



# **THE REPORT OF THE AUDITOR GENERAL OF THE KIRIBATI AUDIT OFFICE ON**

**The Government of Kiribati  
Annual Account for the Year Ended  
31 December 2018**

## KIRIBATI AUDIT OFFICE



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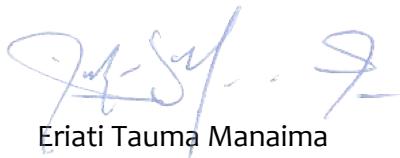
His Excellency Te Beretitenti  
Office of Te Beretitenti  
Bairiki, Tarawa

Dear Madam,

**AUDIT REPORT ON THE KIRIBATI GOVERNMENT ANNUAL ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2018**

In accordance with section 114(3) of the Constitution of the Republic of Kiribati, I am pleased to transmit to you a copy of my report on the Kiribati Government Annual Account for the year ended 2018. The report has been submitted to the Honorable Speaker of te Maneaba ni Maungatabu.

Yours sincerely



Eriati Tauma Manaima

**AUDITOR-GENERAL**

Encl.

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## PART 1: INDEPENDENT AUDITOR'S REPORT

### REPORT ON THE AUDIT OF THE GOVERNMENT OF KIRIBATI ANNUAL ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2018

#### Qualified Audit Opinion

I have audited the Government of Kiribati Annual Account for the year ended 31 December 2018 in accordance with Section 114 (2) of the Kiribati Constitution, Part VI of the Public Finance (Control and Audit) Ordinance 1976 and Section 22(1) of the Kiribati Audit Act, 2017. The Annual Account comprise of the following:

- Statement of balance sheet
- Statement of receipts and payments by Heads or ministries
- Statement of comparative actual and estimated revenue & expenditures by subheads
- Statement of Special Funds' balances by annual and aggregate receipts and payments;
- Statement of other ledger accounts and remittances balances
- Statement of balances on advances account from Consolidated fund
- Statement of balances on advances accounts from deposits
- Statement of balances on deposit accounts
- Statement of contingent liabilities\*
- Statement of investment
- Statement of outstanding loans made from the Consolidated fund\*
- Statement of the Public Debt\*
- Statement of arrears of revenue by subheads\*
- Statement of the balance on the Development Fund
- Statement of balances on the suspense account\*
- Statement of unauthorized expenditure by subhead\*

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the Government of Kiribati Annual Accounts for the year ended 2018 are properly drawn up in accordance with the provisions of the Public Finance (Control and Audit) Ordinance 1976.

#### Basis for Qualified Opinion

The details of these issues on which the Qualified Opinion is based are provided below in "Part 2: Significant Matters Arising From the Audit of the Government of Kiribati Annual Account for The Year Ended 2018".

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\*The above marked Statements are prepared by the Accountant General for information only but are not accounted or reflected in the Government of Kiribati Annual Account for year ended 31 December 2018.

- The audit found a difference of \$1.14 million between total salaries reported in the Management Report and the General Ledger in 2018 (*refer section 2.1*)
- Total unreconciled deposits of \$777k and outstanding cheques of \$1.18 million from previous years were still reflected in the cash book for No.1, No.4 & No.5 accounts. (*refer section 5.1, 5.2 & 5.3*)
- IBD balance reported in the Annual Account 2018 is less than the balance as per confirmed by the Bank in the amount of \$1.22 million (*refer section 5.5*)
- The Kiribati High Commission bank balance reported in the account is less than the cash book (audited) in the amount of \$234,063 (*refer section 5.7*)
- Interest income of \$1.8 million earned in 2018 from State Street Cast Trust investment is not accounted as government revenue income (*refer section 5.11*)
- Outer Island State Fund balance reported in the Account is greater than the amount recorded in the Cash book by \$1.6 million (*refer section 5.12*)
- An amount of \$4 million remittances to the outer island has no supporting returns (*refer section 5.13*)
- Standing Imprest of \$4.7 million relating to previous years (*refer section 6.1*)
- Salary advance that cannot be recovered and still reported in the Annual account \$737k (*refer section 6.2*)
- Incorrect balance for Sundry advance reported as negative under asset in the amount of \$844k (*refer section 6.3*)

I have conducted my audit in accordance with International Standard on Auditing (ISA). My responsibilities under those standards are described in the *Auditors' responsibilities* paragraph of my report. I am independent of the Ministry in accordance with ethical requirements that are relevant to my audit of the financial statement in Kiribati and I have fulfilled my other responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis to my opinion.

### **Emphasis of Matter**

I draw attention to the value of the Revenue Equalization Reserve Fund (RERF) presented in the Government Annual Account for the year ended 31/12/2018. This is based on the valuation report submitted by the Custodian, State Street, to the Ministry of Finance and Economic Development which we do not audit nor is it audited by anyone. My opinion is not qualified in respect of this matter.

### **Management Responsibilities for the Government Annual Accounts**

The Accountant General is responsible for the preparation of the Government of Kiribati Annual Accounts in accordance to Public Finance (Control and Audit) Act, and the Financial Regulation 2011. He (Accountant General) is also responsible for the designing, implementation and maintenance of

internal controls relevant to the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor- General's Responsibilities for the audit of the government Annual Accounts

My objective is to obtain reasonable assurance about whether the Government of Kiribati Annual Account for the year ended 2018 as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect material misstatements when it exists. Misstatements can arise from fraud and error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with ISA, I exercise professional judgement and maintain professional skepticism throughout the audit. I also

- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis of opinion. The risks of note detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Ministry's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimate and related disclosures made by the Ministry.

### Communication with those charged with governance

I communicate with the Accountant General regarding among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that identify during my audit.



Eriati Tauma Manaima

**AUDITOR –GENERAL**

**02 September 2020**

## PART 2: SIGNIFICANT MATTERS ARISING FROM THE AUDIT OF THE GOVERNMENT OF KIRIBATI ANNUAL ACCOUNT FOR THE YEAR ENDED 2018

### 1. STATEMENT I: Balance Sheet as at December 2018

#### **ANNUAL ACCOUNTS** **STATEMENT I: BALANCE SHEET**

<b>Government of Kiribati</b> <b>Balance Sheet as at 31 December 2018</b>			
<b>Particulars</b>	<b>Notes</b>	<b>2018</b> (\$)	<b>2017</b> (\$)
<b>ASSETS</b>			
Bank Accounts & Cash	VI & XVIII	328,193,277.79	233,781,387.72
Imprest and Salary Advances	VII	14,457,851.08	13,208,738.20
Other Advances	VII	770,607.50	770,607.50
Investments	X	985,455,417.45	954,755,833.89
Suspense Account	XVI	12,038,069.84	10,024,955.41
Total Assets		<b>1,340,915,223.66</b>	<b>1,212,541,522.72</b>
<b>LIABILITIES</b>			
Sundry Deposit	VIII	848,649.99	1,011,420.73
Deceased Native Estate	VIII	-1,155,086.58	-1,192,546.05
Sundry Advances	VII	-96,082.39	-183,889.74
SAYE	VIII	-1,334.00	1,854.60
Salary Allotments	VIII	-9,949.60	-10,640.31
Telmos	VIII	-4,645,029.27	-4,711,437.68
Total Liabilities		<b>-5,058,831.85</b>	<b>-5,085,238.45</b>
<b>Net Asset</b>		<b><u>1,335,856,391.81</u></b>	<b><u>1,207,456,284.27</u></b>
Represented by:			
Government Fund	V	1,243,895,751.53	1,149,225,346.98
Add: Consolidated fund excess receipts		46,211,931.18	24,527,885.72
Development fund excess receipts		45,748,709.10	33,703,051.57
<b>Total Equity</b>		<b><u>1,335,856,391.81</u></b>	<b><u>1,207,456,284.27</u></b>

Table 1.1. Balance Sheet as at 31 Dec 2018 (Refer to The Government of Kiribati Annual Account for the year ended 2018 p.12)

## 2. STATEMENT II: Statement of Receipts & Payments

### STATEMENT II: STATEMENT OF RECEIPTS AND PAYMENTS BY HEADS<sup>1</sup>

Government of Kiribati Statement of Receipts and Payments as at 31 December 2018			
Recurrent	Actual Revenue	Actual Expenditure	Net Balance
	\$	\$	\$
LCDF	\$0.00	\$72,369,159.00	-\$72,369,159.00
Office of TeBerititenti	\$390.50	\$2,191,476.81	-\$2,191,086.31
Public Service Office	\$0.00	\$1,101,932.90	-\$1,101,932.90
Judiciary	\$464,938.25	\$2,172,248.57	-\$1,707,310.32
Police	\$110,917.06	\$9,345,695.90	-\$9,234,778.84
Public Service Commission	\$0.00	\$340,689.92	-\$340,689.92
Ministry of Foreign Affairs	\$181,851.08	\$2,650,765.52	-\$2,468,914.44
Ministry Internal Affairs	\$1,361.70	\$2,965,413.34	-\$2,964,051.64
Ministry of Environment	\$692,092.58	\$3,874,663.00	-\$3,182,570.42
Maneaba Ni Maungatabu	\$8,903.45	\$3,974,767.12	-\$3,965,863.67
Ministry of Commerce	\$106,393.22	\$2,057,467.77	-\$1,951,074.55
National Audit Office	\$28,200.00	\$723,823.33	-\$695,623.33
Office of Attorney General	\$510.00	\$674,509.80	-\$673,999.80
Ministry of Fisheries Marine	\$176,332,935.79	\$3,217,410.13	\$173,115,525.66
Ministry of Health	\$131,498.00	\$23,517,240.43	-\$23,385,742.43
Ministry of Education	\$207,848.64	\$27,100,177.05	-\$26,892,328.41
Ministry of Communication	\$2,815,410.45	\$3,975,604.51	-\$1,160,194.06
Ministry of Finance	\$81,435,697.44	\$3,107,051.67	\$78,328,645.77
Ministry of Women & Sport	\$42,098.75	\$1,836,281.47	-\$1,794,182.72
Ministry of Works	\$48,725.79	\$3,695,134.51	-\$3,646,408.72
Ministry of Labour	\$267,501.70	\$5,217,872.80	-\$4,950,371.10
Ministry of Lines and Phoenix	\$809,251.28	\$3,866,084.96	-\$3,056,833.68
Debt Servicing	\$0.00	\$1,721,852.61	-\$1,721,852.61
Other Expenditures	\$0.00	\$32,604,427.65	-\$32,604,427.65
Ministry of Justice	\$150,766.01	\$3,040,289.02	-\$2,889,523.01
Leadership Commission	\$0.00	\$283,320.72	-\$283,320.72
	<u>\$263,837,291.69</u>	<u>\$217,625,360.51</u>	<u>\$46,211,931.18</u>
<b>Development</b>	<b>XV</b>	<b>105,271,416.53</b>	<b>45,748,709.10</b>
Excess of revenue over expenditure		<b>369,108,708.22</b>	<b>277,148,067.94</b>
			<b>91,960,640.28</b>

Table 2.1. Statement of receipt and payment 2018 (Refer to The Government of Kiribati Annual Account for the year ended 2018 p.13)

## 2.1. Recurrent Revenues and Expenditure

### 2.1.1. Reconciliation of salaries

The audit found that total salary (202) reported in the management report 2018 did not match with general ledger as per table below:

Salaries per Management report	50,289,955.26
Salaries per GL (Unconsolidated payroll)	49,145,640.53
Difference	1,144,314.73

### 2.1.2. Ministries compliance in the control of Recurrent Revenues and Expenditure.

The audit assessed Ministries' compliance level against relevant sections of the Public Finance Act, Financial Regulation and National Condition of Service that governs the execution of transactions in the control of revenues and expenditures reported in the Statement of Receipt & Payments. The result of this assessment have no effect on the presentation of the Government Annual Account. However, it is important to address to the attention of those charged in the preparation of account.

The result of ministries assessment that rating from (High-Moderate-Low-Poor) compliance are reported separately in the *Compliance Audit Report- Controls of Government Recurrent Revenue & Expenditures 2018*.

### MANAGEMENT RESPONSES

*First of all, there is a pay-others for concern ministries normally done at the end of the financial year which should be included in the breakdown of salaries above. The current procedure after finalizing payroll each pay period then we have to download our unconsolidated reports. The unconsolidated reports capture all transactions that are taking place in any given pay period which include gross pay, income tax, KPF Contribution (Employee and Employer), allowances, overtime, leave grants and plus all deductions such as DBK, KPF, House Loans, Insurance and other deductions. After downloading unconsolidated reports then we have to post-across our payroll posting from Attache Payroll into Attache Main Accounts to record recurrent and project personal emolument from one pay period to another. The Attache Main Accounts record all government transactions that are happens on daily basis. On a monthly basis, there is a GL reports send to line ministries to reconcile their output accordingly. In the case of Payroll Recurrent Personal Emolument, the reconciliation starts with unconsolidated reports in which they reconcile their Personal Emolument accordingly. After reconciliation and if they find out any mismatch such as misallocation of cost centre, wrong output charged such temporary or salary, no budget provision. They will raise their JV for any adjustments for Personal Emolument and send it to Treasury for processing and amending GL posting. After their monthly reconciliation, they need to contact Salary unit to adjust wrong cost centre, wrong output and misallocation of pay. The payroll posting that was initially posted into Attache Main Accounts can be adjusted or amended after ministry reconciliation by Senior Accountants which submitted in the form of Journal Voucher (JV). The unreconciled variance which is stated above is actually the adjusted value of total salaries after each ministry reconcile their salary expenditure from time*

*to time. As a way forward, we will continue to encourage line ministry to contact Salary as well for any adjustment related to Personal Emolument and not only Special Unit which post JV for adjustments.*

## 2.2. Other Expenditures

### 2.2.1. Local Contribution to Development Funds

Our audit found \$24.7million wrongly recorded as revenue for the Copra Price Scheme under the Development Fund.

#### **Recommendations:**

MFED should provide explanation and supporting documents to justify the above audit issue.

#### ***MANAGEMENT RESPONSES***

##### *2.2 Other Expenditures*

###### *2.2.1 Local Contribution to Development Funds*

- *Agreed with your findings of misallocations under the “N” but in general the warranted amount under the Copra Price Scheme is monitored and it is within the approved budgeted amount of \$31.1M. Moreover, the misallocated amount of \$24.7 m is meant for various projects as disclosed in the table below.*

2018 LCDF Payments from No.1 to No. 4 with Allocations					Total Total Payments	Notes
Known Details	Description	Payment No.1	Payment No.2	Payment No.3		
From No.1 to No.4		31,100,000	8,883,398	32,385,761	72,369,159	
<u>Less:</u>						
<u>Correct Posting GL</u>						
N2502I001160	Copra Price Scheme	31,100,000			31,100,000	okay
N1603I102160	Outer Island Council Survey		50,000		50,000	okay
N2501G005160	Archival and Storage Facility		45,000		45,000	okay
N2504A051160	SOE Reform Programme		150,000		150,000	okay
N2504A051160	Development Partners Forum		94,823		94,823	okay
N2502I092160	Updating Annual training on		17,000		17,000	okay
N2506I030160	Demographic Helath Survey		40,000		40,000	okay
N21042917160	Observer Project Fund		1,000,000		1,000,000	okay
N2204C057160	Local referral		1,074,831		1,074,831	okay
N2204C056160	Medical Overseas referral		4,249,545		4,249,545	okay
N2201E214160	Health Specialist		253,823		253,823	okay
N2204G034160	Directly Observer treatment		138,570		138,570	okay
N2401E039160	Support to Kiribati Aviation		40,000		40,000	okay
N2102I094160	Support to Fisheries		500,000		500,000	okay
<b>N2502I001160</b>	<b>Copra Price Scheme</b>		<b>24,732,169</b>		<b>24,732,169</b>	Wrong Posting GL
N2502I068160	FMIS	3,100,000			3,100,000	okay
N2404I057160	Embraer Aircraft		5,783,398		5,783,398	okay
<b>Total Amount Allocated</b>		<b>31,100,000</b>	<b>8,883,398</b>	<b>32,385,761</b>	<b>72,369,159</b>	
<u>Wrong Posting GL</u>						
N2502I001160	Copra Price Scheme		<b>24,732,169</b>			
<u>Less: Detailed summary of corrections</u>						
<u>Unposted LCDF projects under N's</u>						
	BPA Kiritimati Island AM Transmitter	76,000				
	Power Supply in Xmas	748,954				
	Overseas Scholarhip	2,852,460				
	Student Loan Scheme	1,571,460				
	Primary School Teacher Training	103,109				
	Kiribati Road Rehabilitation	700,000				
	Support to Nippon Causeway	246,167				
	Social Stability Fund	500,000				
	Commonwealth Games	75,000				
	National Women Expo	50,000				
	Construction of National Sport Stadium	1,850,000				
	Upgrading of Cabinet Facilitites	95,774				
	Local Training	100,000				
	Overseas Training	213,245				
	Overseas Short Term Training	150,000				
	Review of Public Service pay scales	400,000				
	Embraer AirCraft	15,000,000				
		<b>24,732,169</b>				
<b>Budget 2018</b>	<b>Budget</b>	<b>Supple No.1</b>	<b>Supple No.2</b>	<b>Supple No.3</b>	<b>Revised Budget</b>	<b>Actual</b>
LCDF	49,260,597.00	400,000	6,032,352	16,676,210	72,369,159	72,369,159

**3. STATEMENT III & IV: Comparative of recurrent expenditure & revenue against estimate by sub head as at 31 Dec 2018**

The Audit Reports on the recurrent revenue and expenditures for Ministries are reported separately under the Compliance Audit Report- Controls of Government Recurrent Revenue & Expenditures 2018 (PART I). Statement III & IV (*Refer to the Kiribati Government Annual Account for year ended 31 December 2018, p. 14-22*)

**4. STATEMENT V: Special Funds and Other Funds**

**STATEMENT V: SPECIAL FUNDS AND OTHER FUNDS**

**Government of Kiribati**

**Statement of Special funds and other funds as at 31<sup>st</sup> December 2018**

Allocation	Description	2018	2017
<b>Special Funds</b>			
F0070000072A	Highway authority	(\$287,755.10)	(\$148,085.18)
F0070000070A	Plant & Vehicle Unit (PVU)	(\$94,232.83)	(\$86,403.83)
F0070000069A	Civil Aviation Special Fund	(\$472,189.45)	(\$1,278,546.38)
F0070000067A	Dai Nippon Causeway Fund	(\$2,368,949.64)	(\$2,240,258.82)
F0070000061A	Import Levy Fund	(\$6,893,042.22)	(\$6,875,758.00)
F0070000030A	Kaoki Mange Special Fund	(\$466,019.08)	(\$364,890.55)
<b>Sum</b>		<b>(\$10,582,188.32)</b>	<b>(\$10,993,942.76)</b>
<b>RERF</b>			
F0070000060A	RERF	(\$973,207,276.55)	(\$942,466,355.32)
<b>Sum</b>		<b>(\$973,207,276.55)</b>	<b>(\$942,466,355.32)</b>
<b>Other Funds</b>			
F0080000002A	Other funds	(\$3,247,597.63)	\$0.00
F0080000001A	Consolidated Fund	(\$59,401,159.01)	(\$57,398,375.96)
F0070000071A	Land equity	(\$10,993,224.00)	(\$10,993,224.00)
F0070000065A	SSGA cash trust	(\$113,224,477.22)	(\$89,332,427.15)
F0070000064A	Local Stabex Fund	\$0.00	\$1,495,755.44
F0070000063A	No 6 Stabex Fund	(\$488,898.80)	(\$488,898.80)
F0070000053A	Development Fund Retain Income	(\$72,750,930.00)	(\$39,047,878.43)
<b>Sum</b>		<b>(\$260,106,286.66)</b>	<b>(\$195,765,048.90)</b>
<b>Grand Total</b>		<b>(\$1,243,895,751.53)</b>	<b>(\$1,149,225,346.98)</b>

*Table 4.1. Special fund balances as at 31 Dec 2018 (Refer to the Government of Kiribati Annual Account for the year ended 2018, p.23)*

#### 4.1. Special funds

Our audit found no evidence to confirm that these special funds are regularly reconciled.

#### **Recommendation:**

Line Ministry that controls the special fund should reconcile the balances against the Ministry of Finance records to ensure that all revenues and expenditures are properly recorded.

#### **MANAGEMENT RESPONSES**

- *Currently, Special Funds are normally accounted for under the “F”, moreover “F” codes recognize and stand for all Government Special Funds. So, when funds are received or paid out from these special funds, the actual cash is deposited and charged to the No.1 Bank.*
- *Actually, Special funds are reconciled and therefore we disagree with your finding that there is no reconciliation made between MFED and the concerned Ministry.*

5. STATEMENT VI & XVIII: Cash at Bank & on Hand & Remittances account

**STATEMENT VI&XVIII: OTHER LEDGER BALANCES & BALANCES OF REMITTANCE ACCOUNT**  
**Government of Kiribati**  
**Statement of Other ledger balances and balances of remittance**  
**account 31<sup>st</sup> December 2018**

Allocation	Description	2018	2017
<b><u>1.Cash at bank and on hand</u></b>			
M0030000001A	No 1 Account	\$43,970.351	\$58,899,594
M0030000004A	No 4 Account	\$147,676,781	\$66,761,564
M0030000005A	No 5 Account (Kiritimati)	(\$269,079)	(\$228,168)
M0030000006A	No 6 Account (Stabex Fur	\$6,576	\$6,696
M0030000007A	Petty Cash	\$0	\$0
M0030000008A	IBDs with BOK Ltd	\$11,971,074	\$12,943,760
M0030000010A	KPF Clearing Account	\$0	\$0
M0030000013A	Sundry Creditor Clearing A	\$0	(\$8,425)
M0030000017A	Kiribati High Com Bank Ac	\$69,686	\$44,018
M0030000018A	Taipei Mission Bank Accc	(\$385,647)	(\$115,017)
M0030000019A	New York Mission Bank Ac	\$20,565	(\$46,497)
M0030000020A	Taipei Mission Petty Cash	(\$9,670)	\$595
M0030000022A	Kiribati High Com Petty ca	\$51,054	\$51,054
M0030000023A	EPOS - outer island	\$1,207,773	\$425,036
M0030000024A	State street Cash trust Q4t	\$113,224,477	\$89,332,427
M0030000025A	Other funds	\$3,247,598	\$0
<b>Sum</b>		<b>\$320,781,540</b>	<b>\$228,066,639</b>
<b><u>2.Cash with subaccountants</u></b>			
M0031000019A	Banaba	\$250	\$250
M0031000024A	Kanton	\$3,688	\$3,688
<b>Sum</b>		<b>\$3,938</b>	<b>\$3,938</b>

Table 5.1 Cash at bank and hand 2018 (Refer to the Kiribati Government Annual Account for year ended December 2018, p. 24)

In line with FR16.13, an officer operating a Government bank account shall reconcile his cash book with a bank statement at the close of each month. The audit approach to all Government cash accounts relies heavily on the correctness of the bank reconciliation.

5.1. Government No.1 Bank Account

- ✓ Our audit found no evidence to confirm that the Government No. 1 Bank Account is done in a timely manner (monthly) as required under FR16.13.

- ✓ Issue found upon review of the bank reconciliation statement as at 31 Dec 2018 – which could have been avoided when reconciliation is done on a timely basis includes:
  - \$277,731.14 total unpresented deposits relating to 2010-2011 (over 7 years)
  - \$411,257 total unpresented deposits relating to 2013-2017
  - \$59,258 total unpresented cheques relating to 2010-2011 (over 7 years)
  - \$757,895 total unpresented cheques relating to 2012-2017
  - \$1,390 total miss posted bank charges relating to transactive banking in 2017

#### **MANAGEMENT RESPONSES**

- *Totally agreed with the Audit findings and the reconciliation required for these pro-longed deposits and cheque payments will be made and properly adjusted in the 2020 Annual Account.*
- *Our working papers for our adjustments are always available and can be provided separately for verification when required.*
- *Bank Charges for Transactive payments, as confirmed to be a mis – posting, will be adjusted also in the 2020 Annual Account*

#### 5.2. Government No. 4 account

Upon review of No.4 account the audit noted the followings:

- \$749.80 total unpresented deposits with the Bank relating to 2010-2011 (over 7 years)
- \$88,383.90 total unpresented deposits relating to 2013-2017
- \$16,395 total outstanding cheques relating to 2010-2011
- \$164,776 total outstanding cheques relating to 2013-2017
- \$215,330 an outstanding transactive payment in 2017

#### **MANAGEMENT RESPONSES**

- *Totally agreed with the Audit findings and a proper reconciliation required for these pro-longed deposits and cheque payments will be reflected in the 2020 Government Annual Account.*
- *Working papers on these adjustments will be provided separately for further verification purposes when required.*
- *The transactive payment of \$215,330 confirmed a double posting and adjustment can be traced or sighted in the 2019 Annual Account.*

#### 5.3. Government No.5 account

The review of account shows the following issues:

- The reported balance for the No.5 continues to show the negative balance in 2018
- \$18,444.92 total outstanding cheques with the Bank relating to 2017
- \$5,917.47 total stale cheques in 2018
- Custom division revenue is not deposited on a daily basis

### **MANAGEMENT RESPONSES**

- *Bank Statements, hard and soft copies for No.5 account are available and can be produced to your staff.*
- *These stale cheques are normally recorded, safely kept and can be sighted.*
- *At the end of each year, the purchase of high value items is a common practice by most Government Ministries just to make use of their remaining budget provisions. This has therefore resulted in reporting a substantial value of unpresented cheques, particularly in November and December, of more than \$600K. However, most of these cheques appeared in the 2020 Bank statements.*
- *The Treasury, MFED will work with MLIPD account to eliminate this kind of issue this year, by advising all cashiers to deposit their collections on a daily basis.*

#### 5.4. Government No.6 account

The audit found that the No.6 account had not been active in the last three years 2016 to 2018 while the balance was deducted by \$10 bank charges every month.

### **MANAGEMENT RESPONSES**

- *This account had been closed and the remaining balance was transferred to the Kiribati Government No.1 account and allocated to the Government Unidentified credit and adjustment will be made to the sundry revenue this year, 2020.*
- *Please refer to the 2019 Government Annual Account for information and verification.*

### **RECOMMENDATIONS:**

#### **General recommendations are listed below for the No.1, No.4, No.5 & No.6:**

The audit strongly recommends:

- Bank reconciliation should be done on a regular basis and the evidence of reconciliation performed should be kept for future references. (No.1, No.4, No.5 & No.6)
- To write off any pro-longed deposits and cheques of more than 7 years.<sup>2</sup> (No.1 & No.4 and No. 5 accounts)
- To regularly review and follow up deposits of more than a month and not yet appear with the bank. (No.1 & No.4, No. 5 accounts)
- To confirm with the bank on the validity period of as normally the bank did not allow cheques of more than 6 months to be cashed. (No.1, No.4 & No.5 accounts)
- To review overseas transfer bank fees. (No.1 & No.4)

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<sup>2</sup> FR section 2.2.5 (2) The original copies of vouchers, used receipts, abstracts and cash accounts and subsidiary journals and records held in the Accounting Division and Post Office headquarters must be preserved for a minimum period of seven years.

- To cancel a payment under transactive No.4 amounted \$215,330
- MFED should consider the need of No.6 account, if not needed should be closed to avoid charges and the balance can be transferred to any active government accounts.

#### 5.5. Government Interest Bearing Deposits (IBD) with ANZ Bank (Kiribati) Ltd

Upon review of government's IBDs with ANZ we found;

- IBD balance reported in the Annual Account 2018 is less than the balance as per confirmed by the Bank in the amount of \$1,219,950.78

#### **Recommendations:**

- MFED should correct the balance of IBD account reported in the account
- MFED should maintain a separately IBD schedule for each government IBD account (total IBD is 8) that would show the record of interest income or withdrawal on a monthly basis and account them accordingly

#### **MANAGEMENT RESPONSES**

- *Regarding the Interest earned, the Ministry takes on board the Audit recommendation and to adhere to it this year, hence the accumulated interests will be disclosed and accounted for according to its maturity dates and will reflected in the 2020 Government Annual Account.*
- *The Ministry will work on such variances and to make adjustment in 2020.*
- *The Ministry will ensure that its' IBDs, including interest, posted in the General Ledger are matched with the Bank balance. This will be fully reflected in the 2020 Government Annual Account.*

#### 5.6. KPF Clearing account

The audit concerns that any account continues to disclose nil balance is considered inactive and no longer needed in the balance sheet.

#### **Recommendations:**

MFED should get rid of the KPF clearing account as per recommended in earlier reports and not to be shown in future accounts.

#### **MANAGEMENT RESPONSES**

- *Treasury will ensure that the KPF Clearing Account continues to display a zero balance. This will be reflected in the 2020 Annual Account.*

#### 5.7. Kiribati High Commission

Upon review of KHC bank account these issues are noted:

- There is no evidence of bank reconciliation been performed
- The Kiribati High Com bank balance reported in the Annual Account 2018 is less than the cash book (audited) balance provided by the High Commission in the amount of \$234,063

- \$35,854.09 total overdue cheques relating to prior years

**Recommendations:**

KHC bank account should be reconciled on a monthly basis and;

- The review and check of bank reconciliation should be enforced by the management as this is part of a good control over cash
- MFED need to update the posting of KHC bank account transactions to the system

***MANAGEMENT RESPONSES***

***KHC Bank Reconciliation***

- *It has been agreed during the PAC meeting on the 2017 Audit report, conducted at KHC office in Fiji in 2019 that this issue will be addressed in 2019 given that the 2018 annual account had been completed. The Bank reconciliation cut off year has been agreed also during the meeting that it should be from 2016 but due to the Covid19 pandemic, this activity cannot be achieved.*
- *As a way forward the management is now planning to carry out the work with KHC SA once the flight schedule back to normal.*
- *The timeframe cannot be finalized as the pandemic continuously spreads; it will be targeted to be done in 2020 but if it is practically possible.*

5.8. Taipei Mission

5.8.1. Taipei Bank account

Upon review the following issues are noted:

- The Taipei bank account reported a negative bank balance (overdraft) at the end of 2018
- The division concern is unable to provide the cash book for the year ended 2018 during the audit

5.8.2. Taipei Mission Petty Cash

The audit found that Petty cash was reported as a negative balance of \$9,670 instead of a positive in 2018. This is not realistic meaning that petty cash is overpaid.

**Recommendations**

- Accounting documents should be kept for at least 7 years for future auditing purposes and others.
- MFED needs to ensure that the reimbursement of petty cash should be reviewed and checked by the responsible officer prior payment is made

***MANAGEMENT RESPONSES***

***4.8.1. Taipei Bank account:***

- *Agree with the comments.*
- *The management will try to work on the recommendations this year.*

#### **4.8.2 Taipei Mission Petty Cash:**

- *Agree with the comment.*
- *The management also confirmed that there is no regular reconciliation made by the responsible officer.*
- *As a way forward – the management will try to work on these misallocations this year and report on the progress in 2020 if it is possible given that this office is no longer exist.*

### 5.9. New York Mission

#### 5.9.1. New York control weaknesses over Cash at Bank

- The audit found that Cheque is not countersigned (signed by only one signatory)
- The chauffeur is allowed to do transport related expenses by using the EFTPOS banking system
- There is no policy on the use of currency other than Australian dollars for offices established outside Kiribati for the purpose of making payments and reporting to cash book. Without a policy the audit cannot verify allowances and other expenditures using a conversion fixed rate of 0.77

#### **Recommendations**

- FR 16.6. states that Cheque should be countersigned by two signatories one of whom shall be the officer responsible to operate the account.
- The accountable officer is required under FR section 6.3 to take precautions in the use and custody of cash and EFTPOS Card.

#### ***MANAGEMENT RESPONSES***

- *It is way beyond our capability, but management suggest if transactive payment can be implemented at NY Mission. That is, to explore ways for the KMNY to raise and approve PV via the Transactive payment to enable MFA to counter signing of checks to be drawn by KMNY.*
- *Agreed with the comment, further investigation to be carried out on this, is highly recommended.*
- *To address this issue there is a need for these missions to report both on Foreign and AUD currencies. Their database needs to be modified to capture this requirement. To make this happen, we will ask the implementing TA to upgrade their database and send over to them including the manual on the new reporting system once it is completed. It will be targeted to be done this year, 2020.*

### 5.10. EPOS Outer Island

The audit found only two adjustment transactions made at the end of the year hence this shows that no bank reconciliation of account on a monthly basis.

### **Recommendations**

The bank reconciliation should be done on a monthly basis and the review of transactions should be reflected on a GL instead of only two transactions made at the end of the year.

### **MANAGEMENT RESPONSES**

- *The MFED confirms that no monthly reconciliation carried out on EFTPOS Account due to the following reason:*
  - *The position abolished a few years back however a new submission for such position has been completed awaiting approval of the Establishment Register for the year 2020. Since the position abolished it remained unclear of whom to shoulder extra tasks.*
- *It is believed that upon the existence of such position, a proper reconciliation on EFTPOS Account is no longer a problem.*

#### 5.11. State Street Cash Trust (SSCT)

Upon review of the account the following issues are noted:

- The audit is not able to confirm the calculated net income of \$1.8 million because is not reflected under interest earned income.
- There is no evidence of investment schedule prepared from bank statements received on a monthly basis.

### **Recommendations**

MFED needs to maintain a schedule to ensure all details like interest income and expenses are correctly calculated on a monthly basis and entered in the system accordingly

### **MANAGEMENT RESPONSES**

- *Totally agreed with your recommendation and will account its interest as scheduled to a monthly basis this year,2020.*

#### 5.12. OUTER ISLAND STATE FUNDS- (M0032)

In selecting some island state funds for auditing the following issues are noted:

5.12.1. The audit found a difference between the schedule and GL as shown in the table below:

code	2018 Schedule	2018 GL (exclude open bal)	Variance
M0032000003A	-\$38,378.75	-40,093.34	-\$1,714.59
M0032000005A	-\$10,214.94	25,568.20	\$35,783.14
M0032000006A	\$39,854.52	16,508.52	-\$23,346.00
M0032000007A	-\$9,435.01	-5,660.01	\$3,775.00
M0032000008A	73,411.64	31,715.47	-\$41,696.17
M0032000013A	-\$5,271.85	-8,271.85	-\$3,000.00

M0032000019A	-\$6,310.48	-143,978.28	-\$137,667.80
M0032000023A	-149,613.83	1,396.17	\$151,010.00
M0032000022A	110,972.00	1,552,742	\$1,441,770.46

5.12.2. Kuria state fund returns for Jan 2018 is not posted in the system consisting of total receipts \$144,726.34 and total payments of \$147,249.35

5.12.3. The audit found a huge difference of \$1.6 million between the cash book and GL for Teraina state fund in January 2018

### **Recommendations**

- MFED needs to review the schedule against GL balances of Island State fund as per above table and to correct the variances accordingly
- Kuria state Fund returns for Jan 2018 should be posted in the system.
- MFED should provide supporting evidence for the breakdown of payment of \$1.6 million to Teraina -State Fund for January \$2018

### ***MANAGEMENT RESPONSES***

#### *Differences between schedule and GL*

- *To avoid such repetitive problem in the future, the MFED has made changes to its posting entries whereby the opening and closing balances would be posted as they were. Prior Years' Account did account for the variance between the opening and closing balances instead.*

#### *Kuria State Fund*

- *It is obvious to find that January State Fund Account has not posted into the Attaché system. As a way forward, the MFED will look into the matter and make adjustment if necessary. This will be accounted for this year, 2020.*

#### *Teraina/Washington State Fund*

- *The MFED will look into this matter and make adjustment if necessary. This will be accounted for this year, 2020.*

5.13. CASH IN TRANSIT (M0033- Refer to the Government of Kiribati Annual Account 2018, p.25-26)

Upon review of Cash in Transit account for year ended 2018 the audit noted the followings:

5.13.1. Irregularities found in remittance balances

- \$3.6 million total outstanding balance carried down from previous years' account without returns from the Kiribati High Commission to justify the use of remittances
- \$410,378.27 total outstanding RBC for outer islands without supporting returns

### **Recommendations**

- MFED should provide explanation and supporting on the outstanding balance of \$3.6 million for Kiribati High Commission
- MFED has to ensure that RBC are properly posted to their correct code in the system

### **MANAGEMENT RESPONSES**

*The MFED agrees with such comment and will try to minimise the posting error in the future annual report.*

## 6. STATEMENT VII: Advances from the Consolidated Fund

### **STATEMENT VII: ADVANCES FROM THE CONSOLIDATED FUND Government of Kiribati**

#### **Statement of Advances from Consolidated fund 31<sup>st</sup> December 2018**

Description	2018	2017
<b>1 Imprest and Salary Advances</b>		
L200A Standing imprest	\$5,341,288	\$4,759,769
L100A Salary advance	\$9,116,563	\$8,448,969
<b>Sum</b>	<b>\$14,457,851</b>	<b>\$13,208,738</b>
<b>2 Other Advances</b>		
J0046 Other advance	\$1,458	\$1,458
J0044 Other advance	\$769,150	\$769,150
<b>Sum</b>	<b>\$770,608</b>	<b>\$770,608</b>
<b>3 Sundry Advances</b>		
K0480 Sundry advance	\$165	\$165
K0050 Sundry advance	\$22,859	\$22,859
K0049 Sundry advance	\$25,943	\$23,526
K0048 Sundry advance	(\$145,049)	(\$230,440)
<b>Sum</b>	<b>(\$96,082)</b>	<b>(\$183,890)</b>
<b>Grand Total</b>	<b>\$15,132,376</b>	<b>\$13,795,456</b>

*Table 6.1. Advances from the Consolidated fund (Source: The Government of Kiribati Annual Account for the year ended 2018)*

### 6.1. Standing Imprest (L200A)

FR section 12.9 states that imprest shall be retired before the last day of financial year.

From a review of account, the audit found the following issues:

- Imprest is not retired in a timely manner as indicated by a huge balance of \$5.3 million reported in 2018
- \$4.7 million total imprest relating to previous years and total \$581k imprest in 2018

#### **Recommendations**

MFED should consider clearing the outstanding imprests of over 7 years in the account and to correctly reflect the balance of current imprests in future account.

#### 6.2. Salary & personal advance (L100)

The review of account shows the following issues:

- \$1.8 million total salary advance for government employees in which recovery is not deducted from their salaries in 2018
- An issue of double advance accounts continues to exist in 2018
- \$737,842 is an outstanding advance that still reported in 2018 and the owner of the account has been confirmed death

#### 6.3. Sundry Advances

From a review of account, the audit noted these issues:

- The audit found that sundry advances is reported as a negative balance in the amount of \$96,082
- \$844,600 total negative balance brought down from prior years for loan repayment arrears (code K0048). This balance has a great impact on the overall negative total for sundry advances.

#### **Recommendations**

- A control over sundry advances should be in place to avoid double entries of advances in the system.
- The negative balance as per shown in the account should be thoroughly checked and corrected as the nature of sundry advance account is an asset
- MFED should review the advances account and to write off any advances that could not be recovered due to death etc. and advances of more than 7 years

### **MANAGEMENT RESPONSES**

#### 5.1. Standing Imprest (L200)

- *List of standing imprest is available and ready for the audit for verification. In addition, MFED agrees that outstanding imprest of over 7 years should be written off.*
- *However, MFED have come up with three resolutions in order to minimize and reduce the level of outstanding standing imprest (L200). Firstly, is to improve the Database on Standing imprest for efficient and effective reconciliation on outstanding imprest and secondly, to strongly monitor the outstanding imprest on a monthly basis.*

### *5.2. Salary & Personal Advance (L100)*

- According to the Audit report the Auditor General show his concern on the double advance account that exist in 2018, so in order to address the issue MFEP will prioritize the matter by reconciling the advance account and eliminate accounts that are accounted for twice.
- In addition, the Salary & Personal Advance (L100), MFED recommends to abolish Salary Advance from NCS as Salary Advance has been an extra burden to the salary and mostly the high risk of unrecovered advances.

### *5.3. Sundry Advances*

#### *5.3.1. Sundry Advance (K0048)*

- MFEP will focus on the sundry advance (K0048) by reconciling accounts that are double accounted and show negative balances. And we will write off balances, which are not properly supported.

## 7. STATEMENT VIII: Deposit into the Consolidated Fund

### STATEMENT VIII: DEPOSITS INTO THE CONSOLIDATED FUND

Government of Kiribati

#### Statement of Deposits into the Consolidated Fund 31<sup>st</sup> December 2018

Description	2018	2017
<b>1 DNE</b>		
SUSPE	Other deposit2	\$12,038,070
S0058	DNE	(\$1,155,087)
	Sum	\$10,882,983
		\$8,832,409
<b>2 Public officers</b>		
T0059	SAYE	(\$1,334)
Q0057	Salary allotment	(\$9,950)
	Sum	(\$11,284)
		(\$8,786)
<b>3 Sundry deposits</b>		
O5000	Sundry deposit4	(\$58,192)
O0050	Sundry deposit2	\$906,842
	Sum	\$848,650
		\$1,011,421
<b>4 Telmos</b>		
P0052	Old telmos received 2 (PF27)	\$0
I0053	Telmos paid (PF25)	\$9,588,469
I0052	Old telmos paid 2 (PF25)	(\$14,332,009)
I0051	Old telmos paid 1 (PF25)	\$98,511
	Sum	(\$4,645,029)
		(\$4,711,438)
<b>Grand Total</b>		<b>\$7,075,320</b>
		<b>\$5,123,607</b>

Table 7.1. Deposit into the Consolidated Fund (Refer to the Government of Kiribati Annual Account for the year ended 2018 p.28)

#### 2.1. Bank Agency Arrangement

The audit found that Bank Agency Arrangement account is not reconciled on a monthly basis

#### 2.2. Telmo

For a review of Telmo account the audit found the following issues:

- Differences between the State Fund Database and GL balances as follow:

Telmo	Database	GL	Variance
L0053	8,449,165.92	9,588,469	1,139,303.44
L0052	10,337,233.39	14,332,009	3,994,775.61
L0051	123,005.82	98,511	24,494.82

- The above differences show that reconciliation of account is not performed in a timely manner

### **Recommendations**

MFED should regularly reconcile deposits accounts i.e. Bank Agency and Telmo account on a monthly basis to ensure the balance is correct at the end of the year.

### ***MANAGEMENT RESPONSES***

#### *6.1. Bank Agency Arrangement*

- *The MFED agrees with such comment and will try to improve during 2020 – making arrangement to reconcile Bank Agency account.*

#### *6.2. Telmo*

- *The MFED agrees with such comment and will try to improve it in 2020 – making arrangement to reconcile Telmo account.*

## **8. STATEMENT IX: Contingent Liabilities**

In accordance with CAP 79 Part VI Sec 40 (ix) the Accountant General is also required to transmit a statement of Contingent Liabilities showing the Financial Position at the end of each financial year.

### **STATEMENT IX: STATEMENT OF CONTINGENT LIABILITIES**

#### **Government of Kiribati Statement IX: Contingent Liabilities 31 December 2018**

Description	2018	Currency	Details
KPF guarantee	5,411,450	AUD	Under Section 10 of CAP78A (Provident Fund Act 1977), the GoK guarantees to fund any obligations that are unable to be met by the KPF
VISA Business Card	280,000	AUD	To meet the travelling requirements of Government Senior Government Officials and Ministers
Letter of Credit	182,832	AUD	Procurement facilitation - Purchase of two Automatic Dependent Surveillance Broadcast (ADS-B) Ground Stations
Letter of Credit	1,893,000	AUD	Acquisition of new (x3) 23.8m GFRP Fresh Tuna Long Liners from Weihai Zhongfu Xigang Ship Company Ltd
IMF Promissory Notes	20,883,635	SDR	Promissory Notes held by Kiribati for the International Monetary Fund
Callable Capital	990,000	SDR	Callable Capital held by Kiribati for the International Bank for Reconstruction and Development
Callable Capital	54,000	SDR	Callable Capital held by Kiribati for the International Development Association

(Refer to The Government of Kiribati Annual Account for the year ended 2018 p.30)

## 9. STATEMENT X: Investment

Section 40 (x) of CAP 79 requires a statement of investments showing the funds on behalf of which such investments have been made.

### STATEMENT X: INVESTMENTS

#### Government of Kiribati

#### Statement of Investments as at 31<sup>st</sup> December 2018

Allocation	Description	2018	2017
<b>1 RERF</b>			
V0060000200A	Northern Trust	\$466,020,235	\$443,443,353
V0060000204A	Black Rock	\$507,187,042	\$499,023,002
	<b>Sum</b>	<b>\$973,207,277</b>	<b>\$942,466,355</b>
<b>2 Land</b>			
V0060000201A	Escrow Land Purchase - Fiji	\$9,300,180	\$9,300,180
	<b>Sum</b>	<b>\$9,300,180</b>	<b>\$9,300,180</b>
<b>3 PIPA</b>			
V0060000202A	PIPA Trust Fund	\$2,623,224	\$2,623,224
	<b>Sum</b>	<b>\$2,623,224</b>	<b>\$2,623,224</b>
<b>4 Other Investments</b>			
V0060000105A	IMF No. 2	\$292,187	\$292,187
V0060000106A	World Bank	\$0	\$18,336
V0060000107A	International Development Asso	\$0	\$11,693
V0060000108A	IFC Subscription	\$0	\$11,309
V0060000110A	AUD a/c 55-1999. 5th Anniversa	\$23,819	\$23,819
V0060000124A	Aud A/c 56-0449. 10th Annivers	\$8,731	\$8,731
	<b>Sum</b>	<b>\$324,737</b>	<b>\$366,075</b>
<b>Grand Total</b>		<b>\$985,455,417</b>	<b>\$954,755,834</b>

(Refer to The Government of Kiribati Annual Account for the year ended 2018 p.31)

## 10. STATEMENT XI: Outstanding Loans made from the Consolidated Fund

Section 40 (xi) of CAP 79 requires disclosure of a statement of outstanding loans made from the Consolidated Fund by annual and aggregate receipts and payments.

### STATEMENT XI: OUTSTANDING LOANS MADE FROM THE CONSOLIDATED FUND

**Government of Kiribati**

#### **Statement of Outstanding loans made from Consolidated fund 31<sup>st</sup> December 2018**

Borrower	Purpose and Authority	Outstanding	Notes
National Loans Board (DBK)	To provide loans for agriculture and economic development. Authority: Secretary of State Savingram No.23630/5/62	100,000	Interest free loans with indefinite period issued in 1962
National Loans Board (DBK)	To meet outstanding loans application. Additional provision No.4/1988 item No.109	20,000	Interest free loans with indefinite period issued in 1977
National Loans Board (DBK)	Loans to small scale business and agricultural coop. Dev.Aid project 38 20/5/71	64,000	Interest free loan payable to UK when the project is wound up
Te Mautari Ltd	Working capital. Authority: Dev Aid project 33	250,000	10% p.a interest. Repayable over 15 years from 17/8/86
KCWS	Additional working capital	704,654	4% interest repayable over 15 years from 17/08/86
Air Tungaru	Purchase of Trislander spare parts. Authority: Dev Aid project No.815 & DP 25/40 p3A are relevant	180,000	Principal and interest at 4% recoverable over 7 years at \$22,388 p.a wef 10/12/80
Air Tungaru	Purchase of Trislander spare parts. Authority: Dev Aid project No.815 & DP 25/40 p3A are relevant	300,000	Principal and interest at 4% recoverable over 7 years at \$22,388 p.a wef 10/12/81
Housing Corporation	Housing Loand Scheme. Authority: Dev Aid project No. 368 DP 34/11 F28 is relevant	100,000	5% interest loan repayable over 10 years (with one year grace) from 11/7/81
KCWS	Working capital issued in 1988 from Stabex fund. Authority: Cabinet minutes and Stabex Act	415,000	Interest free loan repayment at \$100,000 p.a wef 16/1/89
Betio Shipyard Ltd	Lending by Government fo proceeds of loan 724 KIR (SF) from ADB. Refer to statement	804,963	Interest free loan. Repayment of principal over 30 yrs commencing April 1995. Cap39. Ref file DP 24/21
Public Utilities Board	On lending by Government of proceeds of loan 788 KIR (SF) from ADB for USD700,000. See statement No. xiii. Authority: 39 ref file Dp 29/02	1,076,923	7.6% interest. Loan repayable over 15years, commencing June 1990
Public Utilities Board	On lending by Government o proceeds of loan 922 KIR( SF) from ADB for USD890,000. Authority: Government Borrowing and Guarantee Act Cap39 ref file DP 29/03/88	1,783,875	6.5% interest. Loan repayable over 20 years, commencing September 1992
Development Bank of Kiribati	On lending by Government of a proceeds of loan 1039 KIR( SF). See statement No XIII. Authority: Government Borrowing and Guarantee Act Cap39 ref file DP 18/1/90	1,180,071	6.5% interest. Loan repayable over 12years commencing June 1984
	Total	7,159,486	

(Refer to The Government of Kiribati Annual Account for the year ended 2018 p.32)

## **11. STATEMENT XII: Public Debts**

Section 39 (1) (xii) of Cap 79 requires a statement showing the financial position of the Public Debt.

Opening balance reported in 2018	\$52,533,685
Less 2018 Repayments	\$1,721,853
Closing balance in 2018	<b>\$ 51,445,198</b>

(Refer to *The Government of Kiribati Annual Account for the year ended 2018*, p. 33)

## **12. STATEMENT XIII: Arrears of Revenue**

The submission of a statement of arrears of revenue is a requirement under CAP 79, section 40 (xiii). FR Section 4.35 states that all accountable officers who are responsible for the collection of revenue shall submit to the Accountant General, with a copy to the Auditor General, not later than 31<sup>st</sup> January in each year a return of arrears of revenue. (Refer to *The Government of Kiribati Annual Account for the year ended 2018*, p. 34)

### **Audit Finding:**

Out of 23 ministries only one Ministry – Te Maneaba ni Maungatabu reports its arrears of revenue total \$1,000 for being the rental of restaurant in 2018.

### **Recommendations**

A strict enforcement on the report and submission of arrears of revenue should be practiced by MFED to concern line ministries as in line to FR section 4.35

### ***MANAGEMENT RESPONSES***

- *This concern stated by Audit Office is well noted. However, the control of Arrears of Revenue falls within the mandate of SROs in line ministry. As a way forward, we will design their Database to strictly monitor their arrears of revenue. From 2020, Accountant General will closely monitor and work with Senior Accountant in line ministries to reconcile their arrears of revenue.*

### 13. STATEMENT XV: Balances on Development Fund by Donor

#### SUMMARY OF DEVELOPMENT FUND TOTAL BALANCES BY DONORS AS OF DEC 2018

Project Donors	Revenue 'N**'	Warrant	Expenditure 'H**'	Balance
AusAid	3,840,150.00	5,454,520.00	2,195,932.00	3,258,587.00
CFTC	12,525.00	12,525.00	10,048.00	2,477.00
EU	21,600.00	290,744.00	150,826.00	139,918.00
FFA		11,964.00	4,337.00	7,627.00
FORUM	89,905.00	128,863.00	82,730.00	46,134.00
GOK	86,442,150.00	46,793,703.00	41,673,114.00	5,120,589.00
GOK Revolving Fund	372,817.00	781,500.00	682,093.00	99,407.00
India	381,075.00	877,409.00	807,098.00	70,311.00
Italy	623,740.00	722,666.00	235,312.00	487,355.00
Japan	189,244.00	235,120.00	109,406.00	125,714.00
Korea		186,677.00	165,859.00	20,818.00
ANZAID	3,038,030.00	5,188,471.00	3,867,595.00	1,320,876.00
Others	3,487,375.00	4,315,225.00	3,510,968.00	804,256.00
SPC	233,761.00	401,929.00	344,411.00	57,519.00
SPREP	21,498.00	57,679.00	30,618.00	27,061.00
Taiwan	4,407,847.00	5,955,312.00	3,056,092.00	2,899,221.00
UN Women	186,067.00	277,528.00	177,510.00	100,018.00
UNDP	371,128.00	710,592.00	730,715.00	-20,122.00
UNEP	218,537.00	540,353.00	302,006.00	238,346.00
UNFPA	789,261.00	1,000,384.00	667,333.00	333,051.00
UNICEF	395,398.00	666,070.00	563,615.00	102,455.00
WHO	149,309.00	190,775.00	155,051.00	35,724.00
World Bank	0.00	0.00	40.00	-40.00
<b>GRAND TOTAL</b>	<b>105,271,417.00</b>	<b>74,800,009.00</b>	<b>59,522,709.00</b>	<b>15,277,302.00</b>

(Figures extracted from The Government of Kiribati Annual Account for year ended 31 December 2018, p. 35-45)

#### **14. STATEMENT XVI: Balances on Suspense account**

Opening Balance	\$10,024,955.41
Add Inactive Account-written off	\$2,013,114.43
Closing Balance as at 2018	<u>12,038,069.84</u>

The closing balance of suspense account as at December 2018 is \$12,038,069.84 increased by \$2,013,114.43 compared to 2017 account (*Refer to the Government of Kiribati Annual Account for year ended 31 December 2018, p. 46.*)

#### **15. STATEMENT XVII: Unauthorized Expenditures**

In line to FR section 9.4, any officer allowing or directing any disbursement without proper authority will be held personally responsible and in the event of any unauthorized payment being made the amount may be surcharged against him.

##### **Audit Findings**

The audit noted that unauthorized expenditures still reported in 2018 account in the amount of \$179,058. ((Refer to The Government of Kiribati Annual Account for the year ended 2018, p. 33)

##### **Recommendations**

Ministry concerns having unauthorized payments should provide justification for the over spending and MFED should strictly monitor the disbursement of payments to ministries.

#### ***MANAGEMENT RESPONSES***

- *Management agreed that there were unauthorised expenditures disclosed in the 2018 Annual Account report, categorised as expenditures for operational purposes. It is also reported that improvements have been made during the past years, as evidenced by previous Annual Account reports.*
- *Treasury has now setting a target, that by the financial year 2021, unauthorised expenditures will no longer be disclosed, unless the overall consequences considered are very critical and necessarily required.*

*In order to achieve this target, further improvements to the system already in place has been taken into consideration, to ensure that the Treasury together with Account sections in Line Ministries have such excellent controlling systems.*

## 16. STATEMENT XIX: Revenue Equalization Reserve Fund & Cash Trust

### STATEMENT XIX: REVENUE EQUALISATION RESERVE FUND AND CASH TRUST

Government of Kiribati

#### Statement of RERF and Cash Trust 31<sup>st</sup> December 2018

TYPES OF INVESTMENT BY FUND MANAGERS	Northern Trust V0060000200A Q4G3	State street V0060000203A Q4G4	Blackrock V0060000204A EQUITIES
<b>CAPITAL</b>			
OPENING MARKET VALUE	<b>443,443,353.31</b>	<b>89,332,427.15</b>	<b>499,023,002.01</b>
CONTRIBUTIONS	0.00	22,000,000.00	0.00
CASH REDEMPTION			809.56
ISSUE OF SHARES			5,435.35
LESS DRAWDOWNS	0.00	0.00	0.00
	<b>443,443,353.31</b>	<b>111,332,427.15</b>	<b>499,029,246.92</b>
<b>ADD: INCOME</b>			
Dividend Income	0.00	0.00	40,297,425.09
Interest Income	15,547,929.08	1,892,050.07	0.00
Average Gain/Loss on currency disposal	14.56	0.00	0.00
Average Currency Gain/Loss	0.00	0.00	0.00
Average Security Gain/Loss	-1,879,450.72	0.00	0.00
Miscellaneous Income	0.00	0.00	0.00
<b>Total Income</b>	<b>13,668,493.57</b>	<b>1,892,050.07</b>	<b>40,297,425.09</b>
<b>LESS: EXPENSES</b>			
Dividend withholding tax expense	0.00	0.00	0.00
Management fees	365,975.19	0.00	0.00
Custodian Fees	133,525.48	0.00	0.00
Tax Expenses	0.00	0.00	0.00
Other Fees	532.14	0.00	75,860.82
<b>Total Expenses</b>	<b>500,032.81</b>	<b>0.00</b>	<b>75,860.82</b>
<b>Net Income</b>	<b>13,168,460.76</b>	<b>1,892,050.07</b>	<b>40,221,564.27</b>
<b>ADD: CLOSING UNREALIZED APP/DEP</b>	<b>3,428,023.96</b>	<b>0.00</b>	<b>-4,678,771.04</b>
<b>LESS: OPENING UNREALIZED APP/DEP</b>	<b>-5,977,441.47</b>	<b>0.00</b>	<b>27,384,998.38</b>
<b>Net Gain/Loss on Unrealized APP/DEP</b>	<b>9,408,420.71</b>	<b>0.00</b>	<b>-32,063,769.42</b>
<b>CLOSING MARKET VALUE</b>	<b>\$ 466,020,234.78</b>	<b>\$ 113,224,477.22</b>	<b>\$ 507,187,041.77</b>

Table 14.1. RERF balances as at 2018 ((Refer to The Government of Kiribati Annual Account for the year ended 2018 p. 48)

Revenue Equalization Reserve Fund (RERF) was established in 1956 and capitalized using mining royalties. Under a conservative policy, the fund's asset grew steadily until 1979 when phosphate deposits were exhausted. Until recently, conservative policies have protected the RERF. Since independence Governments have generally been reluctant to draw on the RERF, preferring to accumulate funds against an uncertain future.

## 17. Losses of Public Funds and Stores

### 2.1. Losses of Public Funds & Stores by Ministry for years 2003- 2018<sup>3</sup>

Ministry	Amount
MFED	366,072.65
MFMRD	455.70
MCTTD	56,478.11
MWU	31,200.00
MLHRD	5,137.50
Judiciary	5,328.60
KPPS	15,221.35
MIA	58,263.19
MHMS	87,912.88
MOE	7,898.59
MELAD	-
MLIPD	2,501.23
PSC	4,720.00
OB	7,353.50
<b>Total</b>	<b>648,543.30</b>

The account is not forming part of the Annual Account but is for information that is worth reporting to ensure that government assets are properly maintained and safeguarded.

#### 17.1. Board of Survey(BOS)

FR 18.1 states that Boards of Survey will be held after the close of business on the last working day of each financial year and before the opening day of business on the first day of the new financial year.

Upon review of 2018 BOS, the audit noted the following issues:

- The Board of Survey is not conducted in a timely manner
- Board of Survey reports are not submitted on time to the audit office

#### **Recommendations:**

- BOS should be conducted on a timely manner as in accordance to FR 18.1
- Management must ensure that Board of Survey reports were submitted to the relevant office for timely actions.

#### **MANAGEMENT RESPONSES**

**NO RESPONSES PROVIDED**

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<sup>3</sup> Source extracted from Internal Audit Division, 'Losses of Public Funds & Stores' Register.

## **PART 3: THE KIRIBATI GOVERNMENT ANNUAL ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2018**

## **AKNOWLEDGEMENT**

I would like to express my sincere gratitude and appreciation to the Accountancy cadre staff for all the hard work and commitment throughout 2018 - without which this report would not have been possible to produce.

I also want to extend my thanks to our local consultant Dr Iete Rouatu for his continuing and untiring effort in helping the Treasury sections and account units at line ministries including the Linnix Ministry and the Kiribati High Commission in Fiji. Most, if not all, sections now have ACCESS computer databases to work with, and most of the account tables and statements shown in this report come from his database program designed specifically to produce the Annual Account statements.

KAM BATI N RABA.



Mr Toromon Metutera

Accountant General

June 2019



**GOVERNMENT OF KIRIBATI**  
**MINISTRY OF FINANCE AND ECONOMIC DEVELOPMENT**  
PO Box 67, Bairiki, Tarawa, REPUBLIC OF KIRIBATI

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**File ref:**

**Date: 30/06/2019**

**Mr. Eriati Tauma**  
Auditor General  
Kiribati Audit Office  
Bariki

Dear Sir

Re: Submission of Kiribati Government Annual account 2018

In accordance with Section 39 (1) of Cap 79 Public Finance and Audit Act I am pleased to present financial statements of the Government of Kiribati for financial year 2018.

As part of this submission, Management Report, Bank reconciliation statements for Government Bank accounts No.1, No.4, No.5 and No.6 are also attached hereunder.

Ko bati n raba

Yours sincerely,

**Mr Toromon Metutera**

Accountant General

Cc: Minister, MFED  
Secretary, MFED

# **GOVERNMENT OF KIRIBATI**



## **ANNUAL ACCOUNT REPORT**

**2018**

**Government of Kiribati**



**ANNUAL ACCOUNT REPORT  
2018**

**Treasury Division,  
Ministry of Finance  
Bairiki, Tarawa**

***June 2019***

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## **GLOSSARY**

ADB	Asian Development Bank
EU	European Union
GOK	Government of Kiribati
GL	General Ledger
LCDF	Local Contribution to Development Fund
MFED	Ministry of Finance and Economic Development
NEPO	National Economic Planning Office
NSO	National Statistics Office
PFM	Public Finance Management
RBC	Remittance Between Chest
RERF	Revenue Equalization Reserve Fund
Telmo	Telegraphic money
Linnix	Ministry of the Lines and Phoenix Group
VAT	Value Added Tax
MSP	Ministerial Operational Plan
KDP	Kiribati Development Plan
KV20	Kiribati Vision 2020
NAC	National accounting code
K	Thousand dollars (Australian)
M	Million dollars (Australian)
OB	Office of Beretitenti
PSO	Public Service Office
PSC	Public Service Commission
MFAI	Ministry of Foreign Affairs and Immigration
MIA	Ministry of Internal Affairs
MELAD	Ministry of Environment, Lands and Agricultural Development
MM	Maneaba n Maungatabu
MCIC	Ministry of Commerce, Industry and Cooperatives
KAO	Kiribati Audit Office
OAG	Office of Attorney General
MFMRD	Ministry of Fisheries and Marine Resource Development
MOH	Ministry of Health
MOE	Ministry of Education
MICTTD	Ministry of Information, Communication, Transport and Tourism Development
MWYSA	Ministry of Women, Youth, Sport and Social Affairs
MISE	Ministry of Infrastructure and Sustainable Energy
MLPID	Ministry of Line and Phoenix Island Development
MOJ	Ministry of Justice
LC	Leadership Commission

## **AKNOWLEDGEMENT**

I would like to express my sincere gratitude and appreciation to the Accountancy cadre staff for all the hard work and commitment throughout 2018 - without which this report would not have been possible to produce.

I also want to extend my thanks to our local consultant Dr Iete Rouatu for his continuing and untiring effort in helping the Treasury sections and account units at line ministries including the Linnix Ministry and the Kiribati High Commission in Fiji. Most, if not all, sections now have ACCESS computer databases to work with, and most of the account tables and statements shown in this report come from his database program designed specifically to produce the Annual Account statements.

KAM BATI N RABA.

Mr Toromon Metutera

Accountant General

June 2019

# **ACCOUNTANT GENERAL OVERVIEW**

## **1. Introduction**

This report includes the Balance Sheet, Statements of receipts and payments, fund balances, advances and deposits from and into the consolidated fund, public debts, and other statements as required under Cap 79.

The following items are excluded.

- ✓ Outstanding commitments
- ✓ Government assets i.e. buildings, roads, causeways, etc.
- ✓ Aid-in-kind
- ✓ Statutory bodies activities except Public Vehicles Utilities (PVU)
- ✓ Other Government liabilities
- ✓ Receipts & payments of separate accounts operated outside the Government accounting system.

Among the statements provided in this report, the Statement of Contingent liabilities, loans from consolidated fund and arrears of revenue have no direct impact on the consolidated fund but they are provided for information only.

Government ministries management report (Part 1), bank reconciliation statements and cash flow statements will form part of this report and therefore should be read in conjunction with this report.

The financial year is January-December 2018.

The currency used is the Australian Dollar. The abbreviations \$m and \$k represent millions and thousands of Australian dollars respectively. In this report “this year” or “financial year” means the year 2018.

## **2. Highlights of the year 2018**

### **Recurrent revenue**

The total Government revenue for 2018 is \$247m (including budget support), and this is roughly the same as that of the previous year.

Fishing license fees in particular has the highest collection of \$170m which is almost the same as that of the previous year. VAT is the second largest revenue earner representing about 8% of total revenue which is an increase of 19% compared to the previous year. Both fishing license and VAT are the main sources of revenue to the GOK however their high volatility, in particular the fishing license, means that they cannot be accurately estimated during the budget preparation, and this is one main difficulty facing budget planners and policy makers.

### **Budget Support**

The government of Kiribati received substantial support from various donors. This include the World Bank (\$6.6m), ADB (\$3.5m), NZ (\$2.5m) and Taiwan (\$1m). In total the budget support comes to \$13m which represents 5.3% of the total budget revenue for 2018. In comparison with 2017 the World Bank provided \$9.4m, ADB \$6.4m, and New Zealand \$2.5m –in total the amount comes to \$18.3m but the ADB and New Zealand contributions were recently transferred to the No1 Account in 2018. In the actual 2017 annual account report, the amount shown is only \$2.7m—this is because the Treasury staff did not know that the amounts have been deposited at the ANZ bank.

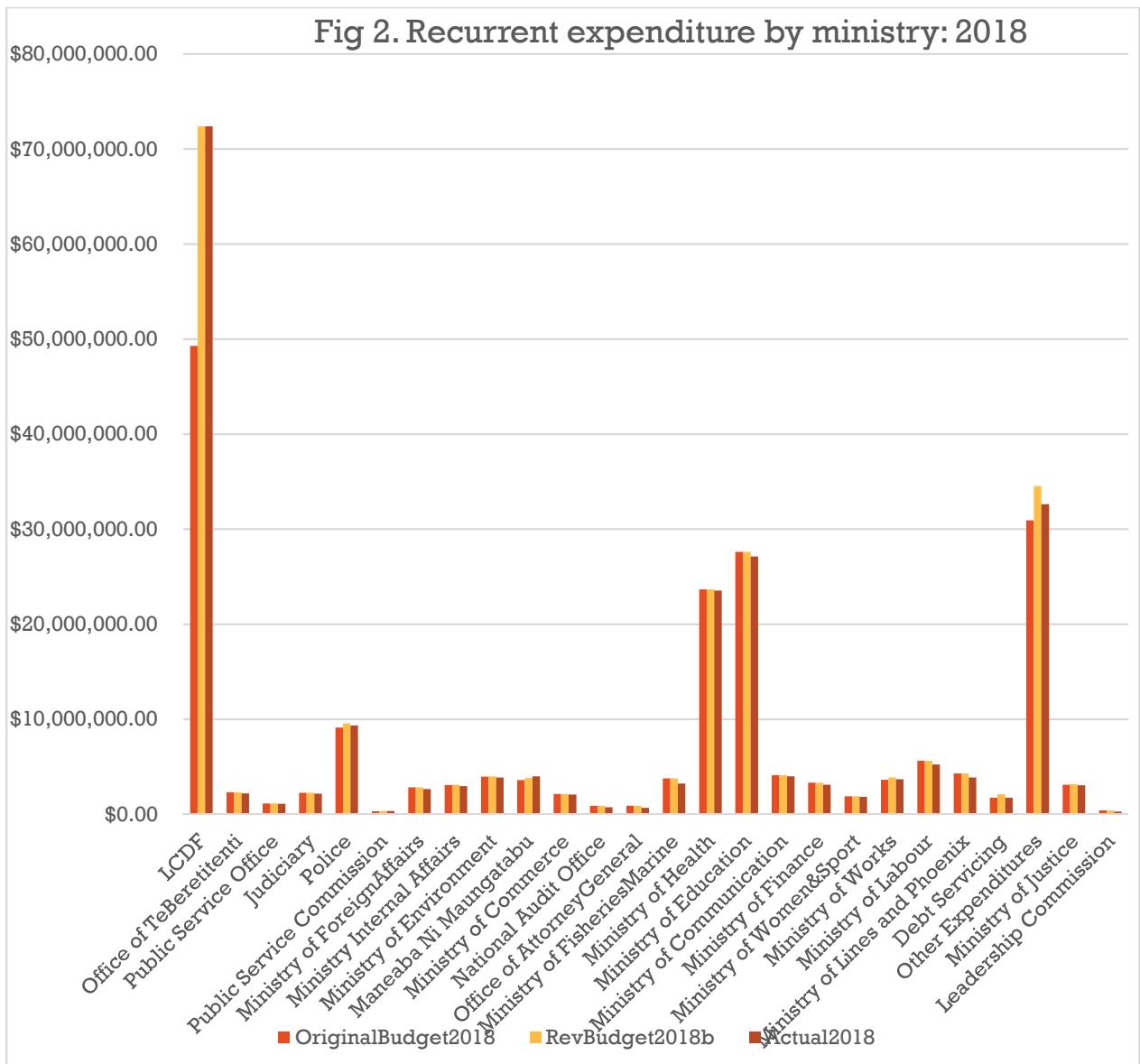
### **Recurrent expenditures**

The Government expenditure in 2018 is \$217.6m—**this is a slight increase of 2%** over the previous year. The highest spending item is the contribution to the Development Fund, known as LCDF, reaching

\$72.3m. And with respect to ministries, the two highest spending ministries are: Ministry of Education (MOE) with a total of \$27m, and the Ministry of Health (MOH) with a total of \$23m. The smallest ministries, in terms of spending are: Leadership Commission (LC) and Public Service Commission (PSC). Actual figures are provided in Table 1 and the corresponding chart in Fig 2 below.

**Table 1. Recurrent expenditure by ministry: 2018**

MinistryName	Original budget	Revised budget	Actual2018	Variance	Actual2017	Y18
LCDF	49,260,597	72,369,159	72,369,159	0	61,105,430	33%
Office of TeBeretitenti	2,302,019	2,302,019	2,191,477	110,542	1,911,007	1%
Public Service Office	1,126,540	1,135,940	1,101,933	34,007	811,028	1%
Judiciary	2,242,025	2,242,025	2,172,249	69,776	1,823,089	1%
Police	9,134,191	9,534,711	9,345,696	189,015	7,324,071	4%
Public Service Commissi	293,932	339,755	340,690	-935	283,556	0%
Ministry of ForeignAffairs	2,823,496	2,823,496	2,650,766	172,730	2,192,936	1%
Ministry Internal Affairs	3,079,349	3,117,164	2,965,413	151,751	2,532,101	1%
Ministry of Environment	3,961,229	3,983,153	3,874,663	108,490	3,358,669	2%
Maneaba Ni Maungatabu	3,576,643	3,796,643	3,974,767	-178,124	3,355,933	2%
Ministry of Commerce	2,127,778	2,127,778	2,057,468	70,310	1,752,351	1%
National Audit Office	885,120	885,120	723,823	161,297	691,226	0%
Office of AttorneyGeneral	870,935	870,935	674,510	196,425	566,937	0%
Ministry of Fisheries	3,778,649	3,778,649	3,217,410	561,239	2,840,838	1%
Ministry of Health	23,647,082	23,647,082	23,517,240	129,842	19,090,869	11%
Ministry of Education	27,587,274	27,587,274	27,100,177	487,097	22,208,383	12%
Ministry of Communicatio	4,113,853	4,113,853	3,975,605	138,248	4,566,263	2%
Ministry of Finance	3,319,141	3,319,141	3,107,052	212,089	2,702,768	1%
Ministry of Women&Sport	1,891,275	1,891,275	1,836,281	54,994	1,515,672	1%
Ministry of Works	3,608,755	3,870,711	3,695,135	175,576	2,996,115	2%
Ministry of Labour	5,623,432	5,623,432	5,217,873	405,559	4,787,451	2%
Ministry of Lines and Phoenix	4,287,820	4,287,820	3,866,085	421,735	3,699,470	2%
Debt Servicing	1,739,268	2,099,270	1,721,853	377,418	2,340,918	1%
Other Expenditures	30,918,924	34,530,572	32,604,428	1,926,144	57,012,951	15%
Ministry of Justice	3,100,396	3,156,853	3,040,289	116,564	2,748,292	1%
Leadership Commission	390,656	390,656	283,321	107,335	0	0%
<b>Total 2018</b>	<b>\$195,690,379.00</b>	<b>\$223,824,486.46</b>	<b>\$217,625,360.51</b>	<b>\$6,199,125.95</b>	<b>\$214,218,320.30</b>	<b>100%</b>
Last year difference			-3,407,040			
% increase			-2%			



In terms of expenditure items, the two main spending items are the LCDF and Personal emoluments (PE). Out of the total government spending LCDF is 33% and the PE constitutes 34%.

### Overspent ministries 2018

The number of overspent ministries continued to get smaller over the years and in 2018 only two ministries registered negative budget balances. This is indeed a significant improvement compared to previous years.

**Table 2. Overspent ministries**

MinistryName	Original budget	Revised budget	Actual2018	Variance
Maneaba Ni Maungatabu	3,576,643	3,796,643	3,974,767	-178,124
Public Service Commission	293,932	339,755	340,690	-935
<b>Total unauthorised spending 2018</b>				<b>-179,059</b>
Last year total unauthorised spending for 3 ministries (PSC, MM, MOJ) in 2017				<b>-238,839</b>
Difference				-59,780
% decrease				25%

## Development revenue

Project revenues summed up to \$105.27m in 2018. This shows an increase of 24% compared to the previous year. Sources of project revenues comes from GOK (82%), Taiwan (4%), AUSAID (4%), and NZAID (4%). Compared to last year GOK share in 2018 has increased by 27%--and this is primarily due to the inclusion of copra price subsidy which is now treated as a development project.

**Table 3 Project revenue by Donor in 2018 with comparison to 2017 figures.**

Donor	2018 Revenue	2017 Revenue	%oftotal18	Change	%change
GOK	86,442,150	68,250,544	82%	-18,191,607	-27%
Taiwan	4,407,847	5,901,655	4%	1,493,808	25%
AUSAID	3,840,150	3,844,059	4%	3,909	0%
Others	3,487,375	1,581,949	3%	-1,905,426	-120%
NZAID	3,038,030	1,258,912	3%	-1,779,118	-141%
UNFPA	789,261	580,782	1%	-208,479	-100%
Italy	623,740	0	1%	-623,740	100%
UNICEF	395,398	586,578	0%	191,180	33%
India	381,075	0	0%	-381,075	100%
GOK Revolving fund	372,817	481,430	0%	108,614	23%
UNDP	371,128	272,262	0%	-98,867	-100%
SPC	233,761	150,017	0%	-83,744	-56%
UNEP	218,537	26,175	0%	-192,362	-735%
Japan	189,244	146,663	0%	-42,581	-29%
UN Women	186,067	124,850	0%	-61,217	-49%
WHO	149,309	80,385	0%	-68,924	-86%
FORUM	89,905	43,976	0%	-45,929	-100%
EU	21,600	0	0%	-21,600	100%
SPREP	21,498	21,460	0%	-38	0%
CFTC	12,525	0	0%	-12,525	100%
World Bank	0	14,485	0%	14,485	100%
PIFS	0	1,422,960	0%	1,422,960	100%
<b>Total</b>	<b>105,271,417</b>	<b>84,789,143</b>	<b>100%</b>	<b>-20,482,274</b>	<b>-24%</b>

There are other “smaller” donors whose contributions totalled up to \$3.5m (or 3% of total project revenue). Of this amount \$2.9m is related to “Unallocated credits”. “Unallocated credit” is the sum of project funds received in the GOK No.4 development fund without sufficient details provided to allow correct coding to the relevant project codes. This is a difficult job for the Treasury staff because they lack the details or information of the incoming or project revenue monies. Most of the information are kept by the National Economic Planning Office or by the project implementation ministry or development partners themselves. There is a plan to resolve this problem in the near future.

## Development expenditures

Project expenditures aggregated to \$59.5m in 2018—this is an increase of 17% over the previous year's total.

Out of the project expenditures, the GOK funded projects constitutes the highest proportion (70%) followed by Taiwan (9%), then AUSAID (5%) and NZAID (3%).

**Table 4 Project expenditure by donor in 2018 with 2017 comparative figures.**

Donor	Expenditure 2018	Expenditure 2017	% of total18	Change	%change
GOK	\$41,673,114	\$36,939,020	70.01%	-\$4,734,094	-13%
NZAID	\$3,867,595	\$1,587,841	6.50%	-\$2,279,754	-144%
Others	\$3,510,968	\$1,216,014	5.90%	-\$2,294,954	-189%
Taiwan	\$3,056,092	\$4,774,404	5.13%	\$1,718,312	36%
AUSAID	\$2,195,932	\$2,657,085	3.69%	\$461,153	17%
India	\$807,098	\$698,503	1.36%	-\$108,595	-16%
UNDP	\$730,715	\$539,819	1.23%	-\$190,895	-35%
GOK Revolving fund	\$682,093	\$13,244	1.15%	-\$668,849	-5050%
UNFPA	\$667,333	\$495,403	1.12%	-\$171,930	-35%
UNICEF	\$563,615	\$545,740	0.95%	-\$17,876	-3%
SPC	\$344,411	\$163,468	0.58%	-\$180,943	-111%
UNEP	\$302,006	\$164,878	0.51%	-\$137,128	-83%
Italy	\$235,312	\$0	0.40%	-\$235,312	-100%
UN Women	\$177,510	\$182,317	0.30%	\$4,807	3%
Korea	\$165,859	\$194,410	0.28%	\$28,551	15%
WHO	\$155,051	\$162,827	0.26%	\$7,776	5%
EU	\$150,826	\$500,510	0.25%	\$349,685	70%
Japan	\$109,406	\$139,601	0.18%	\$30,195	22%
FORUM	\$82,730	\$47,458	0.14%	-\$35,272	-74%
SPREP	\$30,618	\$42,405	0.05%	\$11,787	28%
CFTC	\$10,048	\$1,694	0.02%	-\$8,354	-493%
FFA	\$4,337	\$1,242	0.01%	-\$3,094	-249%
World Bank	\$40	\$18,209	0.00%	\$18,169	100%
<b>Total</b>	<b>\$59,522,707</b>	<b>\$51,086,091</b>	<b>\$1.00</b>	<b>-\$8,436,616</b>	<b>-17%</b>

## RERF

The Revenue Equalisation Reserve Fund value continues to increase reaching a total value of almost a billion in 2018. The market value of the fund held by fund managers Northern Trust and Blackrock is \$466.2m and \$507.2m respectively. Compared to last year there is an increase in value of 5% and 2% respectively. The government continues to exercise rigorous control over the fund managers and did not withdraw any monies from the two investments in 2018.

## State Street Cash trust

The Government cash trust account in Australia reached the total of \$113.2m at the end of 2018 – this represents an increase of 27% compared to the previous year's amount. No withdrawal was made in the year but there was an injection of \$22m into the account.

## **Cash at Bank and Cash equivalents**

For the first time all Government of Kiribati bank accounts held by the ANZ Bank are reported in the Balance Sheet. This includes several bank accounts whose total combined value is more than \$3m. More details are provided under Statement VI: Cash holdings statement.

## **3. Summary of 2018 account**

In conclusion the followings are significant advances and achievements of the Treasury Division.

- Sustenance of the high fishing license
- Increase of VAT by 19%
- Substantial budget support from donors (\$13m or 5% of the total revenue)
- Reduction of unauthorised spending
- Significant increase in RERF market value (5% for Northern Trust & 2% increase for Blackrock)
- Cash trust balance increase by 27%
- Showing for the first time, as part of the annual account report, some of the government or project bank account balances which were never shown in previous reports. This amounts to over \$3m.
- Continued computerization and automation of account systems and processes within the Treasury and account units in line ministries

**ANNUAL ACCOUNTS**  
**STATEMENT I: BALANCE SHEET**

<b>Government of Kiribati</b> <b>Balance Sheet as at 31 December 2018</b>			
<b>Particulars</b>	<b>Notes</b>	<b>2018</b>	<b>2017</b>
		( <b>\$</b> )	( <b>\$</b> )
<b>ASSETS</b>			
Bank Accounts & Cash	VI & XVIII	328,193,277.79	233,781,387.72
Imprest and Salary Advances	VII	14,457,851.08	13,208,738.20
Other Advances	VII	770,607.50	770,607.50
Investments	X	985,455,417.45	954,755,833.89
Suspense Account	XVI	12,038,069.84	10,024,955.41
Total Assets		<b>1,340,915,223.66</b>	<b>1,212,541,522.72</b>
<b>LIABILITIES</b>			
Sundry Deposit	VIII	848,649.99	1,011,420.73
Deceased Native Estate	VIII	-1,155,086.58	-1,192,546.05
Sundry Advances	VII	-96,082.39	-183,889.74
SAYE	VIII	-1,334.00	1,854.60
Salary Allotments	VIII	-9,949.60	-10,640.31
Telmos	VIII	-4,645,029.27	-4,711,437.68
Total Liabilities		<b>-5,058,831.85</b>	<b>-5,085,238.45</b>
<b>Net Asset</b>		<b><u>1,335,856,391.81</u></b>	<b><u>1,207,456,284.27</u></b>
Represented by:			
Government Fund	V	1,243,895,751.53	1,149,225,346.98
Add: Consolidated fund excess receipts		46,211,931.18	24,527,885.72
Development fund excess receipts		45,748,709.10	33,703,051.57
<b>Total Equity</b>		<b><u>1,335,856,391.81</u></b>	<b><u>1,207,456,284.27</u></b>

## STATEMENT II: STATEMENT OF RECEIPTS AND PAYMENTS BY HEADS<sup>1</sup>

<b>Government of Kiribati</b>				
<b>Statement of Receipts and Payments as at 31 December 2018</b>				
<b>Recurrent</b>		<b>Actual Revenue</b>	<b>Actual Expenditure</b>	<b>Net Balance</b>
		\$	\$	\$
LCDF		\$0.00	\$72,369,159.00	-\$72,369,159.00
Office of TeBeretitenti		\$390.50	\$2,191,476.81	-\$2,191,086.31
Public Service Office		\$0.00	\$1,101,932.90	-\$1,101,932.90
Judiciary		\$464,938.25	\$2,172,248.57	-\$1,707,310.32
Police		\$110,917.06	\$9,345,695.90	-\$9,234,778.84
Public Service Commission		\$0.00	\$340,689.92	-\$340,689.92
Ministry of Foreign Affairs		\$181,851.08	\$2,650,765.52	-\$2,468,914.44
Ministry Internal Affairs		\$1,361.70	\$2,965,413.34	-\$2,964,051.64
Ministry of Environment		\$692,092.58	\$3,874,663.00	-\$3,182,570.42
Maneaba Ni Maungatabu		\$8,903.45	\$3,974,767.12	-\$3,965,863.67
Ministry of Commerce		\$106,393.22	\$2,057,467.77	-\$1,951,074.55
National Audit Office		\$28,200.00	\$723,823.33	-\$695,623.33
Office of Attorney General		\$510.00	\$674,509.80	-\$673,999.80
Ministry of Fisheries Marine		\$176,332,935.79	\$3,217,410.13	\$173,115,525.66
Ministry of Health		\$131,498.00	\$23,517,240.43	-\$23,385,742.43
Ministry of Education		\$207,848.64	\$27,100,177.05	-\$26,892,328.41
Ministry of Communication		\$2,815,410.45	\$3,975,604.51	-\$1,160,194.06
Ministry of Finance		\$81,435,697.44	\$3,107,051.67	\$78,328,645.77
Ministry of Women & Sport		\$42,098.75	\$1,836,281.47	-\$1,794,182.72
Ministry of Works		\$48,725.79	\$3,695,134.51	-\$3,646,408.72
Ministry of Labour		\$267,501.70	\$5,217,872.80	-\$4,950,371.10
Ministry of Lines and Phoenix		\$809,251.28	\$3,866,084.96	-\$3,056,833.68
Debt Servicing		\$0.00	\$1,721,852.61	-\$1,721,852.61
Other Expenditures		\$0.00	\$32,604,427.65	-\$32,604,427.65
Ministry of Justice		\$150,766.01	\$3,040,289.02	-\$2,889,523.01
Leadership Commission		\$0.00	\$283,320.72	-\$283,320.72
		\$263,837,291.69	\$217,625,360.51	\$46,211,931.18
<b>Development</b>	<b>XV</b>	105,271,416.53	59,522,707.43	45,748,709.10
Excess of revenue over expenditure		<b>369,108,708.22</b>	<b>277,148,067.94</b>	<b>91,960,640.28</b>

<sup>1</sup> This consists of ministries and major expenditure items as defined under CAP79.

**STATEMENT III & IV: Comparative Statement of Recurrent Expenditure & Revenue against Estimate by Sub Head as at 31 December 2018**

Division		EXPENDITURE				REVENUE			
		Original Budget	Revised Budget	Actual Exp	Variance	Original Budget	Rev Budget	Actual Revenue	Diff
<b><u>LCDF</u></b>									
E0249	LCDF	\$49,260,597	\$72,369,159	\$72,369,159	\$0				
	<b>Sub Total</b>	<b>\$49,260,597</b>	<b>\$72,369,159</b>	<b>\$72,369,159</b>	<b>\$0</b>				
<b><u>Office of Te Beretitenti</u></b>									
E0901	Admin	\$1,314,831	\$1,314,831	\$1,263,770	\$51,061	(\$6,171)	(\$6,171)	(\$391)	(\$5,781)
E0902	Support Services	\$225,726	\$225,726	\$204,053	\$21,673				
E0903	Communication and Relat	\$71,233	\$71,233	\$59,435	\$11,798				
E0904	Meteorological	\$562,892	\$562,892	\$559,350	\$3,542				
E0905	Strategic National Policy	\$127,337	\$127,337	\$104,869	\$22,468				
	<b>Sub Total</b>	<b>\$2,302,019</b>	<b>\$2,302,019</b>	<b>\$2,191,477</b>	<b>\$110,542</b>	<b>(\$6,171)</b>	<b>(\$6,171)</b>	<b>(\$391)</b>	<b>(\$5,781)</b>
<b><u>Public Service Office</u></b>									
E1001	Admin	\$433,838	\$443,238	\$505,409	(\$62,171)				
E1002	Human Resource Develop	\$274,122	\$274,122	\$271,526	\$2,596				
E1003	PSPSM	\$258,044	\$258,044	\$234,834	\$23,210				
E1004	IT/DMR	\$160,536	\$160,536	\$90,165	\$70,371				
	<b>Sub Total</b>	<b>\$1,126,540</b>	<b>\$1,135,940</b>	<b>\$1,101,933</b>	<b>\$34,007</b>				

<b>Judiciary</b>									
E1101	Judicial Services	\$504,301	\$504,301	\$520,654	(\$16,353)	(\$100,000)	(\$100,000)	(\$315,430)	\$215,430
E1102	Magistrate Services	\$1,380,754	\$1,380,754	\$1,348,350	\$32,404	(\$140,000)	(\$140,000)	(\$149,508)	\$9,508
E1103	Admin	\$356,970	\$356,970	\$303,245	\$53,725				
<b>Sub Total</b>		\$2,242,025	\$2,242,025	\$2,172,249	\$69,776	(\$240,000)	(\$240,000)	(\$464,938)	\$224,938
<b>Police</b>									
EXPENDITURE									
<b>Division</b>		OriginalBudget	Revised Budget	ActualExp	Variance	Original Budget	Rev Budget	ActualRevenue	Diff
E1201	Admin	\$1,948,864	\$2,349,384	\$2,346,780	\$2,604	(\$89,300)	(\$89,300)	(\$110,757)	\$21,457
E1202	Fire Service	\$116,519	\$116,519	\$95,872	\$20,647				
E1203	Police Maritime Unit	\$990,443	\$990,443	\$835,298	\$155,145	(\$5,000)	(\$5,000)	(\$160)	(\$4,840)
E1204	Search and Rescue	\$808,900	\$808,900	\$804,929	\$3,971			\$0	
E1205	Investigation and Prosecu	\$5,269,465	\$5,269,465	\$5,262,817	\$6,648				
<b>Sub Total</b>		\$9,134,191	\$9,534,711	\$9,345,696	\$189,015	(\$94,300)	(\$94,300)	(\$110,917)	\$16,617
Public Service Commission									
E1301	Admin	\$293,932	\$339,755	\$340,690	(\$935)				
<b>Sub Total</b>		\$293,932	\$339,755	\$340,690	(\$935)				
Ministry of Foreign Affairs									
E1401	Admin	\$973,381	\$973,381	\$936,539	\$36,842				
E1402	Immigration	\$285,455	\$285,455	\$252,246	\$33,209	(\$98,000)	(\$98,000)	(\$175,175)	\$77,175
E1403	High Commission Fiji	\$498,403	\$498,403	\$534,962	(\$36,559)	(\$2,500)	(\$2,500)	(\$6,676)	\$4,176
E1404	Mission in Taipei	\$460,411	\$460,411	\$306,923	\$153,488				
E1405	Mission in New York	\$605,846	\$605,846	\$620,094	(\$14,248)				
<b>Sub Total</b>		\$2,823,496	\$2,823,496	\$2,650,766	\$172,730	(\$100,500)	(\$100,500)	(\$181,851)	\$81,351

<b><u>Ministry Internal Affairs</u></b>								
E1501	Admin	\$731,310	\$769,125	\$729,660	\$39,465			
E1502	Rural Development	\$584,886	\$584,886	\$555,224	\$29,662			
E1503	Local Government support	\$1,523,394	\$1,523,394	\$1,477,821	\$45,573	(\$2,029)	(\$2,029)	(\$1,362) <b>(-\$667)</b>
E1504	CMD	\$239,759	\$239,759	\$202,709	\$37,050			
<b>Sub Total</b>		\$3,079,349	\$3,117,164	\$2,965,413	\$151,751	(\$2,029)	(\$2,029)	(\$1,362) <b>(-\$667)</b>
<b><u>Ministry of Environment</u></b>								
E1601	Admin	\$745,080	\$756,001	\$747,826	\$8,175	(\$2,400)	(\$2,400)	
<b>EXPENDITURE</b>								
Division	Original Budget	Revised Budget	Actual Exp	Variance	Original Budget	Rev Budget	Actual Revenue	Diff
E1602	Environment	\$819,372	\$830,375	\$807,669	\$22,706	(\$11,500)	(\$11,500)	(\$76,688) <b>\$65,188</b>
E1603	Lands	\$993,683	\$993,683	\$949,585	\$44,098	(\$2,053,500)	(\$2,053,500)	(\$570,450) <b>(\$1,483,050)</b>
E1604	Agriculture	\$1,403,094	\$1,403,094	\$1,369,583	\$33,511	(\$35,000)	(\$35,000)	(\$44,954) <b>\$9,954</b>
<b>Sub Total</b>		\$3,961,229	\$3,983,153	\$3,874,663	\$108,490	(\$2,102,400)	(\$2,102,400)	(\$692,093) <b>(\$1,410,307)</b>
<b><u>Maneaba Ni Maungatabu</u></b>								
E1701	Admin	\$1,286,887	\$1,286,887	\$1,318,803	(\$31,916)	(\$7,000)	(\$7,000)	(\$8,528) <b>\$1,528</b>
E1702	Parliamentary Meetings	\$1,803,383	\$1,803,383	\$1,891,334	(\$87,951)	(\$350)	(\$350)	(\$375) <b>\$25</b>
E1703	Parliamentary Committees	\$486,373	\$706,373	\$764,630	(\$58,257)			
<b>Sub Total</b>		\$3,576,643	\$3,796,643	\$3,974,767	(\$178,124)	(\$7,350)	(\$7,350)	(\$8,903) <b>\$1,553</b>
<b><u>Ministry of Commerce</u></b>								
E1801	Admin	\$785,501	\$785,501	\$780,817	\$4,684			
E1802	Business regulation	\$524,975	\$524,975	\$522,936	\$2,039	(\$38,900)	(\$38,900)	(\$86,581) <b>\$47,681</b>
E1803	Business promotion	\$561,355	\$561,355	\$530,365	\$30,990	(\$15,934)	(\$15,934)	(\$19,812) <b>\$3,878</b>
E1804	Registration and Xmas De	\$255,947	\$255,947	\$223,351	\$32,596			
<b>Sub Total</b>		\$2,127,778	\$2,127,778	\$2,057,468	\$70,310	(\$54,834)	(\$54,834)	(\$106,393) <b>\$51,559</b>

<u>National Audit Office</u>								
E1901	Admin	\$314,890	\$314,890	\$308,405	\$6,485			
E1902	Treasury Auditing	\$187,242	\$187,242	\$146,029	\$41,213	(\$7,000)	(\$7,000)	(\$28,200) \$21,200
E1903	Statutory Auditing	\$169,141	\$169,141	\$122,387	\$46,754			\$0
E1904	Local Government Auditin	\$91,533	\$91,533	\$56,111	\$35,422			
E1905	Project Division	\$85,994	\$85,994	\$59,449	\$26,545	(\$5,000)	(\$5,000)	\$0 (\$5,000)
E1906	IT Division	\$36,320	\$36,320	\$31,442	\$4,878			
<b>Sub Total</b>		<b>\$885,120</b>	<b>\$885,120</b>	<b>\$723,823</b>	<b>\$161,297</b>	<b>(\$12,000)</b>	<b>(\$12,000)</b>	<b>(\$28,200) \$16,200</b>

Office of Attorney General

EXPENDITURE									REVENUE
Division		Original Budget	Revised Budget	Actual Exp	Variance	Original Budget	Rev Budget	Actual Revenue	Diff
E2001	Admin	\$332,921	\$332,921	\$330,291	\$2,630	(\$850)	(\$850)	(\$510)	(\$340)
E2002	Civil Law	\$344,849	\$344,849	\$244,185	\$100,664				
E2003	Criminal Prosecution	\$193,165	\$193,165	\$100,034	\$93,131				
<b>Sub Total</b>		<b>\$870,935</b>	<b>\$870,935</b>	<b>\$674,510</b>	<b>\$196,425</b>	<b>(\$850)</b>	<b>(\$850)</b>	<b>(\$510)</b>	<b>(\$340)</b>
<u>Ministry of Fisheries Marine</u>									
E2101	Admin	\$962,434	\$962,434	\$959,585	\$2,849				
E2102	Planning	\$182,435	\$182,435	\$124,298	\$58,137				
E2103	Fishing Vessel Licensing	\$1,601,801	\$1,601,801	\$1,433,369	\$168,432	(\$180,000)	(\$180,000)	(\$206,138)	\$26,138
E2104	Licensing & Enforcement	\$372,088	\$372,088	\$290,866	\$81,222	(\$135,700,000)	(\$135,700,000)	(\$176,102,890)	\$40,402,890
E2105	Mineral Resources	\$280,636	\$280,636	\$165,789	\$114,847	(\$11,000)	(\$11,000)	(\$23,908)	\$12,908
E2106	Competency Authority	\$256,648	\$256,648	\$144,942	\$111,706				
E2107	ICT	\$122,607	\$122,607	\$98,562	\$24,045				
<b>Sub Total</b>		<b>\$3,778,649</b>	<b>\$3,778,649</b>	<b>\$3,217,410</b>	<b>\$561,239</b>	<b>(\$135,891,000)</b>	<b>(\$135,891,000)</b>	<b>(\$176,332,936)</b>	<b>\$40,441,936</b>

<b><u>Ministry of Health</u></b>									
E2201	<b>Admin</b>	\$3,230,301	\$3,230,301	\$3,207,034	\$23,267	(\$94,600)	(\$94,600)	(\$121,987)	\$27,387
E2202	<b>Support Services</b>	\$2,445,841	\$2,636,597	\$2,614,998	\$21,599				
E2203	<b>Public Health</b>	\$1,213,452	\$1,213,452	\$1,211,606	\$1,846				
E2204	<b>Curative</b>	\$2,175,274	\$2,175,274	\$2,165,912	\$9,362				
E2205	<b>Laboratory</b>	\$661,598	\$661,598	\$657,809	\$3,789				
E2206	<b>Radiology</b>	\$321,479	\$321,479	\$317,876	\$3,603				
E2207	<b>Pharmacy</b>	\$2,932,857	\$2,932,857	\$2,902,476	\$30,381				
E2208	<b>Physiotherapy</b>	\$288,115	\$288,115	\$284,706	\$3,409	(\$1,000)	(\$1,000)	\$0	(\$1,000)
E2209	<b>Dental Services</b>	\$493,708	\$493,708	\$490,163	\$3,545	(\$8,000)	(\$8,000)	(\$9,511)	\$1,511
E2210	<b>Nursing Services</b>	\$7,150,351	\$6,959,595	\$6,948,344	\$11,251				
E2211	<b>Linnix Services</b>	\$1,382,841	\$1,382,841	\$1,381,520	\$1,321				
E2212	<b>South Kiribati Hospital</b>	\$909,765	\$909,765	\$905,894	\$3,871				
E2213	<b>Betio Hospital</b>	\$223,065	\$223,065	\$212,302	\$10,763				
E2214	<b>Mental Hospital</b>	\$218,435	\$218,435	\$216,599	\$1,836				
<b>Sub Total</b>		\$23,647,082	\$23,647,082	\$23,517,240	\$129,842	(\$103,600)	(\$103,600)	(\$131,498)	\$27,898
<b><u>Ministry of Education</u></b>									
E2301	<b>Admin</b>	\$1,632,407	\$1,632,407	\$1,631,727	\$680	(\$500)	(\$500)	(\$7,161)	\$6,661
E2302	<b>Primary Education</b>	\$10,769,089	\$10,769,089	\$10,769,452	(\$363)	(\$62,000)	(\$62,000)	(\$85,681)	\$23,681
E2303	<b>Junior Secondary</b>	\$8,077,939	\$8,077,939	\$8,072,179	\$5,760				
E2304	<b>KGV and EBS</b>	\$820,499	\$886,799	\$819,896	\$66,903	(\$7,500)	(\$7,500)	(\$31,917)	\$24,417
E2305	<b>MTSS</b>	\$924,044	\$857,744	\$732,891	\$124,853	(\$6,000)	(\$6,000)	(\$4,055)	(\$1,945)
E2306	<b>Teabike College</b>	\$1,323,051	\$1,323,051	\$1,137,013	\$186,038			\$0	
E2307	<b>KTC</b>	\$620,084	\$620,084	\$611,805	\$8,279	(\$78,000)	(\$78,000)	(\$39,671)	(\$38,329)
E2308	<b>Exams</b>	\$544,436	\$544,436	\$524,391	\$20,045			\$0	
E2309	<b>CDRC</b>	\$302,834	\$302,834	\$299,336	\$3,498	(\$1,600)	(\$1,600)	(\$13,452)	\$11,852
E2310	<b>Library and Archive</b>	\$132,942	\$132,942	\$125,586	\$7,356			\$0	
E2311	<b>Secondary Schools</b>	\$415,336	\$415,336	\$431,029	(\$15,693)				
E2312	<b>FMU</b>	\$232,852	\$232,852	\$195,548	\$37,304				
E2313	<b>Statistics and IT</b>	\$1,719,436	\$1,719,436	\$1,682,756	\$36,680	(\$20,000)	(\$20,000)	(\$25,911)	\$5,911
E2314	<b>Kiribati Qualification Agen</b>	\$72,325	\$72,325	\$66,570	\$5,755				
<b>Sub Total</b>		\$27,587,274	\$27,587,274	\$27,100,177	\$487,097	(\$175,600)	(\$175,600)	(\$207,849)	\$32,249

<b><u>Ministry of Communication</u></b>									
E2401	<b>Admin</b>	\$1,050,306	\$1,074,306	\$1,070,386	\$3,920	(\$2,137,469)	(\$2,137,469)	(\$2,321,209)	\$183,740
E2402	<b>Shipping Services</b>	\$458,260	\$457,260	\$433,348	\$23,912	(\$100,000)	(\$100,000)	(\$101,619)	\$1,619
E2403	<b>Navigation Aids</b>	\$95,811	\$91,811	\$85,543	\$6,268	(\$30,000)	(\$30,000)	(\$48,897)	\$18,897
E2404	<b>Civil Aviation</b>	\$277,620	\$277,120	\$272,818	\$4,302				
E2405	<b>Airport Services</b>	\$861,976	\$855,976	\$835,689	\$20,287				
E2406	<b>Postal Services</b>	\$498,396	\$486,596	\$472,232	\$14,364	(\$168,400)	(\$168,400)	(\$209,579)	\$41,179
E2407	<b>Philatelic Bureau</b>	\$310,899	\$301,599	\$287,777	\$13,822	(\$108,000)	(\$108,000)	(\$134,101)	\$26,101
E2408	<b>Printery Services</b>	\$363,128	\$363,128	\$323,311	\$39,817	(\$12,000)	(\$12,000)	(\$6)	(\$11,994)
E2409	<b>Tourism</b>	\$197,457	\$206,057	\$194,499	\$11,558			\$0	
E2410	<b>ICT</b>			\$0	\$0				
<b>Sub Total</b>		\$4,113,853	\$4,113,853	\$3,975,605	\$138,248	(\$2,555,869)	(\$2,555,869)	(\$2,815,410)	\$259,541
<b><u>Ministry of Finance</u></b>									
E2501	<b>Admin</b>	\$1,031,917	\$1,017,717	\$927,556	\$90,161	(\$13,328,680)	(\$13,328,680)	(\$29,458,104)	\$16,129,424
E2502	<b>Accounts HQ</b>	\$903,788	\$973,188	\$955,348	\$17,840	(\$3,499,097)	(\$3,499,097)	(\$2,810,194)	(\$688,903)
E2503	<b>Internal Audit</b>	\$112,413	\$102,413	\$89,970	\$12,443				
E2504	<b>Planning</b>	\$321,861	\$306,361	\$296,735	\$9,626				
E2505	<b>Tax</b>	\$520,836	\$506,536	\$485,881	\$20,655	(\$44,800,000)	(\$44,800,000)	(\$49,167,400)	\$4,367,400
E2506	<b>Statistics</b>	\$225,752	\$219,752	\$194,432	\$25,320				
E2507	<b>IT</b>	\$202,574	\$193,174	\$157,130	\$36,044				
<b>Sub Total</b>		\$3,319,141	\$3,319,141	\$3,107,052	\$212,089	(\$61,627,777)	(\$61,627,777)	(\$81,435,697)	\$19,807,920
<b><u>Ministry of Women&amp;Sport</u></b>									
E2601	<b>Admin</b>	\$1,055,185	\$1,055,185	\$1,065,215	(\$10,030)				
E2602	<b>Sports</b>	\$140,429	\$140,429	\$111,993	\$28,436	(\$20,490)	(\$20,490)	(\$40,915)	\$20,425
E2603	<b>Social Services</b>	\$290,467	\$290,467	\$271,525	\$18,942				
E2604	<b>Youth</b>	\$145,203	\$145,203	\$141,744	\$3,459	(\$1,400)	(\$1,400)	(\$1,184)	(\$216)
E2605	<b>Women</b>	\$186,234	\$186,234	\$181,025	\$5,209				
E2606	<b>NGO Division</b>	\$73,757	\$73,757	\$64,780	\$8,977				
<b>Sub Total</b>		\$1,891,275	\$1,891,275	\$1,836,281	\$54,994	(\$21,890)	(\$21,890)	(\$42,099)	\$20,209

<u><b>Ministry of Works</b></u>									
E2701	<b>Admin</b>	\$839,437	\$1,020,390	\$983,561	\$36,829	(\$2,000)	(\$2,000)	(\$1,842)	(\$158)
E2702	<b>Energy</b>	\$243,350	\$240,150	\$230,368	\$9,782	(\$1,000)	(\$1,000)	(\$347)	(\$653)
E2703	<b>Electricity</b>	\$18,898	\$18,898	\$16,204	\$2,694				
E2704	<b>Public Works</b>	\$21,366	\$21,366	\$16,938	\$4,428				
E2705	<b>Construction</b>	\$755,546	\$755,546	\$732,531	\$23,015	(\$600)	(\$600)	(\$2,456)	\$1,856
E2706	<b>Water Supply</b>	\$604,917	\$604,917	\$578,739	\$26,178	(\$1,000)	(\$1,000)	(\$8,711)	\$7,711
E2707	<b>Joinery</b>	\$210,983	\$214,183	\$193,590	\$20,593	(\$2,500)	(\$2,500)	(\$2,130)	(\$370)
E2708	<b>Technical and Design</b>	\$110,787	\$110,787	\$95,976	\$14,811	(\$10,500)	(\$10,500)	(\$15,847)	\$5,347
E2709	<b>Civil Engineering</b>	\$682,695	\$763,698	\$746,842	\$16,856	(\$10,000)	(\$10,000)	(\$17,393)	\$7,393
E2710	<b>Cost and Planning</b>	\$120,776	\$120,776	\$100,387	\$20,389				
<b>Sub Total</b>		\$3,608,755	\$3,870,711	\$3,695,135	\$175,576	(\$27,600)	(\$27,600)	(\$48,726)	\$21,126
<u><b>Ministry of Labour</b></u>									
E2801	<b>Admin</b>	\$664,414	\$664,414	\$655,825	\$8,589				
E2802	<b>Labour and Employment</b>	\$642,640	\$642,640	\$597,276	\$45,364	(\$2,000)	(\$2,000)	(\$1,500)	(\$500)
E2803	<b>KIT</b>	\$1,868,207	\$1,868,207	\$1,721,121	\$147,086	(\$65,000)	(\$65,000)	(\$124,655)	\$59,655
E2804	<b>MTC</b>	\$2,448,171	\$2,448,171	\$2,243,652	\$204,519	(\$83,000)	(\$83,000)	(\$141,347)	\$58,347
<b>Sub Total</b>		\$5,623,432	\$5,623,432	\$5,217,873	\$405,559	(\$150,000)	(\$150,000)	(\$267,502)	\$117,502
<u><b>Ministry of Lines and Phoenix</b></u>									
E2901	<b>Admin</b>	\$780,310	\$780,310	\$773,243	\$7,067	(\$18,500)	(\$18,500)	(\$44,783)	\$26,283
E2902	<b>Finance</b>	\$253,902	\$253,902	\$214,386	\$39,516				
E2903	<b>PWD</b>	\$732,223	\$732,223	\$665,449	\$66,774	(\$1,500)	(\$1,500)	(\$1,302)	(\$199)

EXPENDITURE					REVENUE				
Division	Original Budget	Revised Budget	Actual Exp	Variance	Original Budget	Rev Budget	Actual Revenue	Diff	
E2904 <b>Housing</b>	\$140,366	\$140,366	\$120,905	\$19,461	(\$68,900)	(\$68,900)	(\$76,426)	\$7,526	
E2905 <b>Electricity Distribution</b>	\$322,195	\$322,195	\$254,428	\$67,767	(\$350,000)	(\$350,000)	(\$563,490)	\$213,490	
E2906 <b>Electricity Generation</b>	\$337,850	\$337,850	\$333,338	\$4,512					
E2907 <b>Water Supply</b>	\$146,180	\$146,180	\$150,578	(\$4,398)			(\$7,883)		
E2908 <b>Planning</b>	\$285,103	\$285,103	\$250,857	\$34,246	(\$1,250)	(\$1,250)	(\$2,303)	\$1,053	
E2909 <b>Solar Salt</b>	\$111,653	\$111,653	\$88,435	\$23,219			\$0		
E2910 <b>IT</b>	\$138,022	\$138,022	\$96,299	\$41,723	(\$20,000)	(\$20,000)	(\$18,313)	(\$1,687)	
E2911 <b>Civil Engineering</b>	\$412,364	\$412,364	\$402,723	\$9,642	(\$55,000)	(\$55,000)	(\$37,765)	(\$17,235)	
E2912 <b>PVU Xmas</b>	\$525,376	\$525,376	\$442,937	\$82,439	(\$40,000)	(\$40,000)	(\$56,989)	\$16,989	
E2913 <b>Linnix Agency (Trw)</b>	\$102,276	\$102,276	\$72,506	\$29,770					
<b>Sub Total</b>	<b>\$4,287,820</b>	<b>\$4,287,820</b>	<b>\$3,866,085</b>	<b>\$421,735</b>	<b>(\$555,150)</b>	<b>(\$555,150)</b>	<b>(\$809,251)</b>	<b>\$254,101</b>	
<b>Debt Servicing</b>									
E3001 <b>Debt Servicing</b>	\$1,739,268	\$2,099,270	\$1,721,853	\$377,418					
<b>Sub Total</b>	<b>\$1,739,268</b>	<b>\$2,099,270</b>	<b>\$1,721,853</b>	<b>\$377,418</b>					
<b>Other Expenditures</b>									
E3101 <b>KHC subsidy</b>	\$979,984	\$979,984	\$904,925	\$75,059					
E3102 <b>Support grant</b>	\$2,842,257	\$2,950,459	\$2,767,831	\$182,628					
E3103 <b>School fees for the under</b>	\$56,000	\$56,000	\$47,988	\$8,012					
E3105 <b>Domestic airfare subsidy</b>	\$2,080,000	\$2,080,000	\$1,779,980	\$300,020					
E3107 <b>PUB subsidy</b>	\$100,000	\$100,000	\$92,538	\$7,462					
E3109 <b>Fire and Electrical safety</b>	\$100,000	\$100,000	\$33,123	\$66,877					
E3110 <b>Copra subsidy</b>			\$0	\$0					
E3111 <b>Voluntary organisation gr</b>	\$20,000	\$20,000	\$19,379	\$621					
E3112 <b>Community support</b>	\$4,350,000	\$6,331,478	\$6,330,081	\$1,397					

EXPENDITURE						REVENUE			
Division		Original Budget	Revised Budget	Actual Exp	Variance	Original Budget	Rev Budget	Actual Revenue	Diff
E3118	<b>Freight subsidy</b>	\$1,000,000	\$1,000,000	\$83,070	\$916,930				
E3123	<b>International contribution</b>	\$1,633,714	\$1,633,714	\$1,593,347	\$40,367				
E3151	<b>Pensions and KPF</b>	\$7,500	\$7,500	\$2,893	\$4,607				
E3153	<b>Land rent</b>	\$4,601,419	\$4,601,419	\$4,284,599	\$316,820				
E3154	<b>Local council grant</b>	\$180,686	\$180,686	\$153,397	\$27,290				
E3156	<b>Banaba Election</b>		\$0	\$58	(\$58)				
E3158	<b>Ferry service to remote Isl</b>	\$22,757	\$31,509	\$31,509	\$0				
E3160	<b>Building maintenance</b>	\$1,200,000	\$1,200,000	\$1,230,520	(\$30,520)				
E3191	<b>Search and rescue</b>	\$800,000	\$800,000	\$506,750	\$293,250				
E3195	<b>Housing maintenance Lin</b>	\$150,000	\$150,000	\$150,071	(\$71)				
E3196	<b>Senior citizen benefit</b>	\$3,197,980	\$3,197,980	\$3,145,168	\$52,812				
E3198	<b>Mission secondary school</b>	\$2,989,434	\$4,502,650	\$4,678,432	(\$175,782)				
E3199	<b>Incountry tertiary support</b>	\$4,607,193	\$4,607,193	\$4,768,768	(\$161,575)				
<b>Sub Total</b>		\$30,918,924	\$34,530,572	\$32,604,428	\$1,926,144				
<b>Ministry of Justice</b>									
E3701	<b>Admin</b>	\$613,840	\$651,135	\$642,123	\$9,012				
E3702	<b>Customs</b>	\$690,561	\$709,723	\$692,209	\$17,514	(\$100,000)	(\$100,000)	(\$93,397)	(\$6,603)
E3703	<b>Prison</b>	\$879,974	\$879,974	\$842,184	\$37,790				
E3704	<b>Civil Registration</b>	\$214,172	\$214,172	\$194,181	\$19,991	(\$72,000)	(\$72,000)	(\$53,731)	(\$18,269)
E3705	<b>Human Rights</b>	\$74,547	\$74,547	\$71,507	\$3,040				
E3706	<b>OPL</b>	\$557,259	\$557,259	\$534,663	\$22,596	(\$4,000)	(\$4,000)	(\$3,639)	(\$361)
E3707	<b>MOJXmas</b>	\$70,043	\$70,043	\$63,421	\$6,622				
<b>Sub Total</b>		\$3,100,396	\$3,156,853	\$3,040,289	\$116,564	(\$176,000)	(\$176,000)	(\$150,766)	(\$25,234)
<b>Leadership Commission</b>									
E3801	<b>Admin</b>	\$390,656	\$390,656	\$283,321	\$107,335				
<b>Sub Total</b>		\$390,656	\$390,656	\$283,321	\$107,335				
<b>Grand Total</b>		\$195,690,379	\$223,824,486	\$217,625,361	\$6,199,126	(\$203,904,920)	(\$203,904,920)	(\$263,837,292)	\$59,932,372

## STATEMENT V: SPECIAL FUNDS AND OTHER FUNDS

**Government of Kiribati**

### **Statement of Special funds and other funds as at 31<sup>st</sup> December 2018**

Allocation	Description	2018	2017
<b>Special Funds</b>			
F0070000072A	Highway authority	(\$287,755.10)	(\$148,085.18)
F0070000070A	Plant & Vehicle Unit (PVU)	(\$94,232.83)	(\$86,403.83)
F0070000069A	Civil Aviation Special Fund	(\$472,189.45)	(\$1,278,546.38)
F0070000067A	Dai Nippon Causeway Fund	(\$2,368,949.64)	(\$2,240,258.82)
F0070000061A	Import Levy Fund	(\$6,893,042.22)	(\$6,875,758.00)
F0070000030A	Kaoki Mange Special Fund	(\$466,019.08)	(\$364,890.55)
<b>Sum</b>		<b>(\$10,582,188.32)</b>	<b>(\$10,993,942.76)</b>
<b>RERF</b>			
F0070000060A	RERF	(\$973,207,276.55)	(\$942,466,355.32)
<b>Sum</b>		<b>(\$973,207,276.55)</b>	<b>(\$942,466,355.32)</b>
<b>Other Funds</b>			
F0080000002A	Other funds	(\$3,247,597.63)	\$0.00
F0080000001A	Consolidated Fund	(\$59,401,159.01)	(\$57,398,375.96)
F0070000071A	Land equity	(\$10,993,224.00)	(\$10,993,224.00)
F0070000065A	SSGA cash trust	(\$113,224,477.22)	(\$89,332,427.15)
F0070000064A	Local Stabex Fund	\$0.00	\$1,495,755.44
F0070000063A	No 6 Stabex Fund	(\$488,898.80)	(\$488,898.80)
F0070000053A	Development Fund Retain Income	(\$72,750,930.00)	(\$39,047,878.43)
<b>Sum</b>		<b>(\$260,106,286.66)</b>	<b>(\$195,765,048.90)</b>
<b>Grand Total</b>		<b>(\$1,243,895,751.53)</b>	<b>(\$1,149,225,346.98)</b>

## STATEMENT VI&XVIII: OTHER LEDGER BALANCES & BALANCES OF REMITTANCE ACCOUNT

**Government of Kiribati**

### **Statement of Other ledger balances and balances of remittance account 31<sup>st</sup> December 2018**

<b>Allocation</b>	<b>Description</b>	<b>2018</b>	<b>2017</b>
<b><u>1.Cash at bank and on hand</u></b>			
M0030000001A	No 1 Account	\$43,970,351	\$58,899,594
M0030000004A	No 4 Account	\$147,676,781	\$66,761,564
M0030000005A	No 5 Account (Kiritimati)	(\$269,079)	(\$228,168)
M0030000006A	No 6 Account (Stabex Fur	\$6,576	\$6,696
M0030000007A	Petty Cash	\$0	\$0
M0030000008A	IBDs with BOK Ltd	\$11,971,074	\$12,943,760
M0030000010A	KPF Clearing Account	\$0	\$0
M0030000013A	Sundry Creditor Clearing A	\$0	(\$8,425)
M0030000017A	Kiribati High Com Bank Ac	\$69,686	\$44,018
M0030000018A	Taipei Mission Bank Accc	(\$385,647)	(\$115,017)
M0030000019A	New York Mission Bank Ac	\$20,565	(\$46,497)
M0030000020A	Taipei Mission Petty Cash	(\$9,670)	\$595
M0030000022A	Kiribati High Com Petty ca	\$51,054	\$51,054
M0030000023A	EPOS - outer island	\$1,207,773	\$425,036
M0030000024A	State street Cash trust Q4(	\$113,224,477	\$89,332,427
M0030000025A	Other funds	\$3,247,598	\$0
<b>Sum</b>		<b>\$320,781,540</b>	<b>\$228,066,639</b>
<b><u>2.Cash with subaccountants</u></b>			
M0031000019A	Banaba	\$250	\$250
M0031000024A	Kanton	\$3,688	\$3,688
<b>Sum</b>		<b>\$3,938</b>	<b>\$3,938</b>

### **3. Outer Island State Fund cash**

M0032000000A	Betio PO	\$5,167	\$887
M0032000001A	Bairiki PO	(\$176,084)	(\$175,815)
M0032000002A	Bikenbeu PO	\$48,490	\$54,226
M0032000003A	Abaianq (State fund)	\$23,766	\$63,860
M0032000004A	Abemama (State fund)	\$14,534	\$59,354
M0032000005A	Aranuka (State fund)	(\$19,375)	(\$47,906)
M0032000006A	Arorae (State fund)	\$66,474	\$49,966
M0032000007A	Beru (State fund)	\$23,455	\$31,638
M0032000008A	Butaritari (State fund)	\$46,937	\$15,221
M0032000009A	Kuria (State fund)	\$51,558	\$7,477
M0032000010A	Maiana (State fund)	\$63,693	\$24,124
M0032000011A	Makin (State fund)	(\$216,344)	\$20,772
M0032000012A	Marakei (State fund)	\$83,941	\$23,406
M0032000013A	Nikunau (State fund)	\$14,738	\$23,010
M0032000014A	Nonouti (State fund)	\$101,111	\$8,925
M0032000015A	Onotoa (State fund)	\$34,814	(\$11,883)
M0032000016A	Tab Nth (State fund)	\$109,244	\$109,397
M0032000017A	Tab Sth (State fund)	\$839	\$10,417
M0032000018A	Tamana (State fund)	\$51,726	\$21,354
M0032000019A	Banaba (State fund)	(\$455,741)	(\$311,763)
M0032000021A	Fanning (State fund)	\$289,406	\$135,201
M0032000022A	Wash/Teraina (State fund)	\$1,606,878	\$54,136
M0032000023A	Abaokoro (State fund)	\$45,557	\$44,161
M0032000024A	Orona	\$10,542	\$10,542
M0032000029A	Kanton (State fund)	(\$5,713)	(\$5,713)
<b>Sum</b>		<b>\$1,819,613</b>	<b>\$214,993</b>

### **4.Cash-In-Transit (RBC)**

M0033000003A	Abaianq	\$89,223	\$2,018
M0033000004A	Abemama	\$83,608	\$8,830
M0033000005A	Aranuka	\$38,109	\$34,920
M0033000006A	Arorae	(\$23,450)	\$1,548
M0033000007A	Beru	\$12,619	\$11,839
M0033000008A	Butaritari	(\$78,313)	(\$40,333)
M0033000009A	Kuria	\$32,649	\$77,269
M0033000010A	Maiana	\$58,952	\$58,877
M0033000011A	Makin	(\$104,631)	\$26,139
M0033000012A	Marakei	(\$354)	(\$209)
M0033000013A	Nikunau	(\$50,460)	(\$52,440)
M0033000014A	Nonouti	(\$2,145)	(\$4,905)

M0033000015A	Onotoa	\$48,034	\$4,027
M0033000016A	Tab Nth	(\$97,378)	\$103,063
M0033000017A	Tab Sth	(\$73,412)	(\$24,342)
M0033000018A	Tamana	(\$83,668)	\$1,140
M0033000019A	Banaba	\$4,120	\$3,670
M0033000020A	Kiritimati	(\$17,071)	(\$17,071)
M0033000021A	Fanning	\$1,175,672	\$1,135,907
M0033000022A	Washington	\$312,866	\$291,816
M0033000023A	Abaokoro	\$17,071	\$16,351
M0033000024A	Kanton	\$12,284	\$12,284
M0033000027A	Kiribati High Commission	\$3,654,989	\$3,654,989
M0033000028A	Mission in Taipei	\$692,288	\$318,338
M0033000029A	Mission in New York	\$14,491	\$0
M0033000601A	Postmaster Bairiki	(\$126,098)	(\$126,098)
M0033000602A	Post Office -Bikenibeu	(\$13,418)	(\$13,418)
M0033000603A	Postmaster Betio	\$11,610	\$11,610
<b>Sum</b>		<b>\$5,588,187</b>	<b>\$5,495,818</b>
<b>Grand Total</b>		<b>\$328,193,278</b>	<b>\$233,781,388</b>

## **STATEMENT VII: ADVANCES FROM THE CONSOLIDATED FUND**

**Government of Kiribati**

### **Statement of Advances from Consolidated fund 31<sup>st</sup> December 2018**

	Description	2018	2017
<b>1 Imprest and Salary Advances</b>			
L200A	Standing imprest	\$5,341,288	\$4,759,769
L100A	Salary advance	\$9,116,563	\$8,448,969
	<b>Sum</b>	<b>\$14,457,851</b>	<b>\$13,208,738</b>
<b>2 Other Advances</b>			
J0046	Other advance	\$1,458	\$1,458
J0044	Other advance	\$769,150	\$769,150
	<b>Sum</b>	<b>\$770,608</b>	<b>\$770,608</b>
<b>3 Sundry Advances</b>			
K0480	Sundry advance	\$165	\$165
K0050	Sundry advance	\$22,859	\$22,859
K0049	Sundry advance	\$25,943	\$23,526
K0048	Sundry advance	(\$145,049)	(\$230,440)
	<b>Sum</b>	<b>(\$96,082)</b>	<b>(\$183,890)</b>
<b>Grand Total</b>		<b>\$15,132,376</b>	<b>\$13,795,456</b>

## **STATEMENT VIII: DEPOSITS INTO THE CONSOLIDATED FUND**

**Government of Kiribati**

### **Statement of Deposits into the Consolidated Fund 31<sup>st</sup> December 2018**

Description		2018	2017
<b><u>1 DNE</u></b>			
SUSPE	Other deposit2	\$12,038,070	\$10,024,955
S0058	DNE	(\$1,155,087)	(\$1,192,546)
	Sum	\$10,882,983	\$8,832,409
<b><u>2 Public officers</u></b>			
T0059	SAYE	(\$1,334)	\$1,855
Q0057	Salary allotment	(\$9,950)	(\$10,640)
	Sum	(\$11,284)	(\$8,786)
<b><u>3 Sundry deposits</u></b>			
O5000	Sundry deposit4	(\$58,192)	(\$58,192)
O0050	Sundry deposit2	\$906,842	\$1,069,613
	Sum	\$848,650	\$1,011,421
<b><u>4 Telmos</u></b>			
P0052	Old telmos received 2 (PF27)	\$0	(\$18,026,806)
I0053	Telmos paid (PF25)	\$9,588,469	\$8,790,971
I0052	Old telmos paid 2 (PF25)	(\$14,332,009)	\$4,425,886
I0051	Old telmos paid 1 (PF25)	\$98,511	\$98,511
	Sum	(\$4,645,029)	(\$4,711,438)
<b>Grand Total</b>		<b>\$7,075,320</b>	<b>\$5,123,607</b>

## STATEMENT VIII(a): Sundry Deposit into the Consolidated fund

**Government of Kiribati**

### **Statement of Sundry Deposit into Consolidated fund 31<sup>st</sup> December 2018**

<b>Allocation</b>	<b>Description</b>	<b>2018</b>	<b>2017</b>
00050000010A	Trade Creditors Local	\$6,772	(\$1,608)
00050001000A	Kir High Com KPF acc	\$10,563	\$14,824
00050001001A	Kir High Com Insurance	\$773	\$645
00050001002A	KHC maintenance (Cakacaka)	\$5,159	\$1,635
00050006000A	KHC Rent	\$254,933	\$266,485
00050006001A	Service Charge	(\$11,790)	(\$8,717)
00050006004A	Bank Salaries	\$4,002,393	\$2,587,294
00050006005A	KPF loan	(\$2,181,792)	(\$2,180,530)
00050006006A	Kiribati Insurance Corporation	(\$82,783)	(\$112,959)
00050006008A	Housing Loans	(\$141,782)	(\$153,964)
00050006010A	Chief Registrar	(\$50,625)	\$17,649
00050006012A	Linnix Service Charge	(\$23,776)	(\$14,557)
00050006013A	Sundry Deposit for NY mission	(\$83,473)	(\$61,212)
00050006014A	KPF clearing	(\$635,021)	(\$336,647)
00050006024A	Prison Fund	(\$33)	(\$33)
00050006040A	Security Bond Immigration	(\$103,259)	(\$103,259)
00050006115A	Employee's contribn to KPF	\$1,592,708	\$1,910,667
00050006117A	Bank Agency arrangement	\$5,009,399	\$5,358,216
00050006150A	Police Fund	\$5,550	\$5,550
00050006328A	DOL Trust Fund	\$46,521	\$46,259
00050006330A	Prior periods Unclaimed Chqs	(\$912,764)	(\$709,323)
00050006334A	No1 unidentified Credit	(\$7,013,149)	(\$6,923,596)
00050006335A	No.1 PPI unreconcile balance	\$1,026	\$1,026
00050006339A	No 5 unidentified Credit	(\$3,936)	(\$13,525)
00050006340A	No.5 PPI unreconciled balance	\$2,341,042	\$2,341,042
00050007187A	Overpayment Claims	(\$219,582)	(\$218,180)
00050009988A	Contra Bank Statements	\$250,621	(\$112,975)
00050009989A	Return of TT funds from ANZ	(\$5,205)	\$0
00050201401A	Recurrent uncollected PVs	(\$804,403)	(\$549,833)
00050201402A	No.4 uncollected PVs	(\$351,683)	(\$467,804)
00050201701A	Overpayment to suppliers	\$4,437	\$2,557
O5000000010A	Funds deposited into Missions	(\$58,192)	(\$58,192)
<b>Total</b>		<b>\$848,650</b>	<b>\$526,934</b>

## STATEMENT IX: STATEMENT OF CONTINGENT LIABILITIES

### Government of Kiribati Statement IX: Contingent Liabilities 31 December 2018

Description	2018	Currency	Details
KPF guarantee	5,411,450	AUD	Under Section 10 of CAP78A (Provident Fund Act 1977), the GoK guarantees to fund any obligations that are unable to be met by the KPF
VISA Business Card	280,000	AUD	To meet the travelling requirements of Government Senior Government Officials and Ministers
Letter of Credit	182,832	AUD	Procurement facilitation - Purchase of two Automatic Dependent Surveillance Broadcast (ADS-B) Ground Stations
Letter of Credit	1,893,000	AUD	Acquisition of new (x3) 23.8m GFRP Fresh Tuna Long Liners from Weihai Zhongfu Xigang Ship Company Ltd
IMF Promissory Notes	20,883,635	SDR	Promissory Notes held by Kiribati for the International Monetary Fund
Callable Capital	990,000	SDR	Callable Capital held by Kiribati for the International Bank for Reconstruction and Development
Callable Capital	54,000	SDR	Callable Capital held by Kiribati for the International Development Association

## STATEMENT X: INVESTMENTS

### Government of Kiribati Statement of Investments as at 31<sup>st</sup> December 2018

Allocation	Description	2018	2017
<b>1 RERF</b>			
V0060000200A	Northern Trust	\$466,020,235	\$443,443,353
V0060000204A	Black Rock	\$507,187,042	\$499,023,002
	<b>Sum</b>	<b>\$973,207,277</b>	<b>\$942,466,355</b>
<b>2 Land</b>			
V0060000201A	Escrow Land Purchase - Fiji	\$9,300,180	\$9,300,180
	<b>Sum</b>	<b>\$9,300,180</b>	<b>\$9,300,180</b>
<b>3 PIPA</b>			
V0060000202A	PIPA Trust Fund	\$2,623,224	\$2,623,224
	<b>Sum</b>	<b>\$2,623,224</b>	<b>\$2,623,224</b>
<b>4 Other Investments</b>			
V0060000105A	IMF No. 2	\$292,187	\$292,187
V0060000106A	World Bank	\$0	\$18,336
V0060000107A	International Development Asso	\$0	\$11,693
V0060000108A	IFC Subscription	\$0	\$11,309
V0060000110A	AUD a/c 55-1999. 5th Anniversa	\$23,819	\$23,819
V0060000124A	Aud A/c 56-0449. 10th Annivers	\$8,731	\$8,731
	<b>Sum</b>	<b>\$324,737</b>	<b>\$366,075</b>
<b>Grand Total</b>		<b>\$985,455,417</b>	<b>\$954,755,834</b>

## STATEMENT XI: OUTSTANDING LOANS MADE FROM THE CONSOLIDATED FUND

**Government of Kiribati**

### **Statement of Outstanding loans made from Consolidated fund 31<sup>st</sup> December 2018**

<b>Borrower</b>	<b>Purpose and Authority</b>	<b>Outstanding</b>	<b>Notes</b>
National Loans Board (DBK)	To provide loans for agriculture and economic development. Authority: Secretary of State Savingram No.23630/5/62	100,000	Interest free loans with indefinite period issued in 1962
National Loans Board (DBK)	To meet outstanding loans application. Additional provision No.4/1988 item No.109	20,000	Interest free loans with indefinite period issued in 1977
National Loans Board (DBK)	Loans to small scale business and agricultural coop. Dev.Aid project 38 20/5/71	64,000	Interest free loan payable to UK when the project is wound up
Te Mautari Ltd	Working capital. Authority: Dev Aid project 33	250,000	10% p.a interest. Repayable over 15 years from 17/8/86
KCWS	Additional working capital	794,654	4% interest repayable over 15 years from 17/08/86
Air Tungaru	Purchase of Trislander spare parts. Authority: Dev Aid project No.815 & DP 25/40 p3A are relevant	180,000	Principal and interest at 4% recoverable over 7 years at \$22,388 p.a wef 10/12/80
Air Tungaru	Purchase of Trislander spare parts. Authority: Dev Aid project No.815 & DP 25/40 p3A are relevant	300,000	Principal and interest at 4% recoverable over 7 years at \$22,388 p.a wef 10/12/81
Housing Corporation	Housing Loand Scheme. Authority: Dev Aid project No. 368 DP 34/11 F28 is relevant	100,000	5% interest loan repayable over 10 years (with one year grace) from 11/7/81
KCWS	Working capital issued in 1986 from Stabex fund. Authority: Cabinet minutes and Stabex Act	415,000	Interest free loan repayment at \$100,000 p.a weg 16/1/89
Betio Shipyard Ltd	Lending by Government fo proceeds of loan 724 KIR (SF) from ADB. Refer to statement	894,963	Interest free loan. Repayment of principal over 30 yrs commencing April 1995. Cap39. Ref file DP 24/21
Public Utilities Board	On lending by Government of proceeds of loan 786 KIR (SF) from ADB for USD700,000. See statement No. xiii. Authority: 39 ref file Dp 29/02	1,076,923	7.6% interest. Loan repayable over 15years, commencing June 1990
Public Utilities Board	On lending by Government o proceeds of loan 922 KIR( SF) from ADB for USD890,000. Authority: Government Borrowing and Guarantee Act Cap39 ref file DP 29/03/88	1,783,875	6.5% interest. Loan repayable over 20 years, commencing September 1992
Development Bank of Kiribati	On lending by Government of a proceeds of loan 1039 KIR( SF). See statement No XIII. Authority: Government Borrowing and Guarantee Act Cap39 ref file DP 16/1/90	1,180,071	6.5% interest. Loan repayable over 12years commencing June 1984
	<b>Total</b>	<b>7,159,486</b>	

## STATEMENT XII: PUBLIC DEBT

### Government of Kiribati Statement of Public Debt as at 31<sup>st</sup> December 2018

Year	Purpose of the Loan	Original Amount	Loan Currency	Principal Balance @ 2017 (AUD)	2018 Repayment	Closing Balance 2018
1985	Asian Development Bank Loan No.281 KIR (SF) equivalent US\$515,729.79 for Construction of Betio/Bairiki Causeway Principal repayment over 30 years commencing May 1987 interest free loan, with 1% service charge	515,730.00	SDR	-	-	-
1988	Asian Development Bank Loan No.724 KIR (SF) equivalent SDR 496,105.53. On lent to Betio Shipyard.Principal repayment over 30 years commencing April 1985 interest free loan, with 1% service charge	496,105.53	SDR	295,303.59	41,313.54	253,990.05
1989	Asian Development Bank Loan No.786 KIR (SF) equivalent SDR 574,425.15, on lent to PUB for Power Generation Principal repayment over 30 years commencing December 1996 interest free loan, with 1% service charge	574,425.15	SDR	355,582.17	46,154.05	309,428.12
1990	Asian Development Bank Loan No.922 KIR (SF) equivalent SDR 666,970.06 on lent to PUB for Power Distribution Principal repayment over 30 years commencing March 1999 interest free loan, with 1% service charge	666,970.06	SDR	648,273.46	60,635.03	587,638.43
1991	Asian Development Bank Loan No.1039 KIR (SF) equivalent SDR 722,000.00. As at 31/12/92 only part draw down. On lent to Development Bank of Kiribati. Principal repayment over 30 years commencing May 2001 interest free loan, with 1% service charge	722,000.00	SDR	595,170.52	54,288.52	540,882.00
2000	Asian Development Bank Loan No.1648 KIR (SF) for SDR 7,271,000 purpose is to finance Sanitation, Public Health Environment project (SAPHE). Contract agreement between Kiribati Government and Original Engineering Company signed on 24th May 2000. DF:12/01VX	7,271,000.00	SDR	11,614,999.43	427,086.03	11,187,913.40
2011	Asian Development Bank Loan No.2718 KIR (SF) for SDR 7,621,000 signed on 17 March 2011 purpose is to support the Kiribati Road Rehabilitation project. 7 year grace period with interest of 1% during the grace period and 1.5% afterwards. The loan will be paid over 30 years	7,621,000.00	SDR	13,990,656.81	147,592.80	13,843,064.01
2012	Asian Development Bank Loan No 2795 KIR (SF) for SDR 4.7 million purpose is for the South Tarawa Sanitation Improvement Sector Project. Commenced 3 May 2012. 7 year grace period with interest of 1% during the grace period and 1.5% afterwards. The loan will be paid over 30 years.	4,700,000.00	SDR	4,962,299.21		4,962,299.21
2014	International Cooperation and Development Fund Loan for the repair and upgrade of Bonriki International Airport. Commenced 6 August 2014. 7 year grace period with a commitment fee of 0.75% interest and afterwards 1.5%. The loan will be paid over 30 years.	20,227,983.00	AUD	20,071,399.50	311,416.51	19,759,982.99
<b>Other statutory payments</b>						-
	JPY Commission				95,547.69	
	Bank Charges				\$336,737.47	
	Civil suites				17,812.98	
	Commission of enquiry (MV Butiraoi)				174,466.82	
	Voluntary organisations grant				\$8,801.17	
<b>Total Public Debts Payments</b>				<b>52,533,685</b>	<b>1,721,853</b>	<b>51,445,198</b>

## **STATEMENT XIII: ARREARS OF REVENUE**

**Government of Kiribati**

### **Statement of Arrears of Revenue as at 31<sup>st</sup> December 2018**

#### **Statement XIII: Arrears of Revenue by Head**

##### **Maneaba n Maungatabu**

Restaurant rental	\$1,000
<b>Total</b>	<b>\$1,000</b>

#### **Statement XIV: Unallocated stores 2018**

There are no unallocated stores in 2018.

## STATEMENT XV: BALANCE ON DEVELOPMENT FUND BY DONOR

**Government of Kiribati**

### Statement of Balance Development fund by Donor 31<sup>st</sup> December 2018

ProjectCode	ProjectName	Revenue (N**)	Warrant	Expenditure(H**)	Balance
<b>AUSAID</b>					
09012262	<i>Disaster Betio hospital seawall</i>	\$2,750,307	\$3,619,398	\$1,203,433	\$2,415,966
1102I042	<i>Human right training for magis</i>		\$3,560	\$3,450	\$110
1201E024	<i>Support to DVSO Unit</i>			\$1,950	(\$1,950)
2101E079	<i>Community based fisheries mgnt</i>	\$107,449	\$125,788	\$68,200	\$57,589
2201H043	<i>Eliminate dengue program</i>	\$421,726	\$548,354	\$471,412	\$76,942
2201H048	<i>Vaccine procurement</i>	\$0	\$11,879	\$9,392	\$2,487
2203I046	<i>Under 5 year olds vaccines pro</i>	\$100,000	\$100,000		\$100,000
2203I047	<i>National hepatitis B program</i>	\$162,591	\$106,395	\$58,064	\$48,331
2207I078	<i>Travel Plan for Tupaia &amp; mSupp</i>	\$13,960	\$13,960	\$4,150	\$9,810
2214G060	<i>Te meeria wellness centre</i>		\$60,236	\$48,900	\$11,336
2504E209	<i>Acq on mental health facility</i>		\$3,364	\$3,364	\$0
2506I034	<i>Household &amp; Emergency Census f</i>	\$62,062	\$62,062	\$106,998	(\$44,936)
2603F069	<i>Disability unit strengthening</i>		\$6,287	\$26,422	(\$20,135)
2603H041	<i>Support to TTM seawall &amp; manea</i>	\$0	\$16,302	\$0	\$16,302
2603I004	<i>Te toa matoa CRPD resource tea</i>		\$62,706	\$28,708	\$33,998
2605G082	<i>Respectful relationship progra</i>	\$222,055	\$34,495	\$20,204	\$14,292
2605G083	<i>Support to cont of safenet pos</i>	\$0		\$8,183	(\$8,183)
2605H056	<i>Support to org'al assessm't of</i>	\$0	\$52,135	\$17,632	\$34,503
2705E027	<i>Reconstruction of tungaru reha</i>		\$26,689	\$24,589	\$2,099
2705G059	<i>Te Meeria male facilities reco</i>		\$267,981	\$87,829	\$180,153
2708H070	<i>Te toa matoa (TTM) centre</i>		\$329,735	\$79	\$329,656
2605G082	<i>Respectful relationship progra</i>	\$222,055	\$34,495	\$20,204	\$14,292
2605G083	<i>Support to cont of safenet pos</i>	\$0		\$8,183	(\$8,183)
2605H056	<i>Support to org'al assessm't of</i>	\$0	\$52,135	\$17,632	\$34,503
2705E027	<i>Reconstruction of tungaru reha</i>		\$26,689	\$24,589	\$2,099
2705G059	<i>Te Meeria male facilities reco</i>		\$267,981	\$87,829	\$180,153
2708H070	<i>Te toa matoa (TTM) centre</i>		\$329,735	\$79	\$329,656
2802G078	<i>Superannuation for seasonal wo</i>	\$0	\$502	\$502	\$0
3702I056	<i>Custom brokers training</i>		\$2,691	\$2,473	\$218
<b>Total</b>		<b>\$3,840,150</b>	<b>\$5,454,520</b>	<b>\$2,195,932</b>	<b>\$3,258,587</b>
<b>CFTC</b>					
1503I027	<i>Intangible cultural heritage</i>	\$12,525	\$12,525	\$10,048	\$2,477
<b>Total</b>		<b>\$12,525</b>	<b>\$12,525</b>	<b>\$10,048</b>	<b>\$2,477</b>
<b>EU</b>					
2103B088	<i>Fisheries sector pocily devel</i>		\$269,144	\$145,076	\$124,068
2908I081	<i>Focus Group for Land Use Plann</i>	\$21,600	\$21,600	\$5,750	\$15,850
<b>Total</b>		<b>\$21,600</b>	<b>\$290,744</b>	<b>\$150,826</b>	<b>\$139,918</b>

<u><b>FFA</b></u>					
2104H066	<i>Vessel monitoring system</i>		\$11,964	\$4,337	\$7,627
	Total		\$11,964	\$4,337	\$7,627
<u><b>FORUM</b></u>					
2103E037	<i>Fishing gear</i>	\$3,687	\$84,311	\$43,814	\$40,497
28028019	<i>RSE-revolving fund (GOK)</i>	\$200			\$0
2802E020	<i>Recog.seasonal emplmt(revolvin</i>	\$34,260	\$44,552	\$38,916	\$5,637
2804C018	<i>MTC course fees</i>	\$51,757			\$0
	Total	\$89,905	\$128,863	\$82,730	\$46,134
<u><b>GOK</b></u>					
09014277	<i>Small grant(Marakei fish gear)</i>	\$1,050,000	\$1,831,635	\$1,865,621	(\$33,987)
0901F122	<i>UNFCC cop 21 meeting</i>		\$53,762	\$70,884	(\$17,122)
0901H064	<i>Independence organizing commit</i>	\$15,000	\$15,506	\$14,854	\$652
0902I075	<i>Upgrading of Cabinet Facilitie</i>		\$95,774	\$29,759	\$66,015
10023946	<i>In-service training</i>	\$340,000	\$152,079	\$95,682	\$56,397
10029156	<i>Local training</i>	\$60	\$83,093	\$42,968	\$40,125
10029157	<i>Overseas training</i>	\$20	\$171,618	\$340,987	(\$169,370)
1002H081	<i>Review of public pay scales</i>		\$384,929	\$366,214	\$18,715
1301I010	<i>Maneaba ni maungatabu tribunal</i>		\$26,736	\$14,858	\$11,878
1403C020	<i>Procure vehicle for KHcommissi</i>			\$21,683	(\$21,683)
15024129	<i>Upgrading social facilities-O/</i>	\$1,000,000	\$2,008,037	\$1,674,838	\$333,199
1502D046	<i>Butaritari retaining wall&amp;site</i>	\$3,000,000			\$0
1502F042	<i>Construction of Banaba ramp</i>		\$9,000	\$9,000	\$0
1502F061	<i>Tab-south council house</i>		\$38,292	\$28,425	\$9,867
1502F102	<i>Upgrading social facilities</i>	\$1,000,000			\$0
1502H021	<i>Upgrading Maiana island counci</i>		\$43,810	\$39,988	\$3,821
1502H031	<i>Upgrading of Tamana island man</i>		\$33,951	\$0	\$33,951
1602F135	<i>Public and communal toilets fo</i>		\$171,682	\$0	\$171,682
1603E057	<i>Compensation Project</i>		\$20,000	\$16,301	\$3,699
1603I039	<i>Outer island survey leases</i>		\$50,000	\$36,036	\$13,964
1603I102	<i>Outer island council survey le</i>	\$50,000			\$0
2101C145	<i>Waa n oo for Aranuka</i>		\$41,636	\$5,238	\$36,398
2101E069	<i>Waa n oo Nikunau</i>		\$29,244	\$9,024	\$20,220
2101H078	<i>Tamana revolving fund</i>		\$60,000		\$60,000
2102E020	<i>Support to outer island fish c</i>		\$12,208	\$7,466	\$4,742
2102I094	<i>Support to fisheries</i>	\$500,000			\$0
21038196	<i>GPS Survey on Kiribati Group</i>		\$31,041	\$21,005	\$10,036
2103F058	<i>Waa n oo for Beru, Marakei,etc</i>		\$288,768	\$44,742	\$244,027
21042917	<i>Observer project fund</i>	\$5,555,667	\$1,122,322	\$1,143,996	(\$21,674)
2104G117	<i>Freight cost for GS/FDAPIN</i>		\$34,928	\$11,747	\$23,181
2104G118	<i>Fish cage south tarawa</i>		\$12,970	\$2,068	\$10,902
2104G120	<i>North Tarawa milkfish pond</i>	\$0	\$36,310	\$23,710	\$12,600
2104G121	<i>Nonouti milkfish pond</i>		\$65,230	\$55,353	\$9,877
2104G124	<i>Waa n oo North Tarawa</i>		\$30,887	\$30,083	\$805

<b>2201E214</b>	<b>Health specialist</b>	\$253,823	<b>\$288,483</b>	\$343,097	<b>(\$54,614)</b>
<b>2204C056</b>	<b>Medical overseas referral</b>	\$4,249,545	<b>\$3,675,461</b>	\$3,863,472	<b>(\$188,011)</b>
<b>2204C057</b>	<b>Local referral</b>	\$1,074,831	<b>\$1,371,298</b>	\$1,074,252	\$297,046
<b>2204G034</b>	<b>Directly observe treatment support</b>	\$138,570	<b>\$185,216</b>	\$142,875	\$42,341
<b>2302H116</b>	<b>Primary School Teacher Training</b>	\$0	<b>\$103,109</b>	\$8,540	\$94,569
<b>2308C062</b>	<b>Overseas scholarship</b>	\$0	<b>\$3,216,977</b>	\$3,034,472	\$182,504
<b>2308G004</b>	<b>Special consideration student</b>	\$0	<b>\$1,178,595</b>	\$785,730	\$392,865
<b>2401E039</b>	<b>Support to Kiribati Aviation</b>	\$40,000			\$0
<b>2401F137</b>	<b>BPA broadcasting station line &amp; ph</b>		<b>\$76,000</b>	\$76,000	\$0
<b>2402H090</b>	<b>General manager for kssl</b>		<b>\$132,477</b>	\$83,914	\$48,563
<b>2404I057</b>	<b>Embraer Aircraft</b>	\$5,783,398	<b>\$4,900,000</b>	\$4,824,671	\$75,329
<b>2501B001</b>	<b>MFED office development</b>		<b>\$44,361</b>	\$21,268	\$23,092
<b>2501D047</b>	<b>Rehabilitation on MFED accommodation</b>		<b>\$7,461</b>	\$2,005	\$5,456
<b>2501G005</b>	<b>Archival and storage facility</b>	\$45,000	<b>\$45,000</b>	\$31,807	\$13,193
<b>2502I001</b>	<b>Copra price scheme</b>	\$55,832,169	<b>\$18,629,700</b>	\$16,846,215	\$1,783,485
<b>2502I068</b>	<b>Kiribati Financial Mgmt Infor</b>	\$3,100,000	<b>\$250,000</b>	\$41,699	\$208,301
<b>2502I092</b>	<b>Updating annual training on finance</b>	\$17,000			\$0
<b>2504A051</b>	<b>SOE reform programme</b>	\$210,000	<b>\$260,430</b>	\$227,590	\$32,840
<b>2504A108</b>	<b>Kiribati road rehabilitation</b>		<b>\$935,738</b>	\$373,761	\$561,977
<b>2504H082</b>	<b>Climate change support for GCF</b>	\$0	<b>\$146,664</b>	\$146,664	\$0
<b>2504I020</b>	<b>RKS Teanoai Slipping</b>		<b>\$400,000</b>	\$400,050	<b>(\$50)</b>
<b>2504I024</b>	<b>Support to kiribati voluntary</b>		<b>\$7,700</b>	\$1,900	\$5,800
<b>2504I028</b>	<b>Development partners forum</b>	\$94,823	<b>\$87,123</b>	\$64,569	\$22,554
<b>2506I030</b>	<b>Demographic Health Survey</b>	\$40,000	<b>\$40,000</b>	\$20,973	\$19,027
<b>250712E0</b>	<b>Population census 2015</b>			\$80	<b>(\$80)</b>
<b>2507E017</b>	<b>Population census 2015</b>			\$955	<b>(\$955)</b>
<b>2601G068</b>	<b>Social stability fund</b>		<b>\$500,000</b>	\$509,486	<b>(\$9,486)</b>
<b>2602H061</b>	<b>Commonwealth Games Gold Coa</b>	\$0	<b>\$75,000</b>	\$79,531	<b>(\$4,531)</b>
<b>2602I037</b>	<b>Kiribati participation in micr</b>		<b>\$120,000</b>	\$144,202	<b>(\$24,202)</b>
<b>26039153</b>	<b>School fees for unprivileged</b>	\$0	<b>\$61,453</b>	\$52,712	\$8,741
<b>2605I077</b>	<b>National Women's Expo</b>		<b>\$50,000</b>	\$45,886	\$4,114
<b>2701A024</b>	<b>Heavy plants &amp; machine supplem</b>			\$1,813	<b>(\$1,813)</b>
<b>2701G115</b>	<b>Support to the nippon causeway</b>	\$0	<b>\$1,216,758</b>	\$1,185,024	\$31,735
<b>2705A051</b>	<b>Support to SOE Reform Program</b>	\$91,294	<b>\$133,577</b>	\$8,289	\$125,288
<b>2706C044</b>	<b>Support to kap 3</b>	\$75,046	<b>\$96,908</b>	\$99,875	<b>(\$2,966)</b>
<b>2706C046</b>	<b>Support to South Tarawa road u</b>	\$2,885,905		\$2,650	<b>(\$2,650)</b>
<b>2709F066</b>	<b>Abemama bridge</b>		<b>\$47,244</b>	\$46,042	\$1,202
<b>2709H010</b>	<b>Betio landfill seawall rehabil</b>	\$0	<b>\$227,567</b>	\$202,424	\$25,144
<b>2709I049</b>	<b>Outer island access &amp; passages</b>		<b>\$370,186</b>	\$1,498	\$368,688
<b>2802C053</b>	<b>Banaba compensation</b>		<b>\$121,449</b>	\$4,363	\$117,086
<b>2905C038</b>	<b>Kiribati power supply, fuel</b>	\$0	<b>\$836,321</b>	\$850,230	<b>(\$13,909)</b>
<b>Total</b>		<b>\$86,442,150</b>	<b>\$46,793,703</b>	<b>\$41,673,114</b>	<b>\$5,120,589</b>

**GOK Revolving fund**

14024380	<i>Passport fees</i>	\$372,817	<b>\$781,500</b>	\$682,093	\$99,407
	<b>Total</b>	<b>\$372,817</b>	<b>\$781,500</b>	<b>\$682,093</b>	<b>\$99,407</b>

**India**

2201E024	<i>New clinics for Buota</i>		<b>\$16,174</b>	\$12,674	\$3,500
2702B017	<i>Purchase of cherry picker truck</i>		<b>\$12,720</b>	\$12,700	\$20
2702H115	<i>Solar light kits for household</i>	\$360	<b>\$752,010</b>	\$685,484	\$66,526
2702I012	<i>PV solar mini off-grid for rua</i>	\$380,715	<b>\$96,505</b>	\$96,240	\$265
	<b>Total</b>	<b>\$381,075</b>	<b>\$877,409</b>	<b>\$807,098</b>	<b>\$70,311</b>

**Italy**

1601I015	<i>Bring PIPA Home</i>	\$623,740	<b>\$438,457</b>	\$215,407	\$223,050
2702I038	<i>PV solar off-grid system for f</i>		<b>\$284,210</b>	\$19,905	\$264,305
	<b>Total</b>	<b>\$623,740</b>	<b>\$722,666</b>	<b>\$235,312</b>	<b>\$487,355</b>

**Japan**

1502I016	<i>BTC Garbage Truck</i>	\$62,642	<b>\$62,642</b>	\$45,018	\$17,624
1502I017	<i>TUC Garbage Truck</i>	\$62,642	<b>\$62,642</b>		\$62,642
2201I025	<i>Procurement of Ambulance</i>	\$63,961	<b>\$63,961</b>	\$63,961	\$0
2203H042	<i>Motorcycles for TB and leprosy</i>	\$0	<b>\$45,876</b>	\$428	\$45,448
	<b>Total</b>	<b>\$189,244</b>	<b>\$235,120</b>	<b>\$109,406</b>	<b>\$125,714</b>

Korea

1502H062	<i>TUC garage tools (Extension of</i>	\$58,399	\$45,018	\$13,382
2103F128	<i>Intergratd fish&amp;local market b</i>	\$128,278	\$120,842	\$7,436
	<b>Total</b>	<b>\$186,677</b>	<b>\$165,859</b>	<b>\$20,818</b>

NZAID

0904D027	<i>Improving climate services</i>		\$1,837	(\$1,837)
1002I350	<i>Reimbursement Scheme</i>	\$200,000	\$442,535	\$435,872
1405E089	<i>Kiribati intership prgm - NY</i>		\$14,960	\$8,695
1602H007	<i>Solid waste mgnt UDP phasell</i>		\$178,584	\$87,265
2103F008	<i>Kiribati maritime safety progr</i>		\$121,390	\$103,126
2103H093	<i>Joint kiribati sustainable fis</i>	\$314,955	\$588,634	\$267,817
2201G114	<i>Kiribati internship training p</i>	\$0	\$555,790	\$555,790
2203H036	<i>Diabetic retinopathy project</i>	\$9,449	\$19,621	\$10,687
2203H046	<i>National tb &amp; leprosy program</i>	\$263,114	\$588,597	\$387,423
2203H071	<i>Combat NCDs in Kiribati</i>	\$50	\$425,660	\$251,531
2401E228	<i>Kiribati Maritime Safety Progr</i>		\$22,632	\$16,388
2504H083	<i>Readinesss support to strenghtn</i>		\$138,651	\$154,741
2605D121	<i>Support to women</i>			\$1,978
2703I011	<i>Pub Electricity Disbtribution</i>	\$408,908	\$259,955	\$259,955
2706H004	<i>Strengthening water security o</i>	\$65,445	\$92,620	\$60,417
2706I040	<i>Water Security Support for S.T</i>	\$1,439,940	\$1,089,980	\$1,089,980
2802F191	<i>Labour mobility enhancement</i>		\$109,623	\$2,622
2804I074	<i>MTC Institutional Strengthenin</i>	\$336,169	\$336,169	\$32,067
28054497	<i>MTC institutional strengthenin</i>	\$0	\$203,070	\$139,404
	<b>Total</b>	<b>\$3,038,030</b>	<b>\$5,188,471</b>	<b>\$3,867,595</b>
				<b>\$1,320,876</b>

Others

0901F078	<i>Disaster project - KUWAIT</i>		\$35,040	\$29,207	\$5,832
0901F094	<i>Reconstruction from disaster</i>	\$251			\$0
0901I023	<i>Mainstreaming climate change</i>		\$271,297	\$225,093	\$46,205
0904F100	<i>Seismic station support</i>	\$3,345	\$3,982	\$1,979	\$2,003
1052I022	<i>Maiana New Council Office Supplie</i>		\$95,422		\$95,422
1102I060	<i>Certificate in justice project</i>		\$19,985	\$17,904	\$2,081
1201I000	<i>Outer Island Strengthening Online</i>		\$6,930	\$2,120	\$4,810
1401H113	<i>Te mauri wear fashion show</i>	\$0	\$3,846	\$3,354	\$492
1401I063	<i>Supporting the pacific vote on</i>	\$12,625	\$45,251	\$35,003	\$10,248
1503H007	<i>Solid waste mgnt - UDP phase2</i>		\$9,710	\$11,073	(\$1,363)
1503I032	<i>Intangible Cultural Heritage</i>		\$38,092	\$35,017	\$3,075
1601A001	<i>PIPA GEF PAS project preparat</i>		\$32,208	\$0	\$32,208
1601I061	<i>PIPA Trust</i>	\$203,522	\$388,806	\$388,806	\$0
1602I050	<i>Minamata initial assessment</i>	\$51,843	\$51,343	\$6,731	\$44,612
1604I082	<i>Pacific Soil Management</i>	\$3,786	\$3,786	\$479	\$3,307

1803H080	PACER plus consultation to fac	\$8,120	\$7,888	\$232
1803I036	Enhancing Inclusive Sustainability	\$30,300	\$12,742	\$17,558
2101A056	Fisheries New HQ Office	\$271,276	\$74,052	\$197,224
2101F048	MFMRD boat&engine procurement	\$1,874,837	\$2,115,448	(\$240,611)
2103I071	Observer project fund	\$24,419	\$12,419	\$65
2203G081	Kiribati trachoma program	\$130,578	\$136,049	\$134,526
2203H091	Upgrad to office space to an e	\$27,271	\$5,161	\$5,153
2203I045	National leprosy Elimination P	\$20,052	\$20,052	\$19,986
2306I014	Improving Teachers' Quality (K		\$20,355	\$14,133
2311G096	Pipa trust scholarship		\$105,944	\$50,243
2501H099	UNESCAP Annual Ministerial Mee		\$63,989	\$704
25020000	Unallocated credits	\$2,951,827		\$0
2506I052	The Household listing & emerge		\$160,609	\$129,378
2602I048	Recognition of pioneers in spo		\$15,000	\$15,572
2605I031	National GM for revival of AMA		\$24,380	\$26,286
2802H004	Visa fees for seasonal workers	\$7,421	\$14,238	\$12,893
2908F109	Kiritimati island energy proj		\$48,038	\$45,533
2908H007	Solid waste mgnt - UDPII		\$452,150	\$72,311
2909G093	Solar salt Factory Linnix	\$50,434	\$46,609	\$17,290
<b>Total</b>		<b>\$3,487,375</b>	<b>\$4,315,225</b>	<b>\$3,510,968</b>
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#### SPC

0901G090	Building safety&resilience in	\$219,889	\$340,594	\$304,128
1602H092	GEF Pacific International Wate		\$9,529	\$9,428
1604E011	Food security climate change r			\$1,107
2103E070	Support national tuna fishery		\$17,694	\$3,253
2308I072	Pacific Is Literacy & Numeracy	\$13,873	\$13,873	\$6,278
2702D044	Appliance labelling standards		\$13,259	\$13,259
2702H012	Adptation to climate & sustain	\$0	\$6,981	\$6,958
<b>Total</b>		<b>\$233,761</b>	<b>\$401,929</b>	<b>\$344,411</b>
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#### SPREP

09011923	World weather watch(SPREP)	\$3,104	\$14,430	\$17,392
1602D107	National e-waste management			\$3,154
1602E205	Turtle monitoring & Eco-touris		\$10,406	\$4,197
1602G102	Unintended persistent organic	\$14,772	\$15,274	\$1,403
1603G047	Pac e-waste		\$13,946	\$4,473
2103I101	Pacific Partnership on Ocean Ac	\$3,622	\$3,622	\$3,622
<b>Total</b>		<b>\$21,498</b>	<b>\$57,679</b>	<b>\$30,618</b>
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<u>Taiwan</u>					
0901H094	COP 23		\$63,610	\$40,797	\$22,813
0905I005	Butiraoi Monument	\$68,460	\$7,224		\$7,224
10044439	INSERVIC-E TRAINING			\$2,641	(\$2,641)
1201I069	Equipping the Kiribati Police	\$756,930	\$750,000	\$102,790	\$647,210
1404D041	Establishment of Kiribati miss			\$619	(\$619)
15023927	Beru intergrated farming		\$18,158	\$9,690	\$8,468
15023934	Tabuaeran housing project		\$868	\$0	\$868
15024209	Kuria living quarters		\$4,338	\$0	\$4,338
15024231	Police office & Cell - Tabuae		\$33,761		\$33,761
15024421	TabNorth new council office		\$343	\$0	\$343
15024446	Abainang Island council worksh		\$4,868	\$1,305	\$3,563
15024490	Nonouti council living quarter		\$169,942	\$87,142	\$82,800
15024629	Tamana new council office		\$8,182	\$1,112	\$7,070
15024794	Teraina housing project		\$40,000		\$40,000
15024831	Onotoa new council office		\$17,768	\$0	\$17,768
15029003	Aranuka women center		\$108,892	\$0	\$108,892
15029010	Onotoa police office & cell		\$7,505		\$7,505
15029013	Arorae water and sanitation		\$19,097	\$9,335	\$9,762
15029024	Teraina police office & cell		\$4,685	\$0	\$4,685
15029067	Arorae aluminium w/shop		\$10,000	\$2,000	\$8,000
15029069	Tabuaeran wharf		\$4,800	\$2,707	\$2,093
15029158	Onotoa reverse osmosis plant		\$54,755	\$54,206	\$549
15029175	Tamana cooperative society bui		\$61,584	\$16,237	\$45,347
15029185	Solar pump&water utiroa to tek		\$493,505	\$25	\$493,480
15029186	Tab-South Solar pump and water		\$52,000	\$0	\$52,000
1502C023	Beru Guest House		\$162,200		\$162,200
1502E030	Banaba maneaba site clearance		\$40,000		\$40,000
1502H015	Upgrading of butaritari island	\$0	\$43,810	\$2,347	\$41,463
1502H016	Upgrading of Island Council Mane		\$43,810	\$17,001	\$26,808
1502H018	Upgrading of Marakei Island co	\$0	\$19,957	\$16,890	\$3,067
1502H019	Ugrading of island maneaba-TUC	\$0	\$27,358	\$20,611	\$6,747
1502H022	upgrading of Kuria island coun	\$0	\$43,810	\$9,060	\$34,749
1502H023	Upgrading of Aranuka Is Coun M		\$43,810	\$5,984	\$37,825
1502H024	Abemama Mwaneaba Upgrading		\$43,810	\$15,148	\$28,661
1502H025	upgrading of nonouti island co	\$0	\$43,810		\$43,810
1502H026	Upgrading of TNorth council ma	\$0	\$41,943	\$33,473	\$8,469
1502H028	Upgrading of Onotoa Island cou	\$0	\$43,810	\$15,970	\$27,840
1502H029	Upgrading Beru council maneaba		\$43,810		\$43,810
1502H030	Upgrading of Nikunau Island co	\$0	\$39,735	\$26,937	\$12,798
1502H032	Upgrading Arorae Island counci	\$0	\$43,810	\$9,992	\$33,817

1502H035	<i>upgrading of island council ma</i>	\$0	\$43,810	\$0	\$43,810
1502H067	<i>Construction of Tabuaeran mane</i>		\$69,984	\$40,855	\$29,129
1502H068	<i>Construction of Teraina maneab</i>		\$69,984	\$40,855	\$29,129
1502I019	<i>Aranuka Is Councils Material,</i>		\$25,551	\$9,677	\$15,874
1502I021	<i>Aranuka Revolving Fund Project</i>		\$44,264	\$10,771	\$33,493
1502I022	<i>Maiana New Council Office Supp</i>		\$37,683		\$37,683
1502I055	<i>Buota Maneaba supplementary pr</i>	\$26,860	\$26,860		\$26,860
1502I084	<i>Arorae Council Living Quarters</i>		\$32,817		\$32,817
1502I085	<i>Arorae preschool classrooms &amp;</i>		\$45,766		\$45,766
15039113	<i>Abaiang Island New Council Off</i>		\$1,810		\$1,810
1604F146	<i>Saw milling of senile coconut</i>	\$0	\$74,450	\$15,247	\$59,203
1801I070	<i>Outer island cargo sheds</i>	\$850,000			\$0
22013877	<i>Taiwan medical fund</i>	\$400,000	\$461,851	\$232,775	\$229,076
2202I002	<i>Social care project</i>	\$27,816			\$0
2303G027	<i>JSS rehabilitation phase</i>	\$0	\$226,374	\$227,351	(\$976)
2312H055	<i>Sunrise primary school</i>	\$131,450	\$117,408	\$85,565	\$31,843
2402I075	<i>Rescue of LC Linnix</i>	\$91,730	\$91,730	\$91,730	\$0
2408I073	<i>TA for tourism</i>	\$200,000			\$0
2502F029	<i>Old men transport</i>			\$156,910	(\$156,910)
26014482	<i>Social stability fund</i>	\$250,000	\$286,835	\$53,841	\$232,994
2602C024	<i>Women economic empowerment</i>			\$19,718	(\$19,718)
2602H001	<i>Sport equipment</i>	\$0	\$63,484	\$25,819	\$37,666
2701D048	<i>KOIL fuel storage</i>	\$1,504,601	\$1,504,601	\$1,504,601	\$0
2709D074	<i>Outer Island Road &amp; Airstrip Upgr:</i>			\$475	(\$475)
2904G134	<i>Housing improvement on Xmas</i>	\$100,000	\$68,688	\$35,881	\$32,808
<b>Total</b>		<b>\$4,407,847</b>	<b>\$5,955,312</b>	<b>\$3,056,092</b>	<b>\$2,899,221</b>

#### UN Women

1501H086	<i>Finalizing ministry stragetic</i>			\$179	(\$179)
2504H073	<i>Essential Services Program</i>		\$5,935	\$5,935	\$0
2605F001	<i>Evaw fund</i>			\$210	(\$210)
2605H060	<i>Essential services program</i>	\$51,975	\$71,698	\$39,240	\$32,458
2605H075	<i>Strengthening peacefull villag</i>	\$134,092	\$199,896	\$131,946	\$67,949
<b>Total</b>		<b>\$186,067</b>	<b>\$277,528</b>	<b>\$177,510</b>	<b>\$100,018</b>

<u>UNDP</u>					
1602F102	<i>Integrating global environment</i>	\$65,421	\$53,591	\$55,045	(\$1,454)
1602G075	<i>Enhancing national food securi</i>	\$91,430	\$248,534	\$321,179	(\$72,645)
1602H057	<i>SAICM II post national project</i>	\$0	\$40,920	\$24,120	\$16,800
1801G012	<i>Kiribati trade capacity develo</i>	\$40,349	\$111,419	\$86,763	\$24,656
2203H045	<i>Multi-country western pacific</i>	\$0		\$5,627	(\$5,627)
2203I013	<i>HIV/TB</i>		\$167,007	\$168,687	(\$1,680)
2203I030	<i>HIV/TB Program</i>	\$139,330	\$53,444	\$53,444	\$0
2308I076	<i>Community &amp; School Based Fami</i>	\$32,613	\$32,613	\$14,355	\$18,258
2504H101	<i>Kiribati 2016 Urban Household</i>		\$1,079		\$1,079
3705I009	<i>International Human Rights Day</i>	\$890	\$890	\$400	\$490
3705I035	<i>Office high commission human r</i>	\$1,095	\$1,095	\$1,095	\$0
<b>Total</b>		<b>\$371,128</b>	<b>\$710,592</b>	<b>\$730,715</b>	<b>(\$20,122)</b>

<u>UNEP</u>					
1602D055	<i>HPMP</i>		\$25,520	\$8,215	\$17,305
1602E021	<i>Third national communication R</i>		\$63,284	\$67,156	(\$3,872)
1602E088	<i>Support to KNAP for UNCCD 10YR</i>	\$150	\$11,692	\$17,951	(\$6,259)
1602G061	<i>Biennial update report to unfc</i>	\$90,155	\$94,951	\$15,403	\$79,548
1602G101	<i>Survey of ods alternatives at</i>	\$0	\$18,679	\$15,443	\$3,236
1602H008	<i>Persistent organic pollutant gl</i>		\$42,329	\$12,737	\$29,593
1602H009	<i>Persistent organic pollutants</i>		\$35,193	\$33,593	\$1,600
16033708	<i>Implementing montreal Protoco</i>	\$12,510	\$45,918	\$50,316	(\$4,397)
1603C109	<i>NBSAP &amp; fifth report to CBD</i>		\$69,847	\$29,438	\$40,409
1603D055	<i>Montreal Protocol - HPMP</i>	\$16,673			\$0
1603I079	<i>Kiribati 6th national report t</i>	\$95,796	\$95,796		\$95,796
1604E062	<i>Soil health improv.project</i>	\$3,253	\$37,142	\$51,756	(\$14,614)
<b>Total</b>		<b>\$218,537</b>	<b>\$540,353</b>	<b>\$302,006</b>	<b>\$238,346</b>

<u>UNFPA</u>					
2201F104	<i>Youth friendly health services</i>	\$0	\$68,419	\$70,480	(\$2,061)
2203G036	<i>Reproductive health &amp; family p</i>	\$0	\$143,254	\$169,470	(\$26,216)
2506I053	<i>The Household listing &amp; emerge</i>	\$771,760	\$771,210	\$412,864	\$358,346
2604I063	<i>Integrated sexual reproductive</i>	\$17,501	\$17,501	\$14,519	\$2,982
<b>Total</b>		<b>\$789,261</b>	<b>\$1,000,384</b>	<b>\$667,333</b>	<b>\$333,051</b>

**UNICEF**

12014678	<i>Child protection</i>	\$15,545	<b>\$15,545</b>	\$14,744	\$801
2203G042	<i>Expanded prgm on Immunization</i>			\$15,332	<b>(\$15,332)</b>
2203H005	<i>Vestfrost</i>			\$770	<b>(\$770)</b>
2203H006	<i>EPI &amp; chain cold consultant</i>	\$0		\$9,428	<b>(\$9,428)</b>
2203H065	<i>Child health program</i>	\$225,093	<b>\$230,854</b>	\$165,988	\$64,866
2203I026	<i>Formative research of nutritio</i>	\$27,131	<b>\$27,131</b>	\$25,897	\$1,234
2203I041	<i>High impact nutrition program</i>		<b>\$10,900</b>	\$13,396	<b>(\$2,496)</b>
2213H072	<i>Was in health care facilities</i>		<b>\$36,236</b>	\$37,885	<b>(\$1,650)</b>
2301G046	<i>Wash in schools activities</i>	\$0	<b>\$39,089</b>	\$46,657	<b>(\$7,568)</b>
2301G066	<i>Code of ethics - tabiteuea&amp;aba</i>		<b>\$19,370</b>	\$656	\$18,714
2301I067	<i>Early Learning &amp; Quality Educa</i>	\$5,005	<b>\$131,308</b>	\$115,085	\$16,223
2301I290	<i>IT Outsourcing</i>		<b>\$5,000</b>	\$4,659	\$341
2306I065	<i>Improv'g Senior Secondary Teac</i>	\$11,274	<b>\$11,274</b>		\$11,274
2307F101	<i>Multi grade TPD piloting wshop</i>			\$1,635	<b>(\$1,635)</b>
2307H097	<i>Multi-grade teaching professio</i>	\$0	<b>\$38,080</b>	\$18,676	\$19,404
26034678	<i>Child protection - women</i>	\$76,595	<b>\$48,493</b>	\$51,945	<b>(\$3,452)</b>
2603I018	<i>Emergency Psychosocial Support</i>	\$22,582	<b>\$22,582</b>	\$16,449	\$6,133
2706C067	<i>Kiriwatsan 1 project</i>		<b>\$2,148</b>	\$2,042	\$106
37044678	<i>Child protection</i>	\$7,898	<b>\$23,787</b>	\$19,134	\$4,653
3706I098	<i>OPL Legal Staff Training</i>	\$4,274	<b>\$4,274</b>	\$3,238	\$1,036
<b>Total</b>		<b>\$395,398</b>	<b>\$666,070</b>	<b>\$563,615</b>	<b>\$102,455</b>

**WHO**

2201H039	<i>Global analysis &amp; assessment of</i>	\$0	<b>\$3,529</b>	\$3,436	\$93
2201H096	<i>National health forum &amp; joint</i>	\$11,677	<b>\$11,483</b>	\$9,652	\$1,831
2201I059	<i>Health sector coordinating com</i>	\$4,500	<b>\$4,500</b>	\$2,553	\$1,947
220361D0	<i>WORLD NO TOBACCO DAY</i>			\$779	<b>(\$779)</b>
2203E223	<i>World mental health day</i>	\$5,492	<b>\$5,492</b>	\$3,170	\$2,322
2203G009	<i>Ncd protocol interventions</i>			\$350	<b>(\$350)</b>
2203G011	<i>Transmission assessment yr6-7</i>	\$18,369	<b>\$6,384</b>	\$6,115	\$269
2203G056	<i>National switch frm topv-bopv</i>			\$405	<b>(\$405)</b>
2203G105	<i>Outer island env'tal health in</i>			\$30	<b>(\$30)</b>
2203H051	<i>Leprosy elimination - STRW</i>	\$120			\$0
2203H077	<i>Eh inspections &amp; hp campaign i</i>	\$0		\$2,556	<b>(\$2,556)</b>
2203H089	<i>Strengthening health security</i>	\$0	<b>\$5,475</b>	\$5,570	<b>(\$95)</b>
2203H095	<i>Pen rollout to the Line, Phoen</i>	\$0	<b>\$4,382</b>	\$2,928	\$1,454
2203I003	<i>Syndromic surveillance system</i>		<b>\$2,710</b>	\$2,185	\$525
2203I033	<i>Public Health &amp; Env'tal Health</i>	\$27,010	<b>\$27,010</b>	\$21,779	\$5,231
2203I044	<i>Mental Health Gap Training for</i>		<b>\$5,479</b>	\$5,423	\$57
2203I050	<i>Review of tobacco legislation</i>		<b>\$3,896</b>	\$3,691	\$205
2203I051	<i>Public health &amp; monitoring &amp; e</i>	\$8,310	<b>\$8,310</b>	\$8,637	<b>(\$327)</b>
2203I054	<i>Gender mainstreaming in health</i>		<b>\$4,985</b>	\$4,358	\$627
2203I058	<i>World health day 2018</i>	\$12,875	<b>\$12,875</b>	\$12,132	\$743
2203I062	<i>2018 global youth tobacco surv</i>	\$21,363	<b>\$21,363</b>	\$16,857	\$4,507
2203I080	<i>Training on Water Quality Test</i>	\$21,934	<b>\$21,943</b>	\$12,023	\$9,920

2203I099	<i>International Health Regulatio</i>	\$4,192	<b>\$4,192</b>	\$4,015	\$177
2203I102	<i>Pen Guidelines Wrkshop &amp; Pen T</i>	\$2,723	<b>\$2,723</b>		\$2,723
2203I103	<i>Water Safety Plans Training</i>		<b>\$5,861</b>	\$3,023	\$2,838
2205G064	<i>World blood donor day</i>		<b>\$5,505</b>	\$3,737	\$1,768
2207G104	<i>World antibiotic awareness wee</i>	\$9,960	<b>\$17,674</b>	\$15,654	\$2,021
2214H102	<i>Butaritari mental health train</i>	\$785		\$490	<b>(\$490)</b>
2214I083	<i>Training on Risk Communication</i>		<b>\$5,005</b>	\$3,505	\$1,500
	<b>Total</b>	<b>\$149,309</b>	<b>\$190,775</b>	<b>\$155,051</b>	<b>\$35,724</b>

World Bank

2804H049	<i>Upgrade of MTC's library</i>	\$0	\$40	<b>(\$40)</b>
	<b>Total</b>	<b>\$0</b>	<b>\$40</b>	<b>(\$40)</b>

<b>Grand Total</b>	<b>\$105,271,417</b>	<b>\$74,800,009</b>	<b>\$59,522,707</b>	<b>\$15,277,302</b>
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## STATEMENT XVI: BALANCES ON SUSPENSE ACCOUNT

**Government of Kiribati**

### Statement of Balances on Suspense Account 31<sup>st</sup> December 2018

Account code	Details	2018
<b>OPENING BALANCE</b>		10,024,955.41
Add items to write off		
<i>Inactive accounts</i>		
M0030000013A	Sundry Creditor Clearing Acnt	-8,424.75
O0050006003A	Telmo Salaries	576.24
O0050006007A	Development Bank	732,578.15
O0050006020A	Commersbank AG Krefel	-3,491.38
O0050006110A	Bik Sail Loft A/c	9,327.26
O0050006113A	BOK Savings Accounts	-276,965.09
O0050006119A	FDA Loans	1392404.2
O0050006329A	BKL Deposit On Outer Islands	-1,271,310.94
O0050006338A	Outer Island other deposit	143,690.52
O0050007186A	Uncollected Telmos	-13,503.80
O0050007790A	BPC Banaba - Perpetual Depos	-7,756.93
O0050007792A	Deed of Release 2007-08 MPLID	-199,161.61
O0050009999A	Bank Charges Salary Deduction	-21,940.55
F0070000064A	Local Stabex Fund	1,495,755.44
V0060000106A	World Bank	18,336.12
V0060000107A	International Development Asso	11,693.05
V0060000108A	IFC Subscription	11,308.50
Total amount transferred to be written off **		2,013,114.43
<b>CLOSING BALANCE</b>		<b>12,038,069.84</b>

\*\*Note: The total of \$2m is the sum of all inactive accounts in the Attache system for over the last 5 years. Due to lack of sufficient evidence to their existence hence close off to await approval for written off.

**STATEMENT XVII: UNAUTHORISED EXPENDITURE BY MINISTRY****Government of Kiribati****Statement of Unauthorised Expenditure by Ministry 31<sup>st</sup> December 2018**

MinistryName	OriginalBudget2018	RevBudget2018	Actual2018	Variance
Maneaba Ni Maungatabu	\$3,576,643.00	\$3,796,643.00	\$3,974,767.12	-\$178,124.12
Public Service Commission	\$293,932.00	\$339,755.00	\$340,689.92	-\$934.92
Grand Total	\$3,870,575.00	\$4,136,398.00	\$4,315,457.04	-\$179,059.04

# STATEMENT XIX: REVENUE EQUALISATION RESERVE FUND AND CASH TRUST

**Government of Kiribati**

**Statement of RERF and Cash Trust 31<sup>st</sup> December 2018**

<b>TYPES OF INVESTMENT BY FUND MANAGERS</b>	Northern Trust V0060000200A Q4G3	State street V0060000203A Q4G4	Blackrock V0060000204A EQUITIES
CAPITAL			
OPENING MARKET VALUE	<b>443,443,353.31</b>	<b>89,332,427.15</b>	<b>499,023,002.01</b>
CONTRIBUTIONS	0.00	22,000,000.00	0.00
CASH REDEMPTION			809.56
ISSUE OF SHARES			5,435.35
LESS DRAWDOWNS	0.00	0.00	0.00
	<b>443,443,353.31</b>	<b>111,332,427.15</b>	<b>499,029,246.92</b>
<b>ADD: INCOME</b>			
Dividend Income	0.00	0.00	40,297,425.09
Interest Income	15,547,929.08	1,892,050.07	0.00
Average Gain/Loss on currency disposal	14.56	0.00	0.00
Average Currency Gain/Loss	0.00	0.00	0.00
Average Security Gain/Loss	-1,879,450.72	0.00	0.00
Miscellaneous Income	0.00	0.00	0.00
<b>Total Income</b>	<b>13,668,493.57</b>	<b>1,892,050.07</b>	<b>40,297,425.09</b>
<b>LESS: EXPENSES</b>			
Dividend withholding tax expense	0.00	0.00	0.00
Management fees	365,975.19	0.00	0.00
Custodian Fees	133,525.48	0.00	0.00
Tax Expenses	0.00	0.00	0.00
Other Fees	532.14	0.00	75,860.82
<b>Total Expenses</b>	<b>500,032.81</b>	<b>0.00</b>	<b>75,860.82</b>
<b>Net Income</b>	<b>13,168,460.76</b>	<b>1,892,050.07</b>	<b>40,221,564.27</b>
ADD: CLOSING UNREALIZED APP/DEP	3,428,023.96	0.00	-4,678,771.04
LESS: OPENING UNREALIZED APP/DEP	-5,977,441.47	0.00	27,384,998.38
<b>Net Gain/Loss on Unrealized APP/DEP</b>	<b>9,408,420.71</b>	<b>0.00</b>	<b>-32,063,769.42</b>
<b>CLOSING MARKET VALUE</b>	<b>\$ 466,020,234.78</b>	<b>\$ 113,224,477.22</b>	<b>\$ 507,187,041.77</b>
<hr/>			
<b>ASSETS</b>			
EQUITIES: AUS EQ INDEX AU6BGL00058			12741865.13
EQUITIES: INT EQ INDEX AU60BGL011049			494445176.6
FIXED INCOME/BONDS	458402145.9		
SHORT TERM INVESTMENT		113,208,865.73	
CASH EQUIVALENTS	658373.78	9,191.05	
CASH/RECEIVABLES/PAYABLES	6,959,715.06	6,420.44	
<b>TOTAL NET ASSETS AT MARKET</b>	<b>\$ 466,020,234.78</b>	<b>\$ 113,224,477.22</b>	<b>\$ 507,187,041.77</b>

## STATEMENT XX: CASH FLOW STATEMENT

**Government of Kiribati**

### Statement of cash flow 31<sup>st</sup> December 2018

<b>Cash Flow from Operating Activities</b>	2018	2017
	\$	\$
Net Receipts	91,960,640	58,230,937
Add: Changes in Balance sheet items		
Suspense Account	-2,013,114	-5,142,983
Other Advances	0	59,764
Sundry Advances	-87,807	-51,285
Imprest and Salary Advances	-1,249,113	-670,104
Sundry Deposit	162,771	-11,086,461
Telmos Received	-66,408	15,916,781
Deceased Native Estate (DNE)	-37,459	-60,856
SAYE	3,189	-17,046
Salary Allotments	-691	-10,977
Cash received from Operating activities	<u>88,672,006</u>	<u>57,167,770</u>
 <b>Cash Flow from Investing Activities</b>		
Net proceed in Investment (Northern Trust & BlackRock)	30,549,418	74,561,389
Net Purchase of investment	-61,249,002	-90,995,700
Cash used in Investing activities	<u>-30,699,584</u>	<u>-16,434,311</u>
 <b>Cash Flow from Financing Activities</b>		
Net Cash received/(used) from Government Fund	36,439,467	77,973,392
 Cash provided from Financing	<u>36,439,467</u>	<u>77,973,392</u>
Increase/(Decrease) in Cash	94,411,890	118,706,851
Cash and cash equivalent at 1 January	233,781,388	115,074,537
Cash at end of December	<u>328,193,277</u>	<u>233,781,387</u>