on hand & Bank								
Cash at Bank - A/c 754079	362,167	530,425	398,544	86,316	1,573,952	391,484	29,225	351,709
Petty Cash	513	600	400	1,852	1,652	1,652	1,260	860
Total for current account	362,680	531,025	398,944	88,168	1,575,604	393,136	30,485	

C-1a Cash at Bank - A/c 831558
Loan Cash Float
Total for Loan Scheme
Total

1,727,115	919,374	104,276	260,338	(8,693)	119,491	215,086
1,727,115	919,374	104,276	260,338	(8,693)	122,122	221,818
2,089,795	1,450,399	503,270	348,506	1,566,911	515,258	752,303
						352,569

C-2 Accounts Receivable

Accounts Receivable - surcharges
Provision for d/debt - surcharges
Accounts Receivable - others & KHC GM's renovation
Cash transfer to loan a/c
Rent Receivable - commercial building
Electricity Receivable - commercial build
Total Accounts Receivable

2,897,646	2,302,497	2,295,354	1,793,824	1,533,521	1,235,071	1,004,405	665,840
2,000,000	2,000,000	29,487	36,415	41,617	49,420	49,420	42,617
			17,185				
7,347	2,476	1,430	130,575	143,994	141,717	129,968	114,029
	4,859	38,584	39,552	46,372	49,259	45,433	42,318
904,993	309,832	2,364,865	2,017,551	1,785,504	1,475,467	1,229,226	864,804

C-3 Accruals & Prepayments

Accrued interest - local IBDS
Accrued members contributions
Accrued income
Accrued interest - DBK educational investment
Accrued interest - Air Kiribati loan
Returned cheques
Prepayment - Solar Energy Company
Accrued loan revenue - Loan Scheme
Total accruals & prepayments

215,547	211,939	205,659.00	205,659	200,165	191,777	179,568	159,069
1,728,723			138,651				
32,075	26,010	53,655.00	40,593	37,734	48,943	33,178	33,468
41,963	41,963	40,000.00	40,396	40,396	40,396	40,396	40,396
					676,554	176,579	
2,018,308	279,912	299,314.00	426,299	278,295	957,670	429,721	232,933

Notes to the accounts
For the year ended 31 March 2017

	1/1/16-31/3/17	2015	2014	2013	2012	2011	2010	2009
C-4 Sundry Accounts Receivable								
Staff imprest	9,154	-	278,923	249,613	216,338	207,828	160,570	140,960
Staff loan	286,129	312,843	340,870	387,167	434,483	479,100	544,333	598,757
Staff advance	-	-	1,998	-	-	-	-	-
Receivable loan settlement	-	-	78,936	-	-	-	-	-
Bank clearing - unknown Dr/Cr	9,362	-	20,603	-	-	-	-	-
Loan clearing account	322,586	-	-	-	-	-	-	-
Unsettled Sales of Investment	-	-	-	-	-	-	-	-
Debtor - PVU	-	-	-	-	-	-	-	-
House Rent Deposit	-	-	-	-	500	500	500	500
Total sundry accounts receivable	627,231	312,843	721,330	636,780	651,321	687,428	705,403	740,217
C-5 Fixed assets								
Land	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
Buildings	957,062	1,066,465	1,074,032	1,102,202	1,126,215	1,154,989	1,183,763	1,210,185
Furniture & Fittings	-	1,504	660	3,709	11,624	8,123	11,099	5,416
Motor Vehicles	-	83,400	116,595	64,200	63,890	45,199	62,498	26,757
System enhancement	302,035	224,994	50,586	47,995	49,800	30,230	35,268	40,306
Office Machinery	12,933	67,345	75,442	2,381	13,912	46,523	64,698	93,413
Total fixed assets	1,281,030	1,452,708	1,326,315	1,229,487	1,274,441	1,294,064	1,366,326	1,385,077
Refer to Note H for fixed asset breakdown								
C-6 Investments								
Overseas								
BTIM								
Australian Fixed Interest Securities	14,347,035	17,007,364	16,630,887	15,325,715	13,402,148	12,674,016	13,810,641	18,673,213
Overseas Fixed Interest Securities	6,515,934	7,776,784	7,385,221	6,713,717	6,043,204	6,253,916	6,193,376	8,412,542
Real Estate	7,305,762	8,881,052	8,774,735	7,119,255	6,977,432	6,035,125	6,356,573	9,341,212
Australian Equities	15,541,086	19,195,399	18,400,397	17,704,819	14,646,931	14,171,600	15,216,840	21,932,805
Overseas Equities	16,304,354	19,177,749	19,090,926	17,925,883	15,404,783	14,773,855	15,616,889	22,207,693
Cash equivalent	3,228,822	2,500,803	2,210,208	2,296,554	2,386,193	1,060,156	2,549,723	4,455,418
Other	2,084,792	3,883,369	3,821,378	3,544,090	3,125,649	3,133,870	3,157,255	3,376,489
Total BTIM investment	65,327,785	78,422,520	76,323,752	70,630,033	61,986,340	58,102,538	62,901,297	88,389,372
Maitland/GILT Pty Ltd Australia								
ANZ Trustees Ltd Investment:-								
Australian equities	25,814,404	11,746,293	11,526,678	10,194,585	9,220,159	6,662,664	10,035,795	-
Total	1,281,030	1,452,708	1,326,315	1,229,487	1,274,441	1,294,064	1,366,326	1,385,077

International equities	10,192,207	7,024,121	6,842,222	5,829,821	4,219,418	3,487,405	5,227,200
Fixed interest	9,072,098	8,997,694	9,123,958	9,208,802	9,555,839	9,111,273	9,062,219
Capital cash	5,626,992	1,437,899	481,615	604,496	1,401,647	5,202,303	1,654,468
Cash income	385,977	382,035	85,397	143,641	229,538	1,368,534	153,654
Income accruals	157,457	62,958	44,604	138,317	142,154	139,280	138,436
Total ANZ Trustees Ltd Investment	51,249,135	29,651,000	28,104,474	26,119,662	24,768,755	25,971,459	26,271,772
Total overseas investments	116,576,920	108,789,367	104,933,367	96,749,695	87,812,435	86,454,434	93,301,747
							92,231,592

C-7

Local							
Interest Bearing Deposit				369,518	4,353,097	4,883,097	4,24,407
DBK Education support investment	1,529,352	1,529,352	1,529,352	1,529,352	1,529,352	1,529,352	1,529,352
Air Kiribati Loan No.1	1,786,354	7,501,354	6,999,380	6,721,484			
Air Kiribati Loan No.2	4,640,000						
Small Loan Scheme Investment							
Abanakoro Shares							
Total for local investments	7,955,706	9,030,706	8,529,332	8,620,354	5,882,449	6,412,449	1,953,759
TOTAL INVESTMENTS	124,532,626	117,820,073	113,462,699	105,370,049	93,694,884	92,866,883	95,255,506
							95,129,397

C-8

Members' loan scheme account							
Members loan control account	14,075,557	12,965,704			8,322,751	3,032,773	
Members' loan holding	404,844	152,141			154,545	8,979	
Loan repayment					(5,899,098)	(939,851)	
Total Members' loan balances	13,670,714	12,813,563	12,620,647	11,336,762	10,084,700	2,578,198	2,101,901

D-1

Current Liabilities							
Payroll Liabilities							
PAYE Taxes		1,740	33,961	34,095	18,262	16,841	13,637
Withholding Taxes	4,699	11	2,516	3,600	6,395	2,385	(6,784)
Life Insurance Payable			16	16	409	409	409
KPF House rent payable			521				
KHC House Rent Payable				(1,635)	413	398	311
Linix House Rent Payable				(2,194)	(2,194)	(2,194)	(2,194)
TSKL mobile							
KPF contribution payable							
KPF voluntary							
Private House Rent Payable					(381)	(469)	(173)
BKL House Rent Payable							69
Loan scheme payable			1,193				
DBK Loan Repayment				2,791	802	(585)	(585)
KHC Loan Repayment	54			1,193	783	783	(1,538)

Total Member's Account										
	150,468,261	144,045,668	141,221,111	134,379,391	129,701,066	124,517,194	118,042,754	113,158,380		
Reserves										
E-2										
Equalization Reserve	-	-	-	-	-	-	-	785,438	785,438	
Interest Stabilisation	-	-	-	-	-	-	-	717,103	717,103	
Special Death Benefit	-	-	-	-	-	-	-	246,667	246,667	
General Reserve	-	-	-	-	-	-	-	3,694,264	3,694,264	
Total	-	-	-	-	-	-	-	5,443,472	5,443,472	
Accumulated Surplus/(Deficit)										
E-3										
Consolidation accumulated Surplus/(Deficit)	(9,673,163)	(10,138,231)	(13,030,031)	(20,414,325)	(24,183,019)	(22,138,566)	(19,881,765)	(25,218,895)		
Adjustment to carry forward (deficit)		(78,937)	(35,590)			5,443,472				
Consolidated MYOB Adjustment	4,261,718	544,005	2,927,390	7,384,294	3,768,694	(7,487,925)	(2,256,800)	5,337,130		
Surplus/(Deficit) for the year	(5,411,445)	(9,673,163)	(10,138,231)	(13,030,031)	(20,414,325)	(24,183,019)	(22,138,565)	(19,881,765)		
Balance as at 31/12/16										
Reconciliation of net surplus/(deficit) to net cash flow from operating activities										
F										
	4,198,822	3,023,296	1,667,857	656,746	161,434	-				
		(321,197)								
	1,762,381	1,496,723	1,355,439	1,011,111	495,312	161,434				
	5,961,203	4,198,822	3,023,296	1,667,857	656,746	161,434				
1/1/16-31/3/17										
Surplus/(deficit)	4,261,718	544,005	2,927,390	7,384,294.00	3,768,694.00	(7,487,925)	(2,256,800)	5,337,130		
Add/(less) non-cash items:										
Depreciation	306,603	156,821	1,060	110,424.00	120,190.00	108,979	2,938	-		
Accrued expenses - loan	-	-	-	-	-	58,124	35,255	-		
Accrued revenue - loan	-	-	-	-	-	(735,770)	(176,578)	-		
Net write-off of prior year accruals	-	-	-	-	-	-	-	-		
Revaluation gain on investments	(\$3,124,351)	(2,058,576)	(6,760,239)	(\$6,230,272)	(\$11,695,088.00)	2,887,258	(9,522,868)	(9,897,356)		
	(\$2,817,748)	(\$1,901,755)	(\$5,222,785)	(\$6,119,848)	(\$11,574,898)	2,318,591	(9,661,253)	(9,897,356)		
Add/(less) items classified as investing or financing activities										
Gain on sale of investments	(\$6,057,192)	(1,797,423)	(1,474,919)	(\$9,393,834)	(\$1,843,579)	(3,398,923)	(239,107)	(5,420,230)		
Cash loan initial injection	-	-	(3,117,572)	-	-	249,931	1,000,000	-		
Interest from investments	(\$53,353,035)	(4,323,089)	-	(\$646,415)	550,147.00	940,501	6,104,388	3,130,510		
Interest receivable from investments	-	(20,389)	-	-	-	-	-	-		
Accrued members' contributions	-	-	-	-	-	-	-	-		
Members' interest	\$ 6,987,114	9,667,855	8,580,771	\$8,059,859	7,707,687.00	7,351,863	5,982,572	5,906,677		

	(2,423,113)	3,526,954	\$3,988,280	(\$1,980,390)	6,414,255.00	5,143,372	12,847,853	3,616,957
Add/(less) movements in working capital items								
Accounts receivable	\$ (1,126,524)	(2,037,642)	210,535	(\$365,510)	(\$405,445)	(\$10,801)	(2,451,718)	(113,492)
Accrued revenue	1,731,014	(19,402)	(146,721)			(15,159)	(20,209)	(88,351)
Prepayments								
Accounts payable	(496,184)	(509,611)	1,241,234	(\$28,408)	(\$27,190)	107,316	22,849	4,208
Accrued expenses	(2,759)	6,398	(87,633)			(32)	(14,882)	(3,360)
	105,547	(2,560,257)	\$1,217,415	(\$393,918)	(432,635)	(418,676)	(2,463,960)	(200,995)
Net cash inflow/(outflow) from operating activities	(873,596)	(391,053)	2,910,300	(1,109,862)	(1,824,584)	(444,638)	(1,534,160)	(1,144,264)

KIRIBATI PROVIDENT FUND
Statement of Financial Position
as at 31 March 2017

Account Name	Note	1/1/16-31/03/17	2015	2014	2013	2012	2011	2010	2009
Current Assets									
Cash on Hand & at Bank	C-1	362,680	531,025	398,944	88,168	1,575,604	393,136	1,030,485	352,569
Accounts Receivable	C-2	1,304,993	1,209,832	3,614,865	3,246,593	2,797,361	1,545,467	1,229,226	864,804
Accruals and Prepayments	C-3	2,014,617	279,912	299,314	446,035	286,368	281,116	253,142	232,933
Sundry Accounts Receivable	C-4	302,683	312,843	640,396	635,634	651,813	687,428	705,403	740,217
		3,984,973	2,333,612	4,953,519	4,416,430	5,311,146	2,907,147	3,218,256	2,190,523
Less Current Liabilities									
Payroll Liabilities	D-1	4,645	1,751	38,591	(13,946)	(5,071)	(11,846)	(22,971)	(42,670)
Sundry Accounts Payable	D-2	60,040	59,524	70,674	85,711	82,711	79,711	42,736	39,736
Accruals & Advances	D-3	2,791	5,550	(849)	(35,946)	(34,187)	(27,072)	(27,040)	(12,158)
		67,476	66,825	108,416	35,819	43,453	40,793	(7,275)	(15,092)
Working Capital		3,917,497	2,266,787	4,845,103	4,380,611	5,267,693	2,866,354	3,225,531	2,205,615
Non-Current Assets									
Fixed Assets	C-5	1,281,031	1,452,708	1,325,655	1,227,282	1,269,489	1,287,369	1,357,512	1,385,077
Investments									
Overseas - BT/ANZ Trustee	C-6	116,576,920	108,789,367	104,933,368	96,749,695	88,523,680	86,454,434	93,301,747	92,231,592
Local	C-7	15,065,768	16,170,684	15,700,998	15,870,955	12,451,803	8,963,050	3,254,429	2,897,805
		131,642,688	124,960,051	120,634,366	112,620,650	100,975,483	95,417,484	96,556,176	95,129,397
Total Net Asset		136,841,216	128,679,546	126,805,124	118,228,543	107,512,665	99,571,207	101,139,219	98,720,089
Member's Accumulated Funds									
Members Contributions	E-1	150,468,262	144,045,669	141,221,111	134,379,392	129,701,067	124,517,194	118,042,754	113,158,380
Reserves	E-2	-	-	-	-	-	-	5,443,472	5,443,472
Accumulated surplus/(deficit)	E-3	13,627,047	(15,366,125)	(14,415,987)	(16,150,849)	(22,188,403)	(24,945,987)	(22,347,007)	(19,881,764)
Net Worth		136,841,215	128,679,544	126,805,124	118,228,543	107,512,664	99,571,207	101,139,219	98,720,088

Signature 
Chairman (KPF Board of Directors)

Signature 
General Manager (KPF)

Date 08/04/17

Accounts receivable	(1,211,615.00)	(218,081)	(157,837)	(1,289,327)	(6,706,061)	-229,720	2,101,901
Accrued revenue	(3,691.00)					0	
Accounts payable	(499,594.00)	(461,621)	1,226,197	200,172	859,170	59,216	0
	(1,714,900)	(679,702)	1,068,360	(1,089,155.00)	(5,846,891.00)	(170,504.00)	(2,101,901.00)
Net cash inflow/(outflow) from operating activities	807,739	815,098	2,565,083	269,031	(130,815)	(99,696)	(1,078,852)

Statement of Financial Performance
For the year ended 31 March 2017

Overseas Income	Notes	1/1/2016-31/3/2017	2015	2014	2013	2012	2011	2010	2009
Income on Investments	A-1	4,232,523	3,302,929	3,117,572	2,745,076	3,448,155	4,294,642	3,976,128	5,046,469
Gain/(Loss) on Sale of Investment	A-2	6,057,190	3,655,529	3,441,538	646,415	(550,147)	940,501	(6,969,470)	(3,130,510)
Gain/(Loss) on Investments Revaluation	A-3	3,989,186	(1,994,770)	1,474,919	7,586,760	5,250,257	2,887,258	6,435,664	9,897,356
Income on Investments - ANZ Trustees Ltd	A-4	2,348,543	1,020,160	1,707,341	3,929,428	3,124,085	44,905	724,526	
Interest received - GILT	A-5	13,276	20,389	18,836	15,053	94,163	125,573	190,713	261,121
Total Overseas Income		8,662,346	6,004,237	9,760,206	14,922,732	11,366,513	637,361	4,357,561	12,074,436
Local Income									
BOK Interest					12,923	172,446	8,698	155,954	277,895
Interest & Admin fee - Air Kiribati loan investment		880,603	451,208	582,113	337,809	8,388	12,209	20,499	37,118
Interest - DBK educational scheme investment		4,508	6,280	-	5,494	8,388	12,209	6,910	6,910
Staff Loan Interest			-	-	-	-	-	1,183	934
Staff Quarters Rent		1,036	521	-	837	978	1,092	153,198	133,930
Commercial Building Rent		146,315	182,023	183,477	142,907	142,906	137,520	39,771	48,367
Electricity from Tenants		-	-	-	-	28,696	32,995	399,001	124,643
Surcharges		650,189	976,103	681,025	306,533	357,103	258,418		
Esanda interest		-	-	-	-	-	-	-	-
Membership Card		20,107	17,678	18,470	17,008	15,161	17,431	17,142	2,797
Gain on sale of fixed asset		21,129	-	-	30	7,332	-	-	-
Sundries		211,725	105,014	232,427	35,746	49,123	42,599	42,778	24,352
Pledge agreement		28,768	10,500	-	-	-	-	-	-
Other income		645,970	5,120,271	-	-	-	-	-	-
Total Local Income		2,578,092	6,869,598	1,697,511	859,286	782,133	510,962	836,436	656,946
Total Income		11,240,438	12,873,835	11,457,717	15,782,018	12,148,646	1,148,323	5,193,997	12,731,382
Less Operating Expenses									
Staff payroll	B-1	643,420	506,801	475,794	441,673	508,272	546,426	515,401	444,143
Office expenses	B-2	255,499	172,332	118,558	114,695	193,430	233,827	226,845	192,054
Traveling - Local & Overseas	B-3	375,888	598,069	108,582	185,621	112,713	153,633	222,124	232,130
Fees & Other Charges	B-4	688,946	542,660	524,040	506,731	461,876	651,432	448,024	397,448
Repairs and Maintenance	B-5	42,962	36,069	24,688	27,122	29,522	36,598	64,614	58,928
Miscellaneous	B-6	186,820	140,092	83,223	96,211	95,139	107,478	93,859	62,765
Financial	B-7	320,709	2,160,095	111,284	115,497	126,649	109,335	102,664	92,230
Total Expenditure		2,514,244	4,156,118	1,446,169	1,487,551	1,527,601	1,838,729	1,673,531	1,479,698
Operating Profit/(Loss) before Members interest on full wdw		8,726,194	8,717,717	10,011,549	14,294,467	10,621,045	(690,406)	3,520,466	11,251,684
Less: interest on full withdrawals		144,926	2,099,382	220,678	107,400				

Profit before appropriation of members' interest

Interests on Members Accounts
Total Members Expenditure

8,581,268

6,842,188 9,667,855 8,580,771 8,192,459 7,858,169 7,351,863 5,982,572 5,906,677
6,842,188 9,667,855 8,580,771 8,192,459 7,858,169 7,351,863 5,982,572 5,906,677

Profit/(Loss) after Members Expenditure

Add/(less) Prior Period items
Net Surplus/(Loss)

1,739,080 (950,138) 1,430,777 6,102,008 2,762,876 (8,042,269) (2,462,106) 5,345,007
1,739,080 (950,138) 1,430,667 6,037,554 2,757,583 (8,042,453) (2,465,241) 5,337,130

B-8

Accumulated Surplus/(Deficit) at 1/1/16

Adjustment from MYOB
Transfer of reserves

(15,366,125) (14,415,987) (16,150,849) (22,188,403) (24,945,987) (22,347,006) (19,881,765) (25,218,895)
304,195

Accumulated Surplus/(Deficit) at 31/03/17

(13,627,045) (15,366,125) (14,415,987) (16,150,849) (22,188,403) (24,945,987) (22,347,006) (19,881,765)

Kiribati Provident Fund
Statement of Movements in equity
For the year ended 31 March 2017

	Notes	1/1/16-31/3/17	2015	2014	2013	2012	2011	2010	2009
Balance 1 January		128,679,543	126,805,123	118,228,542	107,512,663	99,571,207	101,139,219	98,720,086	90,907,520
Adjusted accumulated opening retained deficit				304,195					
Add/(less) net surplus deficit for the year		1,739,080	(950,138)	1,430,667	6,037,554	2,757,583	(8,042,452)	(2,465,241)	5,337,130
Total recognised revenue and expenses for the year		1,739,080	(950,138)	1,430,667	6,037,554	2,757,583	(8,042,452)	(2,465,241)	5,337,130
Movement in Capital contributions by members		6,422,593	2,824,557	6,841,719	4,678,325	5,183,873	6,474,440	4,884,374	2,475,436
Balance at 31 December		136,841,216	128,679,543	126,805,123	118,228,542	107,512,663	99,571,207	101,139,219	98,720,086
<i>Represented as follows:</i>									
Members' accounts	E-1	150,468,262	144,045,669	141,221,111	134,379,392	129,701,067	124,517,194	118,042,754	113,158,380
Reserves	E-2	-	(15,366,125)	(14,415,987)	(16,150,849)	(22,188,403)	(24,945,987)	(22,347,007)	(19,881,765)
Retained earnings	E-3	136,841,217	128,679,543	126,805,124	118,228,543	107,512,664	99,571,207	101,139,219	98,720,087

Statement of Cashflows
For the year ended 31 March 2017

	Notes	1/1/16-31/3/17	2015	2014	2013	2012	2011	2010	2009
Cashflows from operating activities									
Receipts from customers & employees		1,717,791	674,402	1,697,511	493,186	239,663	1,328,803	1,493,949	604,932
Payments to suppliers and employees		(3,399,126)	(1,880,553)	(1,352,294)	(1,603,048)	(2,064,247)	(1,732,961)	(1,665,987)	(1,663,180)
<i>Net cash from operating activities</i>	F	(1,681,335)	(1,206,151)	345,217	(1,109,862)	(1,824,584)	(404,158)	(172,038)	(1,058,248)
Cashflows from investing activities									
Receipts from investments		1,847,445	3,067,170	1,726,177	10,033,701	7,978,112	2,019,523	3,344,712	11,182,739
Purchase of property, plant and equipment		(114,790)	(127,054)	(112,454)	(68,276)	(99,322)	(35,625)	(69,307)	(49,918)
Purchase of investments		-	-	(335,185)	(6,800,000)	(2,000,000)	(279,931)	(2,300,670)	(6,675,399)
<i>Net cash from investing activities</i>		1,732,655	2,940,116	1,278,538	3,165,425	5,878,790	1,703,967	974,735	4,457,422
Cashflows from financing activities									
Members' contributions		17,071,960	12,790,320	12,957,411	10,998,886	10,194,734	10,437,020	10,090,815	10,213,601
Members' withdrawals		(17,291,625)	(14,392,204)	(14,270,389)	(14,541,887)	(13,066,471)	(11,374,178)	(11,215,596)	(13,309,208)
<i>Net cash from financing activities</i>		(219,665)	(1,601,884)	(1,312,978)	(3,543,001)	(2,871,737)	(937,158)	(1,124,781)	(3,095,607)
Net increase/(decrease) in cash		(168,345)	132,081	310,777	(1,487,438)	1,182,469	362,651	(322,084)	303,567
Add opening cash		531,025	398,944	88,168	1,575,605	393,136	30,485	352,569	49,002
Closing cash		362,680	531,025	398,945	88,167	1,575,605	393,136	30,485	352,569
Made up as follows:									
Cash at bank		362,167	530,425	398,544	86,316	1,573,952	391,484	29,225	351,709
Petty cash		513	600	400	1,852	1,652	1,652	1,260	860
Loan current a/c - initial injection									
Total	C-1	362,680	531,025	398,944	88,168	1,575,604	393,136	30,485	352,569

The accompanying notes form part of these financial statements

Note H: Fixed Asset Depreciation Schedule - 2017

Notes to the accounts
For the year ended 31 March 2017

	Land	Buildings	F/Fittings	Vehicles	Equipment & Machinery	System Enhancement	Total
Cost							
Balance 1/1/17	9,000	1,750,444	98,625	347,220	167,114	301,125	2,673,528
Additions	-	-	-	-	24,989	131,066	156,055
Disposal	-	-	-	-	(28,172)	-	(28,172)
Balance 31/03/2017	9,000	1,750,444	98,625	347,220	163,931	432,191	2,801,411
Accumulated Depreciation							
Balance 1/1/17	-	683,979	97,121	263,820	99,769	76,131	1,220,820
reversal acc depn of disposal	-	-	-	-	(7,043)	-	(7,043)
Depreciation charged	-	109,403	1,504	83,400	58,272	54,024	306,602
Balance 31/03/2017	-	793,382	98,625	347,220	150,998	130,155	1,520,379
NBV 31/03/17	9,000	957,062	-	-	12,933	302,036	1,281,032
NBV 31/12/16	9,000	1,066,465	1,504	83,400	67,345	224,994	1,452,708

KIRIBATI PROVIDENT FUND			
Notes to the accounts			
For the year ended 31 March 2017			
Note 1: Unrealised Gain/Loss on Investment Valuation as at 31/03/2017			
	Market Value	Cost	Difference
Australian Fixed Interest	14,347,035	14,995,156	(648,120)
International Fixed Interest	6,515,934	6,702,932	(186,998)
Australian Real Estate	4,705,593	4,441,233	264,360
International Real Estate	2,600,169	1,860,926	739,243
Australian shares	15,541,086	14,213,844	1,327,242
International Share	16,304,354	11,088,408	5,215,946
Other Investment	3,228,821	3,088,960	139,861
Total	63,242,993	56,391,460	6,851,534
Investment Revaluation Reserve 1/1/16			10,840,720
CURRENT ASSETS			
Cash on Hand & Cash equivalents			
Cash at Bank	327,885	327,885	
BT Instit liquidity manage	1,501,431	1,501,431	
BT managed cash	-	-	
Total cash on hand & cash equivalent	1,829,316	1,829,316	
Other current assets			
Future deposit	-	-	
Initial exposure value	-	-	
Initial options margin account	-	-	
Income due but not received	-	-	
Unsettled sales	78,877	78,877	
Total other current assets	272,800	272,800	
TOTAL CURRENT ASSETS	351,677	351,677	
	2,180,994	2,180,994	
OTHER CURRENT LIABILITIES			
Initial exposure value	-	-	
Initial Lepo Margin - Deposit	-	-	
Initials options Margin Account	-	-	
Total Future & Options exposure	-	-	

Fee payable to Manager	(74,719)	(74,719)	
Unsettled purchases	(21,483)	(21,483)	
Total other current liabilities	(96,202)	(96,202)	
Total other current liabilities	(96,202)	(96,202)	
NET ASSETS	65,327,785	58,476,251	6,851,534
Opening value as at 01/01/17			
Contributions	82,875,154	73,441,252	
Funds withdrawn	(18,950,000)	(18,950,000)	
Movement in valuation	1,402,631		
Net investment income		662,847	
Net capital gains/(loss)		3,322,152	
Investment revaluation reserve		6,851,534	
Closing value as at 31/03/2017	65,327,785	65,327,785	-
Unrealized Gains/(Losses)			
Closing investment valuation reserve			6,851,534
Less opening investment valuation reserve			10,840,720
Backdated price adjustment			-
Unrealized capital movement over period			(3,989,186)

Kiribati Provident Fund



Detailed Capital and Income Breakdown

31/03/2017

Total Australian Equities	25,814,404
Total International Equities	10,192,207
Total Australian Fixed Income	9,072,098
Capital Cash	5,626,992
Total Capital Value	50,705,701

Income Cash	385,977
Income accruals	157,457

Total Market Value	\$ 51,249,135
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Calendar Year Total Income

Jan - March 2017

unrealized capital gains and losses	190,007
realized capital gains and losses	722,766
	912,773

Income from interest and dividends received per asset class

Total Australian Equity	269,470
Total International Equity	57,741
Total Fixed Interest	44,198
Total Bank Interest	22,304
(Less) Total Management fees	-53,487

Total Net Income	\$ 340,226.00
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KIRIBATI PROVIDENT FUND
Notes to the accounts
For the year ended 31 March 2017

Notes

A-1

Income on Overseas Investments - BTIM

Dividends - Australian Shares	1,091,864
Dividends - Overseas Shares	586,031
Income distribution - International Real Estate	174,962
Income Distribution - Australian Real Estate	318,440
Income Distribution - Australian Bond	1,249,238
Income Distribution - Overseas Bond	590,880
Australian Cash	58,522
Other	162,586
Total income	4,232,523

A-2

Realized Gain/(Loss) on Sale of Investments

Australian Fixed Interest Securities	(150,778)
Overseas Fixed Interest Securities	(154,797)
Real Estate	1,426,504
International real estate	591,850
Australian Shares	1,043,210
International Shares	3,181,713
Other investment	119,488
Cash equivalent	-
Future contracts	-
Options contract	-
Total	6,057,190

A-3

Unrealised Gains/(Losses) on Investment valuation

International Fixed Interest	(186,998)
Overseas Equities	5,215,946
Australian Fixed interest	(648,120)
Australian shares	1,327,242
Australian real estate	264,360
International real estate	739,243
other investment	139,861
Real Estate	-

Forward exchange contract
Investment revaluation 31/03/2017
Back-date price adjustment
Less Opening investment revaluation

1/1/16-31/03/17	2015	2014	2013	2012	2011	2010	2009
1,091,864	862,928	902,809	732,784	639,530	606,139	695,750	703,181
586,031	12,637	335,406	838,114	145,140	1,537,069	1,111,220	1,349,123
174,962	129,595	23,223	75,411	30,820	585,016	-	-
318,440	274,771	288,940	217,014	250,038	188,756	263,785	492,285
1,249,238	1,221,896	1,197,026	567,432	1,456,688	840,442	1,038,890	1,451,755
590,880	684,632	277,244	236,241	758,849	271,002	716,264	925,251
58,522	60,468	57,287	67,178	61,055	100,558	120,673	124,824
162,586	56,002	35,637	10,901	106,035	165,660	29,547	-
4,232,523	3,302,929	3,117,572	2,745,076	3,448,155	4,294,642	3,976,128	5,046,469

1/1/16-31/03/17	2015	2014	2013	2012	2011	2010	2009
(150,778)	(380)	10,063	(245,958)	118,236	39,164	(159,569)	(50,676)
(154,797)	-	10,632	14,525	14,525	10,596	(113,489)	(79,132)
1,426,504	757,613	200,458	54,544	120,825	(415,165)	(2,584,560)	(777,485)
591,850	329,941	88,369	811,474	(606,734)	161,322	1,046,585	(827,443)
1,043,210	1,909,575	1,125,264	452,600	(193,452)	(751,436)	(5,175,935)	(1,440,370)
3,181,713	642,887	35,394	(425,569)	(3,547)	17,590	20,102	(5,404)
119,488	15,893	4,739	(675)	(2,573)	(6,608)	-	-
6,057,190	3,655,529	1,474,919	646,415	(550,147)	(940,501)	(6,569,470)	(3,130,510)

(186,998)	(99,914)	439,830	(95,643)	66,454	369,147	15,207	(333,214)
5,215,946	7,238,267	6,113,976	4,023,998	(682,234)	(2,996,473)	(1,592,299)	(6,094,604)
(648,120)	(302,982)	508,609	108,737	141,251	530,038	(167,071)	(693,869)
1,327,242	1,209,883	2,381,776	3,529,193	1,170,653	(1,151,708)	982,179	3,119,761
264,360	1,250,835	1,533,247	756,363	701,517	(269,964)	(677,512)	(2,702,481)
739,243	1,291,503	1,582,960	961,791	885,266	503,032	1,166,938	90,456
139,861	253,128	255,092	109,495	(439,328)	(382,995)	(239,107)	(333,378)
6,851,534	10,840,720	12,835,490	9,393,834	1,843,579	(3,398,923)	(511,665)	(6,947,329)

6,851,534	10,840,720	12,835,490	9,393,834	1,843,579	(3,398,923)	(511,665)	(6,947,329)
Back-date price adjustment	0	57	(36,505)	(7,755)	(511,665)	(6,947,329)	(16,844,685)
Less Opening investment revaluation	10,840,720	12,835,490	9,393,834	1,843,579	(3,398,923)	(511,665)	(6,947,329)

	(3,989,186)	(1,994,770)	3,441,599	7,586,760	5,250,257	(2,887,258)	6,435,664	9,897,356
Gain/(loss) on investment revaluation								
A-4 ANZ Trustees Ltd investment								
Dividend - Australian equity	881,306	550,891	463,926					
Income - International equity	109,072	131,279	99,716					
Fixed Interest	313,671	304,012	289,509					
Cash	65,945	33,978	34,917					
Net capital gain/(loss)	912,773	-	819,273					
Gross cash income	-	-	-	2,840,641	1,933,418	(1,654,464)	382,445	
Accrued income	65,776	-	-	1,088,787	1,190,667	1,560,089	203,645	
Accrued income	-	-	-	-	-	139,280	138,436	
Total income from ANZ Trustee investment	2,348,543	1,020,160	1,707,341	3,929,428	3,124,085	44,905	724,526	
GILT investment - overseas s/term investment								
Interest received	13,276	20,389	18,836	15,053	94,163	125,573	190,713	261,121
Total GILT income	13,276	20,389	18,836	15,053	94,163	125,573	190,713	261,121
B-1 Staff Payroll								
Salaries - Established Staff	535,798	380,368	341,472	336,437	333,195	364,573	365,580	321,910
Salaries - Temporary Staff	21,319	18,165	11,956	10,536	41,440	58,951	51,987	34,772
Overtime	28,408	17,164	19,386	11,757	35,180	47,154	54,445	51,571
Allowances	17,489	61,476	75,324	57,153	43,309	42,054	12,100	8,897
Retirement benefit	-	-	-	-	25,000	-	-	-
KPF Contributions	40,406	29,628	27,658	25,790	30,148	33,694	31,289	26,993
Total	643,420	506,801	475,794	441,673	508,272	546,426	515,401	444,143
B-2 Office Expenses								
Electricity	60,153	38,285	45,541	48,595	101,959	115,577	113,928	105,189
Insurance premium	5,578	5,578	5,709	5,836	5,578	16,511	1,690	11,109
Office Supplies	63,931	33,136	24,435	15,618	17,660	32,865	62,583	26,027
Telecom	99,540	69,277	25,571	34,677	45,406	56,588	46,995	46,241
Recruitment	10,410	9,465	4,713	4,130	10,257	5,500	-	-
Postage	1,496	1,105	1,178	205	201	734	584	103
Printing	-	3,002	3,320	3,058	3,947	3,686	485	1,635
Public awareness	11,694	9,005	5,963	1,826	5,336	-	-	-
Entertainment	2,699	3,479	2,128	749	3,086	2,366	580	1,750
Total	255,501	172,332	118,558	114,695	193,430	233,827	226,845	192,054
B-3 Travelling - Local & Overseas								
Annual Leave	99,562	78,727	49,280	41,814	30,782	31,166	39,924	28,406
Transport	23,193	20,314	16,028	18,057	18,086	13,806	24,987	29,635
Xmas Island visit	24,119	99,063	2,343	1,839	4,246	11,336	19,546	14,562
Agents expenses	6,947	-	-	-	-	-	-	-
Xmas staff return transport	-	-	-	-	-	-	-	-
Conference/ Workshop	183,992	253,262	19,139	94,418	48,870	43,643	110,476	107,010
Internal travelling	4,886	139,654	13,640	2,815	3,756	21,089	148	19,095
Training	33,189	7,049	8,153	26,678	6,983	32,593	27,043	33,422
Total	375,888	598,069	108,582	185,621	112,713	153,633	222,124	232,130

B-4

Fees & Other Charges

IT Management & other fees	445,303	364,919	340,370	299,551	256,708	265,641	342,096	366,155
ANZ Trustees Ltd management fees & withhold tax	201,552	138,487	147,470	174,685	169,663	345,128	49,992	
International Social Security Association	15,836	16,476	14,117	13,951	12,147	13,174	12,228	
Financial Synergy	-	-	-	-	-	-	9,331	
SFL Fees	-	2,880	2,880	-	3,916	6,517	16,040	11,211
Audit Fees	6,000	-	3,000	3,000	3,000	3,000	3,000	3,000
Bank Charges	14,649	16,249	11,477	9,210	10,357	11,598	9,759	10,299
Legal fees	1,088	1,173	599	5,447	5,062	5,909	5,278	6,408
VMS agent fee	-	90	615	255	165	465	300	375
Subscription & other fees	4,538	2,386	3,512	632	858	-	-	-
Total	688,946	542,660	524,040	506,731	461,876	651,432	448,024	397,448

B-5

Repairs & Maintenance

Commercial Building	16,253	15,387	13,161	15,575	19,264	25,879	50,480	40,597
Staff House	920	1,308	1,224	2,316	1,370	3,032	5,953	9,219
KPF Office & xmas [repair & rent]	10,764	9,164	3,751	3,083	2,928	2,854	3,374	3,416
furniture & fittings	-	-	-	-	-	-	-	-
Vehicle - Motorbike	-	-	-	-	-	-	-	-
office equipment	-	-	-	-	-	-	-	-
Vehicle - Double cab & minibus	15,025	10,210	6,552	6,150	5,960	4,833	4,806	5,696
Generator	-	-	-	-	-	-	-	-
Total	42,962	36,069	24,688	27,122	29,522	36,598	64,613	58,928

B-6

Miscellaneous

Advertisement	-	-	-	-	-	347	5,588	5,418
Board of Directors	70,574	45,104	36,681	38,092	47,214	55,279	39,676	14,163
Rental Lease	2,327	47,169	828	866	650	650	1,130	650
KPF Office Rent	46,221	39,300	41,086	41,086	41,086	41,086	35,700	35,700
Computerisation	-	-	-	-	-	-	-	-
Staff Uniform	6,184	1,965	339	10,688	91	-	4,713	2,318
Donation	-	-	2,738	-	-	4,500	3,400	4,110
Promotion	4,770	6,340	750	4,184	5,177	-	300	-
Work experience	-	-	-	-	-	-	-	-
Cleaning accounts	51,878	-	-	-	-	-	-	-
Sundry Expenses	4,866	214	802	1,295	920	5,616	3,352	406
Total	186,820	140,092	83,223	96,211	95,138	107,478	93,859	62,765

B-7

Financial

Depreciation	306,603	156,162	106,787	107,677	116,489	105,768	96,861	82,656
Asset write off expense	-	-	-	-	-	-	-	-
Subsidised House Rent	14,106	3,933	4,497	7,820	10,160	3,567	5,803	9,574
Bad debt & provision	-	2,000,000	-	-	-	-	-	-
Total	320,709	2,160,095	111,284	115,497	126,649	109,335	102,664	92,230

B-8	Prior Period Items									
	Prior period expenses	-	110	64,454	5,293	184	3,135	7,877		
C-1	Prior years adjustments	-	-	-	-	-	-	-		
	Write off expense adjustment	-	-	0	-	-	-	-		
	Write back of revenue adjustment	-	-	0	-	-	-	-		
	Total	-	110	64,454	5,293	184	3,135	7,877		
	Current Assets									
	Cash on hand & Bank									
C-1	Cash at Bank - A/c 254079	362,167	530,425	398,544	86,316	1,573,952	391,484	29,225	351,709	
	Petty Cash	513	600	400	1,852	1,652	1,652	1,260	860	
	Opening of loan account - a/c 831558	-	-	-	-	-	-	-	-	
	Total	362,680	531,025	398,944	88,168	1,575,604	393,136	30,485	352,569	
	Accounts Receivable									
	Accounts Receivable - surcharges	2,897,646	2,302,497	2,295,354	1,793,824	1,553,521	1,235,071	1,004,405	665,840	
C-2	Provision for d/debt - surcharges	(2,000,000)	(2,000,000)	-	-	-	-	-	-	
	Accounts Receivable - others & KHC GM's renovation	-	-	29,487	36,415	41,617	49,420	49,420	42,617	
	Rent Receivable - commercial building	7,347	2,476	1,430	130,575	143,994	141,717	129,968	114,029	
	Cash transfers - Loan a/c 831558	400,000	900,000	1,250,000	1,247,185	1,012,815	70,000	-	-	
	Electricity Receivable - commercial build	-	4,859	38,594	38,594	45,414	49,259	45,433	42,318	
	Total Accounts Receivable	1,304,993	1,209,832	3,614,865	3,246,593	2,797,361	1,545,467	1,229,226	864,804	
	Accruals & Prepayments									
	Accrued income- ANZ Trustee Ltd	-	-	-	-	-	-	-	-	
C-3	Accrued members contributions	-	-	-	-	-	-	-	-	
	Accrued revenue - Air Kiribati loan investment 2	1,728,723	-	-	139,651	200,165	191,777	179,568	159,069	
	Accrued interest - DBK educational investment	215,547	211,939	205,659	205,659	45,807	48,943	33,178	33,468	
	Returned cheques	28,384	26,010	53,655	60,329	40,396	40,396	40,396	40,396	
	Prepayment - Solar Energy Company	41,963	41,963	40,000	40,396	40,396	40,396	40,396	40,396	
	Total accruals & prepayments	2,014,617	279,912	299,314	446,035	286,368	281,116	253,142	232,933	
	Sundry Accounts Receivable									
	Staff imprest	9,154	-	278,923	249,613	216,338	207,828	160,570	140,960	
C-4	Staff loan	286,129	312,843	340,870	385,521	434,975	479,100	544,333	598,757	
	Staff Education advance	-	-	-	-	-	-	-	-	
	Bank clearing - unknown Dr/Cr	7,400	-	20,603	-	-	-	-	-	
	Unsettled Sales of Investment	-	-	-	-	-	-	-	-	
	Debtor - PVU	-	-	-	-	-	-	-	-	
	House Rent Deposit	-	-	-	500	500	500	500	500	
	Total sundry accounts receivable	302,683	312,843	640,396	635,634	651,813	687,428	705,403	740,217	

C-5

Fixed assets										
Land	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
Buildings	957,062	1,066,465	1,074,032	1,102,202	1,126,215	1,154,989	1,183,763	1,210,185		
Furniture & fittings		1,504		1,504	7,873	4,294	6,816	5,416		
Motor Vehicles		83,400	116,595	64,201	63,890	45,199	62,498	26,757		
System enhancement	302,035	224,994	50,586	47,995	49,800	30,230	35,268	40,306		
Office Machines	12,933	67,345	75,442	2,380	12,711	43,657	60,167	93,413		
Total fixed assets	1,281,030	1,452,708	1,325,655	1,227,282	1,269,489	1,287,369	1,357,512	1,385,075		

Refer to Note H for fixed asset breakdown

C-6

Investments										
Overseas										
BTM										
Australian Fixed Interest Securities	14,347,035	17,007,364	16,630,887	15,325,715	13,402,148	12,674,016	13,810,641	18,673,213		
Overseas Fixed Interest Securities	6,515,934	7,776,784	7,395,221	6,713,717	6,043,204	6,253,916	6,193,376	8,412,542		
Real Estate	7,305,762	8,881,052	8,774,736	7,119,255	6,977,432	6,035,125	6,356,573	9,341,212		
Australian Equities	15,541,086	19,195,399	18,400,397	17,704,819	14,646,930	14,171,600	15,216,840	21,922,805		
Overseas Equities	16,304,354	19,177,749	19,090,976	17,925,883	15,404,783	14,773,855	15,616,889	22,207,693		
Cash equivalent	3,228,821	2,500,803	2,210,208	2,296,554	2,386,193	1,060,156	2,549,723	4,455,418		
Other	2,084,792	3,883,369	3,821,378	3,544,090	3,125,648	3,133,870	3,157,255	3,376,489		
Total BTM investment	65,327,784	78,422,520	76,323,753	70,630,033	61,986,338	58,102,538	62,801,297	88,389,372		

GILT investment Pty										
ANZ Trustees Ltd investment										
Australian Equities	25,814,404	11,746,293	11,526,678	10,194,585	9,220,159	6,662,664	10,035,795	3,842,220		
International equities	10,192,207	7,024,121	6,842,222	5,829,821	4,219,418	3,487,405	5,227,200	9,062,219		
Total fixed interest	9,072,098	8,997,694	9,123,958	9,208,802	9,555,839	9,111,273	9,062,219	1,654,468		
Capital Cash	5,626,992	1,437,899	481,615	604,496	1,401,647	5,202,303	1,654,468	153,654		
Income held in cash	385,977	382,035	85,397	143,641	229,538	1,368,534	139,280	138,436		
Income accruals	157,457	62,958	44,604	138,317	142,154	139,280	138,436			
Total ANZ Trustees Ltd investment	51,249,135	29,651,000	28,104,474	26,119,662	24,768,755	25,971,459	26,271,772	92,231,592		
Total overseas investments	116,576,919	108,789,367	104,933,368	96,749,695	88,523,680	86,454,434	93,301,747	92,231,592		

C-7

Local										
Interest Bearing Deposit				369,518		3,641,850	4,883,097	4,254,429	1,368,453	
DBK Education support investment	1,529,352	1,529,352	1,529,352	1,529,352	1,529,352	1,529,352	1,529,352	1,529,352	1,529,352	
Small Loan Scheme investment	7,250,601	7,250,601	7,171,666	7,250,601	7,280,601	2,550,601	2,300,670			
Payable for loan settlement	(140,540)	(110,623)								
Air Kiribati loan investment (1)	1,786,354	7,501,354	6,999,980	6,721,484						
Air Kiribati loan investment (2)	4,640,000									
Abanakoero Shares										
Total for local investments	15,065,767	16,170,684	15,700,998	15,870,955	12,451,803	8,963,050	4,254,429	2,897,805		
TOTAL INVESTMENTS	131,642,686	124,960,051	120,634,366	112,620,650	100,975,483	95,417,484	97,556,176	95,129,397		

Current liabilities

D-1

Payroll Liabilities

PAYE Taxes	1,740	33,961	33,822	17,776	16,841	13,637	1,971
Withholding Taxes	-	2,343	3,427	6,222	2,385	(6,784)	(2,683)
Life Insurance Payable	4,699	-	-	-	-	-	-
KPF House rent payable	-	16	16	409	409	409	(219)
KHC House Rent Payable	-	521	-	-	-	-	-
Linnix House Rent Payable	-	-	(1,194)	413	398	311	(291)
TSKL mobile	-	11	(2,194)	(2,194)	(2,194)	(2,194)	(2,194)
Private House Rent Payable	-	-	(381)	(381)	(469)	(173)	69
KPF loan repayment	-	-	287	238	-	-	-
BKL House Rent Payable	-	1,193	-	-	-	-	-
DBK loan Repayment	-	-	(344)	(344)	(585)	612	(585)
KHC loan Repayment	-	-	1,193	783	783	783	(1,538)
KPF Contribution	(54)	-	-	-	-	-	-
Payroll bank charges	-	-	-	-	-	-	-
Wages Payable	-	557	-	-	-	-	-
Total	4,645	1,751	(48,578)	(27,992)	(29,414)	(29,572)	(37,200)
			(13,946)	(5,070)	(11,846)	(22,971)	(42,670)

D-2

Sundry Accounts Payable

Accounts Payable	40	5,524	5,674	1,205	1,205	1,205	1,205
GST liabilities	-	-	1,461	-	-	-	-
Rent received in advance	-	-	-	-	-	-	-
Service Fees Payable	-	-	9,538	-	-	-	-
Westpac Fees Payable	-	-	-	-	-	-	-
Audit Fees Payable	60,000	54,000	51,000	48,000	45,000	42,000	39,000
Members' loan control account	-	-	33,975	33,975	33,975	(469)	(469)
KPF Social Fund	-	-	(469)	(469)	(469)	(469)	(469)
Total	60,040	59,524	85,711	82,711	79,711	42,736	39,736

D-3

Accruals & Advances

Unsettled Purchase of Investment	34,474	-	-	-	-	-	-
GST Collected	31,684	-	-	-	-	-	-
GST Paid	-	5,550	(849)	(34,187)	(27,072)	(27,040)	(12,158)
Accrued Expenses	-	5,550	(849)	(34,187)	(27,072)	(27,040)	(12,158)
Total	2,790	5,550	(35,946)	(34,187)	(27,072)	(27,040)	(12,158)

E-1

Member's Contribution Account

Opening balance	144,100,667	141,221,112	134,350,525	129,503,627	124,457,459	117,990,777	110,321,766
Opening balance adjustment	-	(5,186,416)	-	197,440	59,736	51,977	-
	144,100,667	136,034,696	134,350,525	129,701,067	124,517,195	118,042,754	110,321,766
Allocated contributions	14,250,518	12,790,320	12,957,411	10,998,886	10,194,734	10,437,020	10,213,601
Interest on Withdrawals	344,976	-	114,674	132,870	150,482	-	-
Interest on Members Accounts	6,842,188	9,667,855	8,466,098	8,059,589	7,707,687	7,351,863	5,906,677
Withdrawals	(17,291,625)	(14,392,204)	(14,270,389)	(14,541,887)	(13,066,471)	(11,374,178)	(13,309,208)

Accounts payable	3,410	(47,989)	15,037	2,825	9,775	48,100	7,817	7,568
Accrued expenses	(2,759)	6,398	(87,633)	(1,759)	(7,115)	(32)	(14,882)	(3,360)
	1,820,447	(1,880,553)	149,055	(561,654)	(1,284,486)	(248,172)	(377,091)	(197,635)
Net cash inflow/(outflow) from operating activities	(1,681,335)	(1,206,152)	345,217	(1,101,159)	(1,824,584)	(404,158)	(172,038)	(1,058,248)

KPF SMALL LOAN SCHEME
FINANCIAL POSITION
AS AT 31 MARCH 2017

Current Assets	Notes	Jan 16 - Mar 17	2015	2014	2013	2012	2011	2010
Cash at Bank	M-1	1,727,115	919,374	104,276	260,338	-	119,491	215,086
Cash float	"	-	-	-	-	-	2,631	6,732
Staff advance	M-2	-	-	1,998	2,138	-	-	-
Loan clearing	M-2	322,586	-	-	-	-	-	-
Bank clearing	M-2	1,962	-	-	-	-	-	-
Receivable for loan settlement	M-2	140,540	110,623	78,936	-	-	-	-
Returned cheque	M-3	3,691	-	-	-	-	-	-
Accrued revenue	M-3	-	-	-	19,736	20,888	676,554	176,579
Total current assets		2,195,894	1,029,997	185,210	242,740	29,581	798,676	398,397
Current Liabilities								
Accounts payable	N-1	406	-	-	958	958	106,222	47,006
Accrued expenses	"	-	-	-	-	1,265	-	-
Payroll liabilities	"	-	-	11,619	6,522	5,085	-	-
Transfer	"	400,000	900,000	1,350,000	1,230,000	1,030,000	70,000	-
Total current liabilities		400,406	900,000	1,361,619	1,235,564	1,035,392	176,222	47,006
Working Capital		1,795,488	129,997	1,176,409	992,824	1,064,973	622,454	351,391
Fixed Asset								
Office equipment/machineries	O-1	6,661	6,661	6,661	6,661	6,661	6,661	6,661
Less Accumulated Depreciation	"	6,661	6,661	6,661	6,661	5,460	3,795	2,130
Net Book Value		-	-	-	0	1,201	2,866	4,531
Furniture & Fittings	"	8,140	8,140	8,140	8,140	8,140	6,182	5,090
Less Accumulated Depreciation	"	8,140	8,140	7,480	5,934	4,388	2,352	807
Net Book Value		-	-	660	2,206	3,752	3,830	4,283
Total Fixed Asset		-	-	660	2,206	4,953	6,695	8,813
Members loan control account								
Members loan control account	M-2	14,075,557	12,965,704	-	-	-	8,322,751	3,032,773
Members Loan Holding Account		(404,844)	(152,141)	-	-	-	5,899,098	939,851
Loan refund		-	-	-	-	-	154,545	8,979
Total members loan control account		13,670,713	12,813,563	12,625,171	11,264,515	9,978,478	2,578,198	2,101,901

Total Net Asset		15,466,201	12,943,560	11,449,422	10,273,897	8,918,458	3,207,347	2,462,105
Small Loan Scheme Accumulated Funds								
Capital Account	Q-1	7,250,601	7,250,601	9,952,699	8,918,457	3,207,347	2,462,104	2,300,670
Accumulated Retained earning		5,692,960	4,198,819			4,700,000	249,931	
Add: surplus for the year	"	2,522,639	1,494,139	1,496,723	1,355,439	1,011,110	495,312	161,434
		15,466,200	12,943,559	11,449,422	10,273,896	8,918,457	3,207,347	2,462,104

Chairman, KPF Board of Directors

CEO, Kiribati Provident Fund

Date 08/09/17

KPF SMALL LOAN SCHEME
FINANCIAL PERFORMANCE
AS AT 31 MARCH 2017

INCOME	Notes	1/1/16-31/03/17	2015	2014	2013	2012	2011	2010
Loan application fee	L-1a	138,329	85,570	81,620	91,523	83,751	60,398	25,750
Sundry revenue	"	17,092	16,206	526	344	732	2,099	31
Establishment fee	L-1b	376,276	270,947	253,228	257,149	322,815	122,110	68,085
Administration fee	"	1,191,530	220,055	209,395	186,520	162,105	137,140	43,360
Penalty fee	"	147,567	5,850	8,355	11,575	9,625	9,240	960
Interest revenue	"	1,309,024	1,115,174	1,028,501	891,001	517,004	231,485	64,174
TOTAL INCOME		3,179,818	1,713,802	1,581,625	1,438,112	1,096,032	562,472	202,360
EXPENSES								
Payroll	L-2a	101,567	56,962	51,185	49,204	56,088	38,953	22,469
Office supplies	"	8,958	3,039	2,455	2,727	938	1,551	6,563
Telecom	"	1,727	818	646	1,625	805	1,726	836
Office rent	"	7,125	5,386	5,890	5,052	5,386	5,385	2,693
Electricity	"	7,472	3,838	7,785	3,786	5,226	10,510	2,793
Bank charges	"	10,014	8,566	8,168	8,720	9,521	5,824	2,733
Annual leave	"	16,625	9,750	6,000	6,000			
Public awareness	"	605	40					
Advertisement	"		-	-	740	185		
Promotion	"		-	-	-	619		
Transport	"	62	-	84				
Internal travel	"		190					
Kinras visit	"		2,090					
Repair & maintenance - General	"		-	-	1,117			
Sundry	"	502,239	127,398					
Subsidized House rent	"	785	926	1,144	955	505		
Board expenses	"		-		-	1,948		
Depreciation:			-					
office equipment	"		-		1,201	1,665	1,665	2,130
furniture & fittings	"		660	1,546	1,546	2,036	1,546	807
TOTAL EXPENSES		657,179	219,663	84,903	82,673	84,922	67,160	40,924
Net surplus/(Deficit)		2,522,639	1,494,139	1,496,722	1,355,439	1,011,110	495,312	161,436

Kiribati Provident Fund
Statement of Cashflows
For the year ended 31 March 2017

	Notes	1/1/16-31/3/17	2015	2014	2013	2012	2011	2010
Cashflows from operating activities								
Receipts from customers & employees		2,340,967	1,494,800	5,582,182	11,486,264	7,411,128	5,677,306	2,250,665
Payments to suppliers and employees		(1,533,226)	(679,702)	(3,017,099)	11,217,233	7,541,943	5,777,002	(3,329,517)
Net cash from operating activities	R-1	807,741	815,098	2,565,083	269,031	(130,815)	(99,696)	(1,078,852)
Cashflows from investing activities								
Receipts from investments		-	-	(2,722,690)	-	-	-	-
Purchase of property, plant and equipment		-	-	1,546	-	-	-	-
Net cash from investing activities		-	-	(2,721,144)	-	-	-	-
Cashflows from financing activities								
Loan injection		-	-	-	-	-	-	1,300,670
Net cash from financing activities		-	-	-	-	-	-	1,300,670
Net increase/(decrease) in cash		807,741	815,098	(156,062)	269,031	(130,815)	(99,696)	221,818
Add opening cash		919,374	104,276	260,338	(8,693)	122,122	221,818	-
Closing cash		1,727,115	919,374	104,276	260,338	(8,693)	122,122	221,818
Made up as follows:								
Cash at Bank		1,727,115	919,374	104,276	260,338	(8,693)	119,491	215,086
Cash float		-	-	-	-	-	2,631	6,732
Total	M-1	1,727,115	919,374	104,276	260,338	(8,693)	122,122	221,818

The accompanying notes form part of these financial statements

Notes to the accounts

For the year ended 31 March 2017

Note O: Fixed Asset Depreciation Schedule - March 2017

Cost	F/Fittings	Machineries	Total
Balance 1/1/17	8,140	6,661	14,801
Additions	-	-	-
Disposal	-	-	-
Balance 31/03/17	8,140	6,661	14,801
Accumulated Depreciation			
Balance 1/1/17	8,140	6,661	14,801
Depreciation charged	-	-	-
Balance 31/03/2017	8,140	6,661	14,801
NBV 31/03/2017	-	-	-
NBV 31/12/16	-	-	-

KIRIBATI PROVIDENT FUND
DRAFT LOAN SCHEME
AS AT 31 MARCH 2017

Notes		1/1/16-31/3/17	2015	2014	2013	2012	2011	2010
1.1	Loan Scheme Income							
a	Actual receipts							
	Application fee	138,329	85,570	81,620	91,523	83,751	60,398	25,750
	Sundry revenue	17,092	16,206	526	344	732	2,099	31
	Establishment fee	376,276	270,947	253,228	257,149	322,815		
	Administrative fee	1,191,530	220,055	209,395	186,520	162,105		
	Penalty fee	147,567	5,850	8,355	11,575	9,625		
	Interest received	1,309,024	1,115,174	1,028,501	891,003	517,004		
	Total income	3,179,818	1,713,802	1,581,625	1,438,114	1,096,033	62,497	25,781
b	Accrued income							
	Establishment fee						122,110	68,085
	Administrative fee						137,140	43,360
	penalty fee						9,240	960
	Interest received						231,485	64,174
	Total accrued income						499,975	176,579
1.2	Loan expenditure							
a	Actual expenses							
	Established salaries	82,045	45,930	47,717	42,512	34,090		
	Temporary salaries	9,319	3,227			10,850		
	Overtime	696			502	5,518		
	Allowance		3,870		2,820	2,278		
	KPF Employer expenses	9,508	3,935	3,468	3,370	3,352		
	Annual leave	16,625	9,750	6,000	6,000			
	Public awareness	605	40		740	185		
	Promotion					619		
	Office supplies	8,958	3,039	2,455	2,727	938		
	Telecom	1,728	818	646	1,625	805		
	Electricity	7,472	3,838	7,785	3,786	5,226		
	Office rent	7,125	5,386	5,890	5,052	5,386		
	Sundry		127,398					
	Transport	62		84				
	Internal travel		190					
	Xmas visit		2,090					
	R&M General				1,117			
	Bank charges	10,013	8,566	8,168	8,720	9,521		
	Subsidized H/Rent	785	926	1,144	955	505		

Board expenses	-	-	-	-	1,948	5,824	2,733
Depreciation	-	-	-	-	3,701	3,211	2,938
Other expenses	502,239	660	1,546	2,747	-	-	-
Total actual expenses	657,180	219,663	84,903	82,673	84,921	9,035	5,670
Accrued expenses	-	-	-	-	-	-	-
Office supplies	-	-	-	-	1,551	6,563	-
Payroll expenses	-	-	-	-	38,953	22,369	-
Telecom	-	-	-	-	1,726	836	-
Rent	-	-	-	-	5,385	2,693	-
Electricity	-	-	-	-	10,510	2,793	-
Total accrued expenses	-	-	-	-	58,124	35,255	-

Current Asset	-	-	-	-	-	-	-
Cash at Bank & on Hand	-	-	-	-	-	-	-
Cash at Bank	1,727,115	919,374	104,276	260,338	8,693	119,491	215,086
Cash float	-	-	-	-	-	2,631	6,732
Total	1,727,115	919,374	104,276	260,338	8,693	122,122	221,818

Accounts Receivables	-	-	-	-	-	-	-
Staff advance	-	-	1,998	2,138	-	-	-
Bank clearing	1,962	-	-	-	-	-	-
Loan clearing account	322,586	-	-	-	-	-	-
Receivable for loan settlement	140,540	110,623	78,936	-	-	-	-
Members loan control	14,075,557	12,965,704	12,625,171	11,264,515	9,978,478	2,578,198	2,101,901
Members Loan Holding Account	(404,844)	(152,141)	-	-	-	-	-
Total	14,135,801	13,076,327	12,706,105	11,266,653	9,978,478	2,578,198	2,101,901

Accruals and Prepayments	-	-	-	-	-	-	-
Returned cheques	3,691	-	-	19,736	20,888	-	-
Accrued revenue	-	-	-	-	-	676,554	176,579
Total	3,691	-	-	19,736	20,888	676,554	176,579
	1,096	-	-	-	-	-	-

Current Liabilities	-	-	-	-	-	-	-
Accounts payable - A/c 254079	406	-	-	-	-	106,222	47,006
Short term loan - loan scheme	400,000	900,000	1,350,000	1,230,000	1,030,000	70,000	-
DBK loan repayment	-	-	3,135	3,135	1,146	-	-
KPF Social Fund	-	-	110	110	7	-	-
KPF staff loan repayment	-	-	492	492	492	-	-
KPF loan scheme repayment	-	-	4,524	-	-	-	-
KPF contribution	-	-	1,505	983	984	-	-
KPF voluntary	-	-	1,140	1,140	1,140	-	-
Payroll bank charges	-	-	71	-	-	-	-

Payroll accrual payable
PAYEE Taxes
Tax withholding
Accrued expenses
Wages payable
KHC House rent
GST liabilities
Accounts payable - Rental
Accounts payable - Electricity

	-	-	-	273	486		
	-	-	173	173	173		
	-	-	-	-	1,265		
	-	-	471	657	657		
	-	-	-	441			
	-	-	-	958	958		
Total	400,406	900,000	1,361,621	1,235,564	1,035,392	176,222	47,006
	499,594						

Q 1

Fixed Assets
Office equipment and machineries
Furniture & Fittings
Total

	-	-	660	2,206	1,201	2,866	4,531
	-	-	660	2,206	3,752	3,830	4,283
	-	-	660	2,206	4,953	6,695	8,813

Q 1

Equity Account
Capital account
Adjustment to MYOB variance
Accumulated Retained Surplus
Add: net surplus for the year
Accumulated Loan Scheme Fund

	7,250,601	7,250,601	10,273,897	8,918,458	3,207,347	2,462,104	2,300,670
			(321,198)				
	7,852,355	4,198,819	-	-	4,700,000	249,931	
	363,244	1,494,140	1,496,723	1,355,439	1,011,111	495,312	161,434
	15,466,200	12,943,560	11,449,422	10,273,897	8,918,458	3,207,348	2,462,104

R 1

Reconciliation of net surplus/(deficit) to net cash flow from operating activities

	2015	2014	2013	2012	2011	2010
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Surplus/(Deficit)

	2,522,639	1,494,140	1,496,723	1,355,439	1,011,111	495,312	161,434
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Add/(less) non-cash items

Depreciation
Accrued expenses
Accrued revenue

	660,000	-	2,747	3,701	3,211	2,938
	-	-	-	1,265	58,124	35,255
	-	-	-	-	-735,770	-176,578
	660,000	-	2,747	4,966	-674,435	-138,385

1/ Items classified as investing or financing activities:
Cash initial injection

	-	-	-	4,700,000	249,931	1,000,000
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Add/(less) movements in working capital items

Accounts receivable	(1,211,615.00)	(218,081)	(157,837)	(1,289,327)	(5,706,061)	229,720	2,101,901
Accrued revenue	(3,691.00)					0	
Accounts payable	(499,594.00)	(461,621)	1,226,197	200,172	859,170	59,216	0
	(1,714,900)	(679,702)	1,068,360	(1,089,155.00)	(5,846,891.00)	(170,504.00)	(2,101,901.00)

Net cash inflow/(outflow) from operating activities 807,739 815,098 2,565,083 269,031 (110,815) (99,696) (1,078,852)

