



Pacific
Community
Communauté
du Pacifique

Pacific Community

Financial Statements for 2018



SPC
Corporate

Pacific Community

Financial Statements

for 2018

© Pacific Community (SPC) 2019

All rights for commercial/for profit reproduction or translation, in any form, reserved. SPC authorises the partial reproduction or translation of this material for scientific, educational or research purposes, provided that SPC and the source document are properly acknowledged. Permission to reproduce the document and/or translate in whole, in any form, whether for commercial/for profit or non-profit purposes, must be requested in writing. Original SPC artwork may not be altered or separately published without permission.

Original text: English

Pacific Community Cataloguing-in-publication data

Pacific Community Financial Statements for 2018 / Pacific Community

1. Pacific Community
2. Technical assistance — Oceania
3. International organization — Oceania
4. Financial statements

I. Title II. Pacific Community

341.2460995

AACR2

ISBN: 978 982 00 1222 6

Contents

Independent auditors' report	3
Pacific Community (SPC) – Financial Statements for the year ended 31 December 2018.....	5
Pacific Community (SPC) – Notes to the Financial Statements for the year ended 31 December 2018.....	10
Appendix A	31
Provident Fund 2018 – Financial Statements for the year ended 31 December 2018.....	41
Independent auditors' report	43
Pacific Community Provident Fund – Financial Statements for the year ended 31 December 2018	45
Pacific Community Provident Fund – Notes to the Financial Statements for the year ended 31 December 2018	47



Pacific Community
Financial Statements and
Audit Report for the year
ending 31 December 2018





INDEPENDENT AUDITORS' REPORT

To the members of the Pacific Community

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Pacific Community (SPC), which comprise the statement of financial position as at 31 December 2018, the statements of financial performance, changes in net assets/ equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information as set out in notes 1 to 27.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of SPC as at 31 December 2018, and of its financial performance, its changes in net assets/ equity and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of SPC in accordance with International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with International Public Sector Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing SPC's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate SPC or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing SPC's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



INDEPENDENT AUDITORS' REPORT - CONTINUED

To the members of Pacific Community - continued

Report on the Audit of the Financial Statements – Continued

Auditors' Responsibilities for the Audit of the Financial Statements - Continued

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

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

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

30 April , 2019
Suva, Fiji

KPMG
KPMG
Chartered Accountant

Pacific Community

Financial Statements for the year ended 31 December 2018

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2018

	Note	2018 Euro	2017 Euro
Cash and cash equivalents	7a	26,737,846	48,981,526
Held to maturity term deposits	7b	36,228,000	11,694,912
Assessed contributions receivable	8	1,265,507	1,300,953
Other receivables	9	644,165	423,236
Partner advances		2,279,605	4,202,869
Project funds receivable	16	6,757,090	3,349,790
Inventories		409,488	490,647
Current assets		74,321,701	70,443,933
Intangibles	11	10,069	19,551
Property, plant and equipment	10	20,008,528	20,379,322
Non-current assets		20,018,597	20,398,873
Total assets		94,340,298	90,842,806
Assessed contributions payable	8	1,717,900	-
Creditors and accruals	12	4,035,462	5,900,376
Loans	14	358,000	398,476
Project funds unexpended	16	45,299,992	46,330,054
Deferred income - property, plant & equipment	15	257,305	506,736
Provisions	13	12,645,822	11,041,294
Current liabilities		64,314,481	64,176,936
Deferred income - property, plant & equipment	15	1,961,102	1,906,812
Loans	14	3,382,576	3,692,102
Provisions	13	803,600	1,515,375
Non-current liabilities		6,147,278	7,114,289
Total liabilities		70,461,759	71,291,225
NET ASSETS		23,878,539	19,551,581
General reserve		15,394,517	11,416,868
Specific reserves		276,269	276,269
Special funds	17	8,207,753	7,858,444
TOTAL EQUITY		23,878,539	19,551,581

The accompanying notes form an integral part of these financial statements.

For the Pacific Community



Dr Colin Tukuitonga
Director-General



Subhash K. Gupta
Director Finance

This statement is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 10 to 29.

Pacific Community

Financial Statements for the year ended 31 December 2018

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 DECEMBER 2018			
		2018	2017
	Note	Euro	Euro
Voluntary contributions member countries	18	7,116,300	7,344,200
Assessed contributions and host grants	19	9,964,900	9,906,200
Project income	6	64,727,165	61,466,973
Housing income, net	17	340,092	490,579
Canteen income, net	17	9,217	(35,107)
Interest income	20	476,666	313,502
Foreign exchange gain, net		30,559	-
Other income		158,024	204,573
Total revenue		82,822,923	79,690,920
Staff costs	21	31,743,610	31,198,851
Communication costs		533,807	680,421
Operating and other	22	6,406,331	10,500,581
Foreign exchange Loss, net		-	1,731,387
Capital assets projects		691,649	228,468
Transport and travel		10,453,884	10,269,463
Conference, training and workshop/fieldwork		2,477,213	2,135,545
Grants		9,067,281	5,646,857
Consultants		16,692,470	15,582,837
Depreciation and amortisation(net)	10(b)	358,584	366,160
Finance costs-bank fees		71,136	93,199
Total expenses		78,495,965	78,433,769
Total operating surplus for the year		4,326,958	1,257,151

This statement is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 10 to 29.

Pacific Community

Financial Statements for the year ended 31 December 2018

STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31 DECEMBER 2018							
	Notes	General Reserves ¹	Specific Reserves	Special Funds			Total
			Foreign exchange	Housing	Canteen	Total	
Balance as at 1 January 2017		10,615,189	276,269	7,318,494	84,478	7,402,972	18,294,430
Operating surplus		1,257,151	-	-	-	-	1,257,151
(Surplus)/deficit - related to special funds		(455,472)	-	490,579	(35,107)	455,472	-
Balance as at 31 December 2017		11,416,868	276,269	7,809,073	49,371	7,858,444	19,551,581
Balance as at 1 January 2018		11,416,868	276,269	7,809,073	49,371	7,858,444	19,551,581
Operating surplus		4,326,958	-	-	-	-	4,326,958
Surplus/(deficit) - related to special funds	17	(349,309)	-	340,092	9,217	349,309	-
Balance as at 31 December 2018		15,394,517	276,269	8,149,165	58,588	8,207,753	23,878,539

This statement is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 10 to 29.

¹ In the Pacific Community Financial Statements for 2017, included within equity were special reserves comprising emergency evacuation, and P&E replacement minor works. Following approval at the Audit and Risk Committee (ARC) meeting on 4 June 2018, these amounts have been incorporated within general reserves. Comparative information for the special reserves has also been included within general reserves.

Pacific Community

Financial Statements for the year ended 31 December 2018

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 Euro	2017 Euro
Cash flow from operating activities			
Contributions received from members and non-members		83,311,352	87,018,619
Rentals from housing		1,559,538	1,669,644
Canteen sales		533,295	504,620
Interest received		476,666	313,502
Cash inflows		85,880,851	89,506,385
Salaries and related costs		(29,235,997)	(26,848,302)
Payment for supply and services		(54,083,681)	(51,644,288)
Housing expenses		(1,234,709)	(1,179,065)
Canteen purchases		(536,449)	(539,727)
Interest payments		(78,522)	(80,357)
Cash outflows		(85,169,358)	(80,291,739)
Net cash flows (used in)/provided by investing activities		711,493	9,214,646
Cash flow from investing activities			
Purchase of property, plant and equipment		(584,314)	(1,241,862)
Net movement in term deposits		(24,533,088)	3,773,936
Net cash flows provided (used in)/ by investing activities		(25,117,402)	2,532,074
Cash flow from financing activities			
Loan repayment		(350,002)	(339,522)
Net cash flows used in investing activities		(350,002)	(339,522)
Net (decrease)/increase in cash held		(24,755,911)	11,407,198
Cash and cash equivalents at the beginning of the year		48,981,526	34,909,979
Movement on exchange rates on cash held		2,512,231	2,664,349
Cash and cash equivalents at the end of the year	7	26,737,846	48,981,526

This statement is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 10 to 29.

Pacific Community

Statement of comparison of budget and actual amounts by programme for the year ended 31 December 2018

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	Revised budget	Actual	Performance difference ¹
Core funds		17,081,200	17,081,200	-
Interest income		20,000	476,666	456,666
Other income		-	158,024	158,024
Foreign exchange gain		-	30,559	30,559
Project funds		65,194,900	64,727,165	(467,735)
Self funding units (special funds)		-	349,309	349,309
Total revenue		82,296,100	82,822,923	526,823
Office of the Director General		4,587,880	4,186,924	(400,956)
Operations and management		3,606,243	942,519	(2,663,724)
Total administration expenditure		8,194,123	5,129,443	(3,064,680)
Geoscience, Energy and Maritime (GEM)		27,738,253	27,922,738	184,485
Eduction Quality Assessment (EQAP)		3,359,882	3,955,392	595,510
Fisheries, Aquaculture & Marine Ecosystems (FAME)		14,153,489	13,064,762	(1,088,727)
Land Resources		11,212,446	9,441,906	(1,770,540)
Public Health		3,855,282	3,940,830	85,548
Social Development		5,347,181	5,094,685	(252,496)
Climate Change (CCES)		5,621,396	6,846,040	1,224,644
Statistics for Development		2,759,348	3,100,169	340,821
Total programmes expenditure		74,047,277	73,366,522	(680,755)
Total divisional expenditure	6	82,241,400	78,495,965	(3,745,435)
Net operating surplus for the year		54,700	4,326,958	4,272,258

¹ Refer to note 23 for an explanation of material differences between budget and actual.

PACIFIC COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

Note 1

Reporting entity

1. The principal activity of the Pacific Community (SPC) is to undertake research and provide technical assistance and training in support of the economic and social development of its 26 Pacific Island member countries and territories. SPC is an international development organisation, domiciled in New Caledonia, with regional offices in Fiji, Vanuatu, and Federated States of Micronesia. Meanwhile, its Solomon Islands office closed in December 2018. SPC has diplomatic status in each of these countries and territories. The foundation document giving legal status to SPC is the Canberra Agreement of 1947. The controlling body of SPC is the Conference of the Pacific Community, which meets every two years. In the years the conference does not meet, the Committee of Representatives of Governments and Administrations (CRGA) is empowered to make decisions pertaining to the governance of SPC.

Note 2

Statement of compliance with International Public Sector Accounting Standards (IPSAS)

1. The annual financial statements of SPC have been prepared in accordance with IPSAS.

New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning on or after 1 January 2019 with early adoption permitted but SPC has not applied them in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the SPC, except for the following;

Topic	Key Requirements	Effective Date
IPSAS 41– Financial Instruments	The standard partly replaces existing guidance in IPSAS 29. IPSAS 41 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment of financial assets. The existing guidance on recognition and derecognition of financial instruments in IPSAS 29 had been carried forward to IPSAS 41.	Periods beginning on or after 1 January 2022.

Note 3

Basis of preparation and authorisation for issue

Basis of measurement

1. These financial statements are prepared on an accrual basis of accounting in accordance with IPSAS.
2. SPC applies the historical cost basis, and does not take into account changes in money values except where stated otherwise.

Foreign currency

3. Items included in the financial statements of the organisation are measured using the currency of the primary economic environment in which the organisation operates ('the functional currency'). Unless stated otherwise, these financial statements are presented in euro, which is the organisations functional and presentation currency. Except as otherwise indicated, financial information presented in euro has been rounded to nearest euro.
4. Foreign currency transactions are translated into the functional currency at the mid-point of the exchange rates prevailing at the date of the transaction, except for transactions denominated in CFP, which are translated at a fixed exchange rate of 119.3317422.



5. Non-monetary items in foreign currencies measured at historical cost are translated at the exchange rate in effect at the date of transaction.
6. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the conversion of monetary assets and liabilities denominated in foreign currencies at year-end are recognised in the statement of financial performance.

Critical accounting estimates

7. Estimates and judgements are continually evaluated, and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The organisation makes estimates, judgements and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Accounting estimates and underlying assumptions are reviewed on an ongoing basis, and revisions to estimates are recognised in the year in which they are revised and in any future year affected.

Significant estimates and assumptions include: provision for ineligible expenditure (note 13), selection of useful life and the depreciation/amortisation method for property, plant and equipment/intangible assets (note 4 [14 & 17]); impairment on assets (note 4 [20-24]); liabilities for expatriate repatriation costs (note 13); and contingent assets and liabilities (note 26).

8. These financial statements are certified by the Director-General and presented to the organisation's governing body, the Committee of Representatives of Governments and Administrations (CRGA), for adoption. The financial statements were authorised for issue on 19 June 2019.

Note 4

Significant accounting policies

Financial assets classification

1. SPC classifies financial assets as either held to maturity or loans and receivables. At balance date, the financial assets held by SPC are Cash and cash equivalents, term deposits and receivables. The values are determined at fair value on initial recognition, and subsequently measured at amortised cost using the effective interest method.
2. Financial assets with maturities in excess of 12 months at the reporting date are categorised as non-current assets in the financial statements. Assets denominated in foreign currency are translated into euro at the mid-point rate of exchange prevailing at the reporting date, with gains and losses recognised in the statement of financial performance.
3. Cash and cash equivalents include cash and short-term, highly liquid assets, including term deposits with original maturity less than three months that are readily convertible to known amounts of cash and are subject to insignificant changes in value. These are held with banks and other reputable financial institutions.
4. Financial assets that SPC has intent and ability to hold to maturity are classified as held-to-maturity, and are carried at amortised cost. This relates to SPC's investments in term deposits with an original maturity of more than three months.
5. Assessed contributions receivable represent uncollected statutory revenue from member countries and territories based on enforceable commitments that are recognised as revenue. These are carried at amortised cost less impairment for estimated unrecoverable amounts.
6. Partner advances issued represents cash transferred to executing entity/implementing partners as an advance. Partner advances issued are initially recognised as assets and subsequently converted to expense when goods are delivered or services are rendered by the executing entities/implementing partners and confirmed through receipt by SPC, evidenced by certified expense reports as applicable, such as acquittal reports/statements. Once these certified expense reports are received, SPC recognises the expense in its statement of financial performance.

Provision for doubtful debts

7. SPC assesses the impairment of doubtful debts at each balance date. Currently, all balances over four years old are provided for in full. In addition, specific provisions have been made where balance receivable is doubtful.
8. SPC provides loans to staff for specified purposes in accordance with the Manual of Staff Rules. These advances have a maturity of not more than 18 months, and the carrying amount is stated at amortised cost less any impairment. This carrying value approximates fair value.

Inventories

9. SPC holds inventories in the staff canteen, which are goods purchased for resale. Inventories are stated at the lower of cost and net realisable value. Cost is calculated on a first-in, first-out (FIFO) basis. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Property, plant and equipment

10. All items of property, plant and equipment are stated at historical cost, less accumulated depreciation and accumulated impairment losses. This includes costs that are directly attributable to the acquisition of the asset and the initial estimate of dismantling and site restoration costs. Where an asset is acquired for nil or nominal consideration, the fair value at the date of acquisition is deemed to be its cost. The threshold for the recognition of property, plant and equipment as an asset is EUR 2500 or more per unit.
11. SPC elected to apply the cost model to measurement after recognition of items of property, plant and equipment. Subsequent costs are capitalised only when it is probable that future economic benefits associated with the item will flow to SPC and the cost of the item can be measured reliably. Repairs and maintenance are charged to the statement of financial performance in the year in which they are incurred.
12. All core assets are fully controlled by SPC and are capitalised at cost. The depreciation of these assets are charged to the statement of financial performance. SPC has capitalised project assets at cost for which the organisation retains effective control, while those that are controlled by third parties have not been capitalised and are expensed as incurred.
13. Property, plant and equipment includes right-to-use arrangements for property that meets the criteria for recognition (refer to the section on 'right to use arrangements' in policy note 33).
14. Depreciation of property, plant and equipment is calculated using the straight-line method over the estimated useful lives, except for land, which is not subject to depreciation. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items. Assets under construction are not depreciated, until completed and made available for use.

The rate of depreciation used are based on the following estimated useful lives::

• Motor vehicles, equipment, furniture and fittings	5 years
• Computer equipment	3 years
• Buildings	10–50 years

SPC's building assets comprise office buildings as well as residential properties. The headquarter buildings and the residential complex, which together comprises the major portion of the buildings portfolio, are depreciated by components. The useful life of components varies between 10 and 40 years, and is described below:

Structure, survey and architect fees	40 years
Roof, painting, electrical wiring, plumbing, air-conditioning, carpentry, etc.	20 years
Roads and utilities	40 years
Internal and external arrangements	10 years

15. Given the expected pattern of usage of property, plant and equipment, there are no residual values following full depreciation. A gain or loss resulting from the disposal of property, plant and equipment arises where proceeds from disposals differ from its carrying amount. Gains or losses on disposal are recognised in the statement of financial performance.

Deferred income

16. Fixed assets acquired for the purpose of immediate transfer to implementing partners/agencies will not be capitalised by SPC and these are kept in deferred Income. The depreciation for these project assets is offset against deferred Income, as the projects are charged when the assets are acquired initially.

Intangible assets

17. Intangible assets are carried at historical cost, less accumulated amortisation and accumulated impairment loss. These assets are amortised over three years.

18. Acquired computer software licences are capitalised based on costs incurred to acquire and bring to use the specific software. Development costs that are directly associated with the development of software for use by SPC are capitalised as an intangible asset.
19. Amortisation is recognised in the statement of financial performance on a straight-line basis on all intangible assets of finite life and at rates that will write off the cost or value of the assets to their estimated residual values.

Impairment of non-cash-generating assets

20. SPC's property, plant and equipment and intangibles are reviewed for impairment at each reporting date. SPC reviews for impairment during the annual physical verification process. An impairment loss is recognised in the statement of financial performance when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of an asset is the higher of an asset's fair value less costs to sell and its value in use.
21. Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the impairment has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation and amortisation, if no impairment had been recognised.

Financial liabilities classification

22. Financial liabilities consist of accounts payables, accrued liabilities, other liabilities and payables. SPC also has commercial loans drawn for the purchase of staff residential housing blocks.
23. Payables and accruals arising from the purchase of goods and services are initially recognised at fair value and subsequently measured at amortised cost when goods and services are delivered/rendered and accepted by SPC. Liabilities are estimated where invoices are not available at the reporting date.
24. Other financial liabilities, including borrowings, are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest bearing borrowings are measured at amortised cost using the effective interest method. Interest paid or payable and service fees are recognised in the statement of financial performance using the effective interest method as it accrues.

Projects fund unexpended

25. Funds received in advance represent contributions received for future periods specified in donor contribution agreements. The funds are only recognised as revenue and applied to the earmarked activities in the specified future period. Project funds unexpended represents funds received from donors that will be recognised as revenue in future years when conditions are met or the revenue is earned, which is generally upon use of funds for project activities.

Employee benefits

Short-term employee benefits

26. Short-term employee benefits are those amounts that are expected to be settled within 12 months of the end of the year in which employees render the related service. Those benefits include home leave benefits, wages and salaries, compensated absences, and other short-term and non-monetary benefits provided to current employees. An expense is recognised when a staff member provides services in exchange for employee benefits. A liability is reported for any entitlement that has not been settled at the reporting date and represents the amount paid or expected to be paid to settle the liability. Owing to the short-term nature of these entitlements, the liabilities are not discounted for the time value of money and are presented as current liabilities.

Post-employment benefits

27. Post-employment benefits are those amounts payable after completion of service, but exclude termination payments.
28. Post-employment benefits include a pension plan (SPC Provident Fund) and a repatriation grant. The SPC Provident Fund is a defined contribution benefit plan.
29. For the defined contribution post-employment plan, the obligation for each year is determined by the amounts to be contributed for the year. No actuarial assumptions are required to measure the obligation or the expense.
30. The accounts of the SPC Provident Fund are audited by independent external auditors and reported to the SPC's governing body every year.

31. Other long-term employee benefits obligations are benefits, or portions of benefits, that are not due to be settled within 12 months after the end of the year in which employees provide the related service. These benefits include the non-current portion of home leave. These are recognised as non-current liabilities and are measured at the present value of the estimated future cash flows if the payments and the impact of discounting are considered to be material.
32. Termination benefits are recognised as an expense only when SPC is demonstrably committed, without realistic possibility of withdrawal, to either terminate the employment of a staff member before the normal contract end date, or to provide termination benefits or gratuity as a result of an offer made in order to encourage voluntary redundancy. Termination benefits are ordinarily settled within 12 months and are reported at the amount expected to be paid. Where termination benefits fall due more than 12 months after the reporting date, they are discounted.

Right-to-use arrangements

33. Where SPC has signed an agreement for the right-to-use assets without legal title/ownership of the asset, for example through donated freehold lease of land at no cost, the transaction is a non-exchange transaction. In this case, an asset and revenue is recognised at the point the agreement is entered into. Recognition of an asset is contingent upon satisfying the criteria for an asset. Valuation of the asset will be at the fair value of the resource for which the right to use was acquired at the date of acquisition or donation. The asset is depreciated over the shorter of the asset's useful life and the right-to-use term. Revenue is also recognised at the same amount as the asset, except to the extent that a liability is also recognised.

Revenue recognition

Contributions

34. Assessed contributions are non-exchange transactions that are recognised as revenue at the beginning of each financial year, as these constitute statutory membership obligations from member countries and territories.
35. Voluntary contributions are non-exchange transactions that are recognised as revenue when contribution agreements become enforceable, or when cash is received in accordance with SPC's finance rules and regulations.
36. Grants and project funding represent support with donor-imposed conditions and can be restricted or unrestricted. Unrestricted grants are grants received that SPC may freely use for its mandated activities. Restricted grants are received in support of specified projects or activities mutually agreed upon between SPC and donors.
37. Restricted grants or project funding are only recognised as income upon the fulfilment of donor-imposed conditions (refer to note 25).
38. Unrestricted grants or project funding are recognised upon the receipt of the confirmed commitment.
39. Other revenues and gains are recognised as they are earned.
40. Programme management fees are charged by SPC to recover part of the overhead cost to SPC as project implementer, and are recognised as income as projects are implemented. As the outcome of the service provided can be estimated reliably, revenue associated with these transactions will be recognised by reference to the stage of completion of these transactions at the reporting date.

Expense recognition

41. Expenses are recognised when goods/services are delivered/rendered and accepted by SPC, or as specified in note 42, below.
42. Where SPC is the principal implementer/manager in a project and engages sub-recipients to implement specific project activities on SPC's behalf through secondary contractual arrangements, advances to these organisations are recognised as expenses only upon receipt of supporting documentation confirming acceptable expenditure, and the receipt of the related goods/services as per donor requirements. For direct implementation by SPC expenses are recognised when goods and services have been received by SPC.

Financial risk management

43. The organisation is exposed to a variety of financial risks: market risk (such as currency risk and interest rate risk), credit risk and liquidity risk. The organisation's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the organisation's financial performance.

CRGA provides principles for overall risk management, as well as policies covering specific areas.

Foreign exchange risk

44. The organisation is exposed to foreign exchange risk arising from currency exposure, primarily with respect to the Australian, Fiji, New Zealand and United States dollars. In particular, foreign exchange risk arises from contributions received and transactions occurring in foreign currencies and monetary assets and liabilities denominated in foreign currencies.

To manage the foreign exchange risk, the organisation has opened bank accounts in different currencies to obtain the most favourable outcome and to settle foreign currency liabilities in the currency received from donors.

The organisation's exposure to foreign currency risk was as follows, based on notional amounts at 31 December by currency:

Currency	2018	2017
AUD	2,168,956	5,156,628
NZD	4,887,205	1,793,782
USD	2,558,217	5,125,618
FJD	4,327,492	3,478,303

The following significant exchange rates against the euro applied at year end:

Currency	YEAR END RATE	
	2018	2017
AUD	0.6155	0.6513
NZD	0.5865	0.5917
USD	0.8739	0.8335
FJD	0.4067	0.4053

Sensitivity analysis

45. A 10 per cent strengthening or weakening of the foreign currency against the euro as at 31 December would have increased or decreased, respectively, equity by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	AUD		NZD		USD		FJD	
Profit or loss 2018	+	133,499	+	286,635	+	223,563	+	175,999
	-		-		-		-	
Profit or loss 2017	+	335,851	+	106,138	+	427,220	+	140,976
	-		-		-		-	

Credit risk

46. Management has a credit policy in place and exposure to credit risk is monitored on an ongoing basis. SPC is exposed to credit risk on its outstanding financial asset balances, primarily Cash and cash equivalents, debt securities and receivables.

For deposits with banks including debt values, only reputable parties with known financially sound standing are acceptable.

Credit risk with respect to receivables is limited due to the sovereign debt status of the Assessed Contributions owed by member countries and territories, and thus is not considered a significant risk. At balance sheet date, there were no significant concentrations of credit risk.

Liquidity risk

47. Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of cash and committed credit facilities.

The organisation's financial liabilities are analysed below into relevant groupings based on the remaining period at balance date to contractual maturity date.

As at 31 December 2018:

Financial Liabilities	Upto 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Creditors and accruals	4,035,462	-	-	-	4,035,462
Loans	358,000	685,764	1,057,946	1,638,866	3,740,576
Total	4,393,462	685,764	1,057,946	1,638,866	7,776,038

Cash flow and fair value interest rate risk

Financial assets

48. SPC's held to maturity investments (financial assets) are at fixed interest rates and, accordingly, exposure to interest rate risk is not considered material.

Financial liabilities

49. SPC's borrowings (financial liabilities) are at variable interest rates. SPC has assessed that the interest rate when the loans were taken and the current interest rate have changed minimally and, accordingly, exposure to interest rate risk is not considered material.

50. Additionally, SPC does not account for any fixed rate financial asset and financial liability at fair value through profit or loss. Therefore, a change in interest rate at the reporting date would not affect the statement of financial performance. Furthermore, the financial asset and financial liability are carried at amortized cost and considered a reasonable approximation of its fair value.

Reserves

General reserves

51. 'General reserve fund' means the general purpose fund created out of the initial working funds of the organisation, and into which the annual operating surplus or deficit is transferred.

Specific reserves

52. 'Specific funds' means funds set up by the Director-General for specific purposes, as approved by the Governing Body. They are regarded as encumbered and generally not available for use other than for the specific purpose. There has been a reclassification of such reserves, as detailed in the statement of changes in net assets/equity.

Special Funds

53. 'Special funds' means funds set up specifically for self-funding entities – namely the housing fund and canteen fund.

Commitments, provisions and contingencies

Commitments

54. Commitments are future expenses and liabilities to be incurred on contracts entered into at the reporting date for which SPC has minimal, if any, discretion to avoid in the ordinary course of operations. Commitments relating to employment contracts are excluded. Commitments include:

- capital commitments – aggregate amount of capital expenses contracted for but not recognised as paid or provided for at year end;
- contracts for the supply of goods and services that SPC expects to be delivered in the ordinary course of operations; and
- other non-cancellable commitments

Provisions

55. A provision is recognised if, as a result of a past event, SPC has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured at the present value of the expenses expected to be required to settle the obligation.

Contingencies

56. A contingent asset is disclosed when an inflow of economic benefits or service potential is probable. If it has become virtually certain that an asset is no longer contingent and that its value can be measured reliably, the asset and the related revenue are recognised in the year in which the change occurs.
57. A contingent liability is disclosed unless the possibility that it will be realised is remote. If it becomes probable that a contingent liability will be realised, a provision is recognised in the year in which the change of probability occurs.

Income Tax

58. SPC is an international non-profit organisation and is exempt from income tax.

Offsetting of income and expenses

59. Income and expenses are not offset unless required or permitted by an accounting standard. This generally arises where gains and losses arise from similar transactions.

Offsetting assets and liabilities

60. Assets and liabilities are offset and the net amount reported in the statement of financial position only where there is a current enforceable legal right to offset the asset and liability and intention to settle on a net basis or to realise the asset and settle liability simultaneously.

Note 5

Segment reporting

1. SPC segments its funding sources based on its obligations to the donor or member country or territory. This segmentation also helps the organisation to set objectives and make decisions about the future allocation of resources to priority areas.

Core funds

2. Core funds are primarily assessed membership contributions, levied against each member country and territory. These funds are separately tracked, and SPC is free to use these funds as it sees fit. It also includes voluntary contributions and related miscellaneous earnings, such as interest income. The annual financial statements are the only statutorily required reporting to the membership on the use of these funds.

Project funds

3. Project funds are those provided to SPC from donor organisations and member countries and territories over and above their statutory payments under core funds, for specific projects and purposes. SPC is not free to use these funds as it sees fit. Use of funds and financial reporting must be in line with donor requirements. SPC earns a project management fee that is accounted as cost recovery as these project funds are expended.

Special funds

4. Special funds are internally generated from the canteen operation and housing unit. The canteen is a shop that sells goods as well as duty-free products exclusively to staff. The housing unit manages SPC's residential properties, which are occupied by SPC staff. SPC pays 75% of the assessed market rental to the housing unit, while staff pay 25% of the rental. There are no restrictions on how SPC chooses to use any surpluses generated from these operations.

Note 6

SEGMENT REPORTING: STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 DECEMBER 2018

	2018		2017		2018		2017		2018		2017		2018		2017	
	Euro Core Funds	Euro Core Funds	Euro Core Funds	Euro Core Funds	Euro Project Funds	Euro Project Funds	Euro Project Funds	Euro Project Funds	Euro Special Funds	Euro Special Funds	Euro Total Funds	Euro Total Funds	Euro Special Funds	Euro Special Funds	Euro Total Funds	Euro Total Funds
Income																
Member countries contributions	17,081,200	17,250,400	41,314,878	48,536,877	-	-	-	-	-	-	58,396,078	65,787,277	-	-	58,396,078	65,787,277
Non-members contributions	-	-	23,412,287	12,930,096	-	-	-	-	-	-	23,412,287	12,930,096	-	-	23,412,287	12,930,096
Housing, net	-	-	-	-	-	-	340,092	490,579	-	-	340,092	490,579	-	-	340,092	490,579
Canteen, net	-	-	-	-	-	-	9,217	(35,107)	-	-	9,217	(35,107)	-	-	9,217	(35,107)
Other (inc interest)	665,249	518,075	-	-	-	-	-	-	-	-	665,249	518,075	-	-	665,249	518,075
Total income	17,746,449	17,768,475	64,727,165	61,466,973	349,309	455,472	61,466,973	455,472	349,309	82,822,923	79,690,920	455,472	455,472	82,822,923	79,690,920	
Expenditure																
Office of the Director-General	3,769,347	3,143,148	417,577	623,510	-	-	-	-	-	-	4,186,924	3,766,658	-	-	4,186,924	3,766,658
Operations and management	260,204	7,156,066	682,315	1,086,096	-	-	-	-	-	-	942,519	8,242,162	-	-	942,519	8,242,162
Total - administration	4,029,551	10,299,214	1,099,892	1,709,606	-	-	1,709,606	1,709,606	-	-	5,129,443	12,008,820	-	-	5,129,443	12,008,820
Geoscience, Energy and Maritime (GEM)	2,680,859	1,636,755	25,241,879	22,223,675	-	-	-	-	-	-	27,922,738	23,860,430	-	-	27,922,738	23,860,430
Education Quality Assessment (EQAP)	468,245	208,515	3,487,147	1,662,544	-	-	-	-	-	-	3,955,392	1,871,059	-	-	3,955,392	1,871,059
Fisheries, Aquaculture & Marine Ecosystems (FAME)	2,213,013	1,855,294	10,851,749	10,092,985	-	-	-	-	-	-	13,064,762	11,948,279	-	-	13,064,762	11,948,279
Land Resources	1,311,276	1,012,686	8,130,630	9,111,973	-	-	-	-	-	-	9,441,906	10,124,659	-	-	9,441,906	10,124,659
Public Health	1,204,087	429,777	2,736,743	4,203,702	-	-	-	-	-	-	3,940,830	4,633,479	-	-	3,940,830	4,633,479
Social Development	704,371	592,889	4,390,314	3,180,715	-	-	-	-	-	-	5,094,685	3,773,604	-	-	5,094,685	3,773,604
Climate Change (CCES)	167,059	138,277	6,678,981	6,362,496	-	-	-	-	-	-	6,846,040	6,500,773	-	-	6,846,040	6,500,773
Statistics for Development	990,339	793,389	2,109,830	2,919,277	-	-	-	-	-	-	3,100,169	3,712,666	-	-	3,100,169	3,712,666
Total - programmes	9,739,249	6,667,582	63,627,273	59,757,367	-	-	59,757,367	59,757,367	-	-	73,366,522	66,424,949	-	-	73,366,522	66,424,949
Total expenditure	13,768,800	16,966,796	64,727,165	61,466,973	-	-	61,466,973	61,466,973	-	-	78,495,965	78,433,769	-	-	78,495,965	78,433,769
Net surplus for the year	3,977,649	801,679	-	-	349,309	455,472	-	-	349,309	455,472	4,326,958	1,257,151	455,472	455,472	4,326,958	1,257,151

Note 7

Cash & cash equivalents

	31/12/2018	31/12/2017
(a) Cash and cash equivalents		
Cash held in bank accounts	26,722,650	48,957,096
Petty cash	15,196	24,430
Total Cash and cash equivalents	26,737,846	48,981,526
(b) Held to maturity term deposits		
Held to maturity term deposits	36,228,000	11,694,912
Total held to maturity term deposits	36,228,000	11,694,912
Total Cash & cash equivalents and held to maturity term deposits	62,965,846	60,676,438

Cash & cash equivalents and held to maturity term deposits by currency

	31/12/2018	31/12/2017
Australian dollar	1,335,070	3,358,316
Comptoirs français du Pacifique (CFP)	4,487,975	8,947,961
Euro	49,898,514	40,549,848
Fijian dollar	1,760,139	1,409,889
Great Britain pound sterling	60,831	564,031
New Zealand dollar	2,866,541	1,061,437
Samoa tala	14,920	17,644
Solomon dollar	44,260	257,655
Tongan pa'anga	28,274	37,527
United States dollar	2,235,539	4,271,978
Vanuatu vatu	233,783	200,152
Total Cash & cash equivalents and held to maturity term deposits	62,965,846	60,676,438

Note 8

Assessed contributions, receivables and payables

	31/12/2018	31/12/2017
Assessed contributions receivable	1,854,507	2,004,753
Provision for impairment	(589,000)	(703,800)
Total assessed contribution receivable	1,265,507	1,300,953
Assessed contributions received in advance	(1,717,900)	
Total assessed contributions payable	(1,717,900)	
1 year	1,185,473	1,381,378
2-4 years	218,156	298,375
over 4 years	450,878	325,000
Provision for impairment	(589,000)	(703,800)
Assessed contribution receivables	1,265,507	1,300,953

Note 9

Other receivables and prepayments

	31/12/2018	31/12/2017
Receivable from canteen	31,725	44,096
Receivable from third parties (deposits)	70,765	71,226
Receivable from staff	80,501	97,119
Receivable from other debtors	461,174	210,795
Total other receivables	644,165	423,236

Note 10

Property, plant and equipment

1. SPC has two broad categories for property, plant and equipment: core and project assets. Core assets also include assets purchased and recorded by the housing unit, the results of which are classified under Special Funds. The category of asset is primarily determined by the funding source from which an asset is purchased, and where funds are provided for capital renovations a secondary consideration is given to the pre-existing category of the asset undergoing renovations.
2. As at 31 December 2018, SPC did not have any impairment on property, plant and equipment.

PROPERTY, PLANT & EQUIPMENT										
Description	Land	Buildings	Total property	General equipment	Computer equipment	Furniture	Housing	Motor vehicles	Construction in progress	Total Euro
Cost or valuation										
At 31 December 2017	6,392,274	29,421,298	35,813,572	3,375,503	3,912,728	335,518	87,859	1,526,365	49,205	45,100,750
Additions note 10(a)	-	2,181	2,181	104,434	42,076	7,312	-	82,785	345,526	584,314
Disposals	-	-	-	-	(8,673)	-	-	(101,492)	-	(110,165)
Transfer	-	220,436	220,436	31,164	-	2,294	-	-	(253,894)	-
At 31 December 2018	6,392,274	29,643,915	36,036,189	3,511,101	3,946,131	345,124	87,859	1,507,658	140,837	45,574,899
Accumulated depreciation										
At 31 December 2017	-	(16,165,033)	(16,165,033)	(3,048,332)	(3,745,847)	(332,907)	(87,859)	(1,341,450)	-	(24,721,428)
Depreciation note 10(b)	-	(596,439)	(596,439)	(163,413)	(100,038)	(1,462)	-	(93,756)	-	(955,108)
Depreciation on disposals	-	-	-	-	8,673	-	-	101,492	-	110,165
At 31 December 2018	-	(16,761,472)	(16,761,472)	(3,211,745)	(3,837,212)	(334,369)	(87,859)	(1,333,714)	-	(25,566,371)
Written down value										
As at 31 December 2018	6,392,274	12,882,443	19,274,717	299,356	108,919	10,755	-	173,944	140,837	20,008,528
Made up of:-										
Core	6,392,274	10,945,600	17,337,874	149,821	92,263	10,755	-	68,643	133,090	17,792,446
Project	-	1,936,843	1,936,843	149,535	16,656	-	-	105,301	7,747	2,216,082
	6,392,274	12,882,443	19,274,717	299,356	108,919	10,755	-	173,944	140,837	20,008,528
Written down value										
As at 31 December 2017	6,392,274	13,256,265	19,648,539	327,171	166,881	2,611	-	184,915	49,205	20,379,322

(a) Additions	31/12/2018	31/12/2017
Core	400,785	834,394
Project	138,882	1,308,115
Special funds (housing)	298,541	641,062
Transfer project	(253,894)	(1,541,709)
	584,314	1,241,862
(b) Depreciation		
	31/12/2018	31/12/2017
Property, plant & equipment-core	358,584	366,160
Property, plant & equipment-project	298,959	493,871
Intangibles-core	-	-
Intangibles-project	9,482	12,249
Core and project	667,025	872,280
less deferred Income Offset	(308,441)	(506,120)
Net dep - core and projects	358,584	366,160
Special funds (housing) Note 17	297,565	283,150
Total depreciation and amortisation	964,590	1,155,430
Made up of		
Property, plant & equipment	955,108	1,143,181
Intangibles	9,482	12,249
	964,590	1,155,430

Note 11

Intangibles assets

	Cost	Amortisation	Total
At 31 December 2017	380,052	(360,501)	19,551
Additions	-	-	-
Amortisation expense	-	(9,482)	(9,482)
At 31 December 2018	380,052	(369,983)	10,069
Made up of	31/12/2018	31/12/2017	
Core	-	-	
Project	10,069	19,551	
	10,069	19,551	

1. As at 31 December 2018, SPC did not have any impairment on intangible assets.

Note 12

Creditors and accruals

	31/12/2018	31/12/2017
Trade creditors and accruals	3,302,696	4,441,615
Project and other creditors	732,766	743,961
DFAT - EDD 2014–2017 Unspent programme fund	-	714,800
Total creditors, accruals	4,035,462	5,900,376

Note 13

Provisions

1. Post-employment benefits consist of relocation grants and charges to repatriate an employee's personal belongings and family to their home country. These benefits are established within the SPC Manual of Staff Rules. The provision for expatriate home leave has been based on a three-year cycle, with an estimate of the average family size and estimated airfares.
2. The value of the relocation grant is fixed and the repatriation entitlement is based on the estimated costs. No discount rate has been applied.
3. The organisation operates a defined contribution plan through the SPC Provident Fund. Staff and SPC have the option to contribute an equal percentage of base salary into this fund, which is invested in low-risk term deposits. The investment is paid out to the employee as a post-employment benefit. The organisation has no legal or constructive obligation to pay further contributions if the Fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Contributions to the defined contribution plan are charged to the statement of financial performance in the year to which they relate. The organisation has no further payment obligations once the contributions have been paid. The defined contribution plan is governed by the Provident Fund Rules of the Pacific Community.
4. The provision for ineligible project expenditures relates to donor funded projects where there are costs which are in dispute.

	Employee entitlements	Project ineligible expenditures	Project other	Total
Closing 31/12/17	4,982,274	7,495,316	79,079	12,556,669
Addition	3,579,831	-	-	3,579,831
Writeback - used	(2,650,227)	(23,717)	(13,134)	(2,687,078)
Closing 31/12/18	5,911,878	7,471,599	65,945	13,449,422

	31/12/2018	31/12/2017
Current	12,645,822	11,041,294
Non-current	803,600	1,515,375
	13,449,422	12,556,669

Note 14

Loans

	31/12/2018	31/12/2017
Opening balance as at 1 January	4,090,578	4,430,100
Less capital repayment of loans	(350,002)	(339,522)
Total loans	3,740,576	4,090,578
Current	358,000	398,476
Non-current	3,382,576	3,692,102
	3,740,576	4,090,578

SPC has five secured term loans with Banque Caledonienne d'Investment (BCI), two unsecured term loans with Banque de Nouvelle Calédonie (BNC) and one unsecured term loan with SPC Provident Fund ('the Fund'). All of these loans relate to property investment.

BCI secured term loans

1. The first loan facility (No: 21301149) has a principal amount of EUR 482,478 with outstanding balance of EUR 320,735 as at 31 December 2018. The loan is repayable in instalments of EUR 3,166 (including interest and principal) per month over a period of fifteen years ending April 2028, and attracts a variable interest rate of 2.17% per annum. This facility is secured by the property located at 1R LOT 2+F4 DOMAINE ANSE VATA.
2. The second loan facility (No: 21305032) has a principal amount of EUR 527,940 with outstanding balance of EUR 367,668 as at 31 December 2018. The loan is repayable in instalments of EUR 3,389 (including interest and principal) per month over a period of fifteen years ending November 2028, and attracts a variable interest rate of 1.88% per annum. This facility is secured by the property located at LOT 673 1R TRUBERT N'GEA.
3. The third loan facility (No: 21305033) has a principal amount of EUR 620,120 with outstanding balance of EUR 438,301 as at 31 December 2018. The loan is repayable in instalments of EUR 3,979 (including interest and principal) per month over a period of fifteen years ending January 2029, and attracts a variable interest rate of 1.88% per annum. This facility is secured by the property located at LOT 379 53R REVERCE TUBAND.
4. The fourth loan facility (No: 21301173) has a principal amount of EUR 553,080 with outstanding balance of EUR 367,669 as at 31 December 2018. The loan is repayable in instalments of EUR 3,630 (including interest and principal) per month over a period of fifteen years ending April 2028, and attracts a variable interest rate of 2.17% per annum. This facility is secured by the property located at 1R IMM BATI LT337 DOMAINE TUBAND.
5. The fifth loan facility (No: 21403173) has a principal amount of EUR 796,100 with outstanding balance of EUR 655,748 as at 31 December 2018. The loan is repayable in instalments of EUR 4,219 (including interest and principal) per month over a period of twenty years ending August 2034, and attracts a variable interest rate of 2.50% per annum. This facility is secured by the property located at LOT 224 DOMAINE TUBAND.

BNC unsecured term loans

1. The first loan facility (No: 0026117 01) has a principal amount of EUR 1,592,200 with outstanding balance of EUR 873,292 as at 31 December 2018. The loan is repayable in instalments of EUR 9,411 (including interest and principal) per month over a period of seventeen years and nine months ending June 2027 and attracts a variable interest rate of 2.24% per annum.
2. The second loan facility (No: 0028680 01) has a principal amount of EUR 1,089,400 with outstanding balance of EUR 659,151 as at 31 December 2018. The loan is repayable in instalments of EUR 5,412 (including interest and principal) per month over a period of nineteen years and eleven months ending February 2030 and attracts a variable interest rate of 1.33% per annum.
3. The above loans are unsecured term facilities.

Provident Fund unsecured term loans

This loan facility has a principal amount of EUR 407,268 with outstanding balance of EUR 57,993 as at 31 December 2018. The loan is repayable in instalments of EUR 2,842 (including interest and principal) per month over a period of fourteen years and eleven months ending September 2020, and attracts a fixed interest rate of 3.15% per annum.

Note 15

Deferred Income-property, plant & equipment

Description	Buildings	General equipment	Computer equipment	Furniture	Housing	Motor vehicles	Intangibles	Construction in progress	Other	Total Euro
Cost or valuation										
At 31 December 2017	2,122,549	1,449,361	872,500	126,000	37,135	604,449	67,713	-	-	5,279,707
Additions	-	30,151	-	-	-	53,918	-	29,231	-	113,300
Transfer	29,231	-	-	-	-	-	-	(29,231)	-	-
Disposals	-	-	(4,964)	-	-	(77,264)	-	-	-	(82,228)
At 31 December 2018	2,151,780	1,479,512	867,536	126,000	37,135	581,103	67,713	-	-	5,310,779
Accumulated depreciation										
Note 15	(122,281)	(1,210,768)	(831,236)	(126,000)	(37,135)	(490,580)	(48,159)	-	-	(2,866,159)
Depreciation	(92,656)	(119,209)	(24,608)	-	-	(62,486)	(9,482)	-	-	(308,441)
Depreciation on disposals	-	-	4,964	-	-	77,264	-	-	-	82,228
At 31 December 2018	(214,937)	(1,329,977)	(850,880)	(126,000)	(37,135)	(475,802)	(57,641)	-	-	(3,092,372)
Written down value as at 31 Dec 2018	1,936,843	149,535	16,656	-	-	105,301	10,072	-	-	2,218,407
Written down value as at 31 Dec 2017	2,000,268	238,593	41,264	-	-	113,869	19,554	-	-	2,413,547
31/12/2018										
Current	257,305	506,735	-	-	-	-	-	-	-	764,040
Non-current	1,961,102	1,906,812	-	-	-	-	-	-	-	3,867,914
Total	2,218,407	2,413,547	-	-	-	-	-	-	-	6,682,354

Note 16

Project funds

SUMMARY OF DONOR FUNDS HELD/(RECEIVABLE) AS AT 31 DECEMBER 2018

	31/12/2018	31/12/2017
Funds held on behalf of donors	44,241,108	45,507,243
Other project liabilities	1,058,884	822,811
Total funds and project liabilities held on behalf of donors	45,299,992	46,330,054
Funds owing by donors	(6,757,090)	(3,349,790)
Total funds owed by donors	(6,757,090)	(3,349,790)
Net amount held on behalf of donors	38,542,902	42,980,264

Note 17

Special funds

	Housing	Canteen	Total
Balance 1/1/17	7,318,494	84,478	7,402,972
Income	1,683,966	504,620	2,188,586
Expenses	(1,193,387)	(539,727)	(1,733,114)
Operating surplus/(deficit)	490,579	(35,107)	455,472
Balance 31/12/17	7,809,073	49,371	7,858,444
Income	1,574,801	545,666	2,120,467
Expenses	(1,234,709)	(536,449)	(1,771,158)
Operating surplus/(deficit)	340,092	9,217	349,309
Balance 31/12/18	8,149,165	58,588	8,207,753

Operating surplus/(deficit) is made up of the following:-

	Housing	Canteen	Total
Rental income	1,559,538	-	1,559,538
Canteen sales	-	545,666	545,666
Other income	15,263	-	15,263
Staff costs	(243,771)	(104,419)	(348,190)
Operating and other expenses	(614,851)	(432,030)	(1,046,881)
Depreciation and amortisation	(297,565)	-	(297,565)
Finance costs	(78,522)	-	(78,522)
	340,092	9,217	349,309

Note 18

Voluntary contributions by member countries

	31/12/2018	31/12/2017
Australia	6,811,300	7,039,200
France	305,000	305,000
Total	7,116,300	7,344,200

Note 19

Assessed contributions and host grants

	31/12/2018	31/12/2017
American Samoa	52,794	52,794
Australia	2,681,600	2,681,600
Cook Islands	43,576	43,576
Federated States of Micronesia	220,374	220,374
Fiji	162,237	162,237
France	2,095,000	2,095,000
French Polynesia	108,940	108,940
Guam	57,822	57,822
Kiribati	58,073	58,073
Marshall Islands	43,576	43,576
Nauru	46,174	46,174
New Caledonia	511,180	511,180
New Zealand	1,717,900	1,717,900
Niue	35,196	35,196
Northern Mariana Islands	52,794	52,794
Palau	43,576	43,576
Papua New Guinea	301,680	301,680
Pitcairn Island	35,196	35,196
Samoa	72,571	72,571
Solomon Islands	114,471	114,471
Tokelau	46,174	46,174
Tonga	63,353	63,353
Tuvalu	46,174	46,174
United States of America	1,188,003	1,188,003
Vanuatu	131,271	72,571
Wallis and Futuna	35,195	35,195
Total	9,964,900	9,906,200

Note 20

Interest income

	31/12/2018	31/12/2017
Interest on term deposits	468,235	308,207
Interest on car loans	8,431	5,295
Total	476,666	313,502

Note 21

Staff costs

	31/12/2018	31/12/2017
Salaries	19,839,536	19,614,655
Temporary/casual staff	156,373	158,517
Leave provisions	2,858,064	2,133,308
Bonus and special payments	104,835	131,916
Allowances	2,423,462	2,660,481
Housing	2,889,434	2,912,112
Overtime	84,628	140,686
Medical benefit	1,589,279	1,733,216
Provident fund	1,683,594	1,642,873
Other	114,405	71,087
Total	31,743,610	31,198,851

Note 22

Operating and other expenses

	31/12/2018	31/12/2017
External rental	142,123	221,750
Consumable supplies	2,891,418	2,983,560
ICT consumables	465,885	579,606
Utilities	440,806	523,901
Freight & delivery	201,277	272,545
Provision for project expenditures	(23,717)	3,539,494
Provision for assessed contributions	220,400	220,400
Provision for other	(13,134)	60,912
Repairs and maintenance	804,898	941,408
Publications and production materials	705,934	717,643
Audit fees	135,261	151,631
Security	151,761	122,954
Other	283,419	164,777
Total	6,406,331	10,500,581

Note 23

Comparison to budget

1. The income against budget was similar, as the actual execution rate of the projects was as expected for 2018.
2. The decrease in expenditure over budget for the Operations and Management Division (OMD) relates mainly to higher project execution rates, whereby project management fee (PMF) recoveries exceeded budget, resulting in increased recoveries for OMD. Control of expenses further assisted in maintaining OMD costs below budget. Other savings were made during the SPC-wide prioritisation process.

Note 24

Related party disclosure

1. The related parties of SPC are:
 - i) SPC Provident Fund (the Fund); and
 - ii) key management personnel

SPC Provident Fund

SPC undertakes transactions with the Fund. These transactions arise out of the superannuation contributions made by SPC to the Fund and repayment of the loan to the Fund. Transactions with the Fund are on an arm's-length basis, and are transacted or recorded on normal organisational terms and conditions.

a) Amount owed to SPC Provident Fund

	31/12/2018	31/12/2017
Loan to SPC	57,993	89,726

b) Transaction with SPC Provident Fund

	31/12/2018	31/12/2017
Loan repayment	31,733	30,708
Superannuation contribution	1,949,059	2,028,306

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity. During the year the executives identified as key management personnel were: Director-General, Deputy Directors-General (Suva and Noumea), Acting Director of Strategic Planning and Learning, Director of Communications and Public Information, Director of Finance, Director of Information Services, Directors of Regional Offices (Melanesia and Micronesia), Director of Educational Quality and Assessment Programme, Director of Fisheries Aquaculture and Marine Ecosystems Division, Director of Geoscience, Energy and Maritime Division, Director of Land Resources Division, Director of Public Health Division, Director of Social Development Programme, Director of Statistics for Development Division, and Director of Climate Change and Environmental Sustainability.

The aggregate compensation of the key management personnel comprises short-term benefits only¹, and is set out below:

	<u>31/12/2018</u>	<u>31/12/2017</u>
Employee benefits	EUR 2,548,165	EUR 2,529,750

Note 25

Employee numbers

The average number of employees at the end of the financial year was 536 (2017: 576).

Note 26

Commitments and contingencies

Contingent assets

1. SPC has no contingent assets as at 31 December 2018 (2017: Nil)

Contingent liability

2. SPC has reported no contingent liability as at 31 December 2018 (2017: Nil)

Capital expenditure commitments

3. SPC has no capital expenditure approved and committed as at 31 December 2018 (2017: Nil).

Note 27

Subsequent events to balance date

No matters or subsequent events have arisen since end of the financial year that significantly affected or may significantly affect the operations or the state of affairs of SPC.

¹ Refer to note 4(26) for the definition of short-term employee benefits.



Disclaimer

The additional financial data presented on pages 31 to 40 is in accordance with the books and records of SPC which have not been subjected to the auditing procedures applied in our statutory audit of the SPC for the year ended 31 December 2018. It should be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on this financial data and no warranty of accuracy or reliability is given.

In accordance with our firm policy, we advise that neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any person in respect of this data, including any errors or omissions therein, arising through negligence or otherwise however caused.

30 April, 2019
Suva, Fiji

KPMG
KPMG
Chartered Accountant

Appendix A

Detail of movement in project funds for the period 01 January 2018 to 31 December 2018 - by donor

Code	Section	Grant period (MM/DD/YY)	Project name	Balance as at 31/12/2017	Received from donor	Total available	Expenditure	Balance as at 31/12/2018	Funds held on behalf donors	Funds owed by donors
Department of Foreign Affairs & Trade - Australia										
HPRZ03X	Pacific Regional Rights Resource Team (RRRT)	7/1/12	6/30/17 RRRT-AUSAID	4,971,741	8,798,638	13,770,379	11,176,296	2,594,084	3,066,904	(472,820)
BASA01X	Educational quality and assessment programme		Scholarship - DFAT	84,649	0	84,649	0	84,649	84,649	0
LTBT02X	Trade and Agribusiness Programme	7/1/17	6/30/18 Pac Horticulture & Agri Mkt Access (PHAMA)	85,084	0	85,084	53,812	31,271	31,271	0
ODSA02X	Decentralised Offices	10/17/14	5/31/19 SI-Tech, Assis. Ministry of Lands (Housing/Survey)	142,475	1	142,476	147,425	(4,949)	0	(4,949)
HPRZ25X	Pacific Regional Rights Resource Team (RRRT)	7/1/17	12/31/20 DFAT-RRRT Project	168,409	317,741	486,150	330,667	155,483	155,483	0
GWGA02X	Water and Sanitation Programme	1/1/14	12/31/16 AUSAID / SPC MCCA Program for Fiji, Tokelau Tonga	194,544	1,253,586	1,448,130	1,249,439	198,691	198,691	0
GOMC24X	Ocean and Islands Programme	2/23/17	4/30/18 Coastal Inundation Forecasting Demo Project	231,481	(203,233)	28,248	29,075	(828)	0	(828)
GOIP03X	Ocean and Islands Programme	1/1/18	6/30/18 Extended Continental Shelf Activities PPSLP-AUSAID	266,171	0	266,171	113,704	152,467	152,467	0
GOSL01X	Ocean and Islands Programme	7/1/12	6/30/18 Climate and Oceans Support Program in the Pacific	314,450	719,348	1,033,798	788,363	245,434	245,434	0
GOSL02X	Ocean and Islands Programme	7/1/18	6/30/22 Climate Ocean Support Prog PIC- II	0	204,122	204,122	307,393	(103,271)	0	(103,271)
HHDZ14X	Human Development	1/1/13	6/30/18 Progressing Gender Equality in PICT's	458,150	143,028	601,177	503,556	97,621	97,621	0
BACA05X	Educational quality and assessment programme	6/8/17	3/31/18 Education Quality Assessment in the Pacific	486,847	956,907	1,443,755	1,424,636	19,119	19,119	0
SDDA51X	Statistic for Development	6/9/17	9/30/19 DFAT - Bilateral Technical Support for SB NSO	528,322	0	528,322	158,830	369,492	369,492	0
HHYM19X	Human Development	11/23/15	8/31/19 YAW Provinces phase2 Malaita/Western DFAT	584,995	5,749	590,744	375,281	215,462	215,462	0
LFGR21X	Food and Nutritional Security Programme	5/10/17	12/31/18 DFAT73434-Dv/pmt of CEPACT as SPC Area of Exclce	58,473	95,867	154,340	153,415	925	925	0
FCMG03X	Coastal Fisheries Programme	5/15/17	6/30/19 DFAT- CEAFM Project	235,813	142,364	378,177	167,533	210,644	210,644	0
GROD03X	Disaster Reduction Programme	9/30/17	3/31/22 DFAT-MFAT- PIEMA Project	417,692	10	417,703	286,349	131,354	131,354	0
HPRZ23X	Pacific Regional Rights Resource Team (RRRT)	5/1/17	4/30/20 DFAT Sols Access to Justice SI Project	94,585	98,912	193,497	161,556	31,941	31,941	0
EEEZ01X	Energy Programme	4/26/12	6/30/19 Pacific Appliance Labelling and Standards	429,729	3,120	432,849	235,800	197,049	197,049	0
MULT	Multiple Divisions	2015	2017 DFAT Aust.- Pgm Funding 2015-2017	0	2,115,240	2,115,240	1,837,693	277,547	277,547	0
PDAA06P	Public Health Division	2018	2020 DFAT Aust.- Pgm Funding 2018-2020	(8,048)	1,249,956	1,241,908	1,553,095	(311,187)	0	(311,187)
GRRR15X	Disaster Reduction Programme	3/1/17	5/1/19 DFAT PacSAFE	0	31,404	31,404	5,751	25,653	25,653	0
LTFM11X	Trade and Agribusiness Programme	8/24/18	8/23/22 DFAT - POETCOM Building Prosperity for Women Prod	0	575,894	575,894	41,523	534,371	534,371	0
LTPH14X	Trade and Agribusiness Programme	6/12/18	4/30/23 Responding to Emerging Pest and Disease Threats	0	128,490	128,490	181,075	(52,585)	0	(52,585)
SDDA52X	Food and Nutritional Security Programme	12/22/17	6/30/21 DFAT - SDD Regional Statistics Development	0	960,133	960,133	876,147	83,986	83,986	0
Ministry of Foreign Affairs & Trade - NZ										
GWPM06X	Water and Sanitation Programme	10/19/17	12/31/19 MFAT Improving Pacific Access to the Green Climate	87,378	0	87,378	0	87,378	87,378	0
FCFP82X	Coastal Fisheries Programme	6/30/14	3/31/19 NZAID Kiribati Sustainable Coastal Fisheries Pgm	121,636	0	121,636	104,616	17,020	17,020	0
GOMC21X	Ocean and Islands Programme	4/1/15	3/30/20 MFAT Pacific Regional Navigation Initiative	127,386	0	127,386	126,879	506	506	0
BAAA02X	Educational quality and assessment programme	4/1/15	2/28/18 PILNA NZ MFAT	498,307	1,174,287	1,672,594	1,559,989	112,605	112,605	0

Code	Section	Grant period (MM/DD/YY)	Project name	Balance as at 31/12/2017	Received from donor	Total available	Expenditure	Balance as at 31/12/2018	Funds held on behalf donors	Funds owed by donors
GWPM05X	Water and Sanitation Programme	1/1/15	1/1/20 NZAID Water Security in Selected PIC	529,845	752,530	1,282,375	695,923	586,452	586,452	0
FCCA05X	Coastal Fisheries Programme	7/1/16	6/30/21 MFAT-Impr. Aquac. food security and economic growth	662,742	670,107	1,332,849	771,075	561,774	561,774	0
FOF557X	Oceanic Fisheries Programme	Jun 2017	May'2022 MFAT-Pacific Management Strategy Evaluation (MSE)	1,080,204	0	1,080,204	312,973	767,231	767,231	0
FCMG01X	Coastal Fisheries Programme	6/20/16	6/30/21 MFAT-Impr.fisheries food sec. sustain.livelihoods	1,264,481	911,612	2,176,093	786,258	1,389,835	1,389,835	0
ETMT19X	MFAT-Pacific Island Domestic Shipping Safety(PIDS)	12 Oct 2018	30 Nov 2021 MFAT-Pacific Island Domestic Shipping Safety(PIDS)	0	666,046	666,046	58,285	607,760	607,760	0
MULT	Multiple Divisions	2017	2019 NZ MFAT programme funds 2017-19	1,389,406	4,857,526	6,246,932	2,991,722	3,255,210	3,255,210	0
LTPH15X	Trade and Agrilbusiness Programme	6/28/18	12/31/19 MFAT-Response to CRB Threat in Solomon	0	291,720	291,720	118,680	173,040	173,040	0
PPAA84X	Policy, Planning and Regulation Programme	3/1/18	12/31/20 MFAT-Pacific Multisectoral response to NCDs	0	573,777	573,777	0	573,777	573,777	0
DEEA40X	Strategic Engagement, Policy and Planning Facility	3/1/18	7/1/23 NZ - Pacific Fisheries Leadership Programme (PFLP)	0	895,616	895,616	327,561	568,055	568,055	0
FOF570X	Oceanic Fisheries Programme	10/3/18	2/28/22 MFAT-FFA Catch Documentation and Compliance Scheme	0	87,800	87,800	31	87,769	87,769	0
European Union (EU)				17,450,436	19,385,313	36,835,749	22,491,986	14,343,763	18,938,548	(4,594,785)
DPPA01X	Climate Change Environmental Sustainability	3/25/13	6/28/18 INTEGRE Project	(474,239)	2,784,604	2,310,365	2,310,365	0	0	0
GOGM01X	Ocean and Islands Programme	3/3/10	12/31/16 Regional Deep Sea Minerals Project	(468,932)	0	(468,932)	5,364	(474,296)	0	(474,296)
GWPM01X	Water and Sanitation Programme	12/12/13	12/12/18 Improved Drinking Water Supply for Kirimati Island	(427,501)	8	(427,493)	946,665	(1,374,158)	0	(1,374,158)
FDA032X	Directors Office	4/17/10	9/3/15 SciCOFish Project - Coastal & Oceanic YEAR 4	(218,495)	0	(218,495)	0	(218,495)	0	(218,495)
FDA034X	Directors Office	4/17/10	9/3/15 SciCOFish Project - Coastal and Oceanic YEAR 5	(49,645)	0	(49,645)	0	(49,645)	0	(49,645)
LTA010X	Trade and Agrilbusiness Programme	6/1/11	3/1/17 IACT - Increasing Agricultural Commodity Trade	21,588	34,742	56,330	19,891	36,438	36,438	0
LRLM07X	Sustainable Resource Management Programme	1/1/15	12/31/18 Fairtrade Capacity Building and Advisory Services	175,011	578,258	753,269	697,819	55,449	55,449	0
LFGR10X	Food and Nutritional Security Programme	12/30/10	12/31/16 Adapting Clonally propagated Crops Climatic change	176,824	0	176,824	0	176,824	176,824	0
EERZ04X	Energy Programme	5/10/15	10/10/15 Renewable Energy Nth Rep (General)	180,485	0	180,485	(30,913)	211,398	211,398	0
LRLM04X	Sustainable Resource Management Programme	6/12/12	6/11/18 Improvement Key Services to Agriculture-Fairtrade	192,406	4,527	196,933	486,961	(290,029)	0	(290,029)
EEBZ01X	Energy Programme	8/1/14	6/30/20 Tech & Vocational Education Train- TVET	328,723	(319,831)	8,892	456,398	(447,505)	0	(447,505)
EEBZ02X	Energy Programme	8/1/14	6/30/20 USP Tech & Vocational Education Train- TVET	0	759,830	759,830	786,647	(26,818)	0	(26,818)
ETLT01X	Transport Programme	10/16/13	6/30/18 EU - Micro Project Programme - Lautoka	499,520	0	499,520	499,520	499,520	499,520	0
GWRM10X	Water and Sanitation Programme	11/4/14	11/4/19 EU/SPC KIRIWATSAN IN OUTER ISLANDS PHASE II	578,065	0	578,065	1,156,937	(578,872)	0	(578,872)
LRF114X	Sustainable Resource Management Programme	2/1/16	2/11/19 EU Coconut Industry Devt for the Pacific	1,271,915	460	1,272,375	1,030,461	241,914	241,914	0
LSOZ25X	Strategic Comm., Policy & Monitoring Progr.	3/15/13	6/14/18 INTRA - ACP Agriculture Policy Programme	1,355,862	1,411	1,357,273	418,352	938,921	938,921	0
LRLM01X	Sustainable Resource Management Programme	6/3/14	12/31/18 Reforestation Fiji / EU Project	1,487,695	42	1,487,737	2,046,990	(559,253)	0	(559,253)
GRRR13X	Disaster Reduction Programme	7/5/17	7/5/20 EU North Pacific - Readiness for El Niño	1,704,271	29	1,704,300	604,859	1,099,441	1,099,441	0
ETLT02X	Transport Programme	1/22/15	1/21/19 EU-Sugarcane Rural Access Road Project	3,349,477	2,661,454	6,010,931	4,532,618	1,478,313	1,478,313	0
GRDP03X	Disaster Reduction Programme	9/6/13	9/6/19 EU Building Safety & Resilience in the Pacific	6,789,061	119,153	6,908,214	5,281,036	1,627,179	1,627,179	0
EEBZ05X	Energy Programme	1/1/18	7/20/23 EU - PACRES GCCA Intra ACP - KR4	0	0	0	838	(838)	0	(838)
GRRR16X	Disaster Reduction Programme	1/1/19	12/1/23 EU - GCCA + SUPA	0	0	0	24	(24)	0	(24)

Code	Section	Grant period (MM/DD/YY)	Project name	Balance as at 31/12/2017	Received from donor	Total available	Expenditure	Balance as at 31/12/2018	Funds held on behalf donors	Funds owed by donors
DPCA08X	Climate Change Environmental Sustainability	???	EU - PROTEGE Project	0	6,840,277	6,840,277	35,768	6,804,509	6,804,509	0
ETLT03X	Transport Programme	10/16/13	MPP - Energy Cluster	329,480	0	329,480	477,740	(148,260)	0	(148,260)
ETLT04X	Transport Programme	10/16/13	MPP - WASH Cluster	988,862	0	988,862	952,775	36,087	36,087	0
ETLT05X	Transport Programme	10/16/13	MPP - Operation	(339,996)	0	(339,996)	86,596	(426,592)	0	(426,592)
FDAA50X	Coastal Fisheries Programme		EDF11 - PEUMP Programme	0	5,920,349	5,920,349	187,794	5,732,555	5,732,555	0
World Bank										
GRRR14X	Disaster Reduction Programme	6/23/17	WB PREP II D182-MH SDR3m	1,781	1,550,870	1,552,652	864,606	688,045	688,045	0
GRRR11X	Disaster Reduction Programme	10/2/15	WB PREP IDA D0740 3.68m USD	(31,592)	497,889	466,297	179,753	286,545	286,545	0
GRRR12X	Disaster Reduction Programme	10/2/15	WB PREP PPRC TF A1131 5.79M USD	(19,960)	345,058	325,097	287,546	37,552	37,552	0
GRRR17X	Disaster Reduction Programme	12/1/18	WB - PCRAFI II	53,333	274,223	327,557	287,565	39,992	39,992	0
SDDA53X	Statistic for Development	3/15/18	WB TF0A5529 Imp.DATA dissemination&use in PICT	0	274,587	274,587	25	274,562	274,562	0
All UN Agencies										
LTAFA10X	Trade and Agribusiness Programme	3/1/16	Engaging Youth in Organic Farming Vanuatu	164,812	1,722,846	1,887,658	2,101,654	(213,996)	90,611	(304,607)
LTAFA09X	Trade and Agribusiness Programme	3/1/16	Engaging Youth in Organic Farming Fiji	(112,962)	59,872	(53,090)	43,710	(96,800)	0	(96,800)
GWRR01X	Water and Sanitation Programme	7/30/15	R2R GEF Regional Project, Testing the integration	(58,128)	212,282	154,155	129,282	24,873	24,873	0
EEEE03X	Energy Programme	7/30/15	CTCN Regional Forum in Pacific Is & Territories	(7,505)	1,231,044	1,223,539	1,360,111	(136,572)	0	(136,572)
EEEE02X	Energy Programme	7/1/17	Establishment of Pacific Centre Energy PACREE	(1,809)	1,811	2	2	0	0	0
HPRZ22X	Pacific Regional Rights Resource Team (RRRT)	12/3/16	UNTF UN Women Project	157,287	45,785	203,073	267,137	(64,064)	0	(64,064)
HHYM17X	Human Development	5/1/17	UNDP-Youth Entrepreneurs Program for Urban Youths	130,605	166	130,771	125,383	5,388	5,388	0
GWRM13X	Water and Sanitation Programme	1/1/17	UNDP-Managing Coastal Aquifer- Pac SIDS	57,323	26,018	83,342	54,134	29,208	29,208	0
SDDA54X	Statistic for Development	10/1/18	UNFPA - KIDHS	0	39,970	39,970	8,829	31,141	31,141	0
SDDA55X	Statistic for Development	7/9/18	UNICEF - Data compilation of statistics areas	0	50,377	50,377	51,143	(766)	0	(766)
FOFS36X	Oceanic Fisheries Programme	8/1/18	AAMP Characterization of NC Pelagic Ecosystems	0	55,519	55,519	61,924	(6,405)	0	(6,405)
AAMP										
FOFS36X	Oceanic Fisheries Programme	Jun'2016	AAMP Characterization of NC Pelagic Ecosystems	(7,714)	11,400	3,686	12,760	(9,073)	0	(9,073)
LFGRR22X	Food and Nutritional Security Programme	1/1/16	Bioregional International	3,496	0	3,496	3,463	33	33	0
LFGRR05X	Food and Nutritional Security Programme	6/1/11	ACIAR Tonga Fruit Project	3,496	0	3,496	3,463	33	33	0
ACIAR										
LRF16X	Sustainable Resource Management Programme	10/1/15	FST/2014/067 Agroforestry project	1,153,366	662,257	1,815,623	804,329	1,011,294	1,011,473	(179)
LFGRR05X	Food and Nutritional Security Programme	6/1/11	ACIAR Tonga Fruit Project	1,734	65,326	67,059	14,296	52,763	52,763	0
LFGRR05X	Food and Nutritional Security Programme	6/1/11	ACIAR Tonga Fruit Project	2,410	0	2,410	2,073	337	337	0

Code	Section	Grant period (MM/DD/YY)	Project name	Balance as at 31/12/2017	Received from donor	Total available	Expenditure	Balance as at 31/12/2018	Funds held on behalf donors	Funds owed by donors
LRF20X	Sustainable Resource Management Programme	3/1/17	5/31/19 Domestication & Breeding of sandalwood-Fiji & Tong	10,277	0	10,277	4,188	6,089	6,089	0
LFR19X	Food and Nutritional Security Programme	3/29/16	12/31/19 Enhanced fruit production and postharvest handling	13,028	69,343	82,371	20,125	62,246	62,246	0
LTPH11X	Trade and Agribusiness Programme	11/1/11	12/31/17 Integrated Crop	13,195	(11,445)	1,750	1,750	0	0	0
LRF15X	Sustainable Resource Management Programme	6/25/15	12/31/17 AGB/2015/014 PARDII	23,706	(6,639)	17,068	17,247	(179)	0	(179)
LFCP04X	Food and Nutritional Security Programme	3/31/13	12/31/17 Developing Commercial Fruit - Tonga	32,926	3	32,928	2,424	30,504	30,504	0
LFCP15X	Food and Nutritional Security Programme	11/28/17	9/30/21 CSIRO Soil Management in Pacific	0	26,207	26,207	25,739	468	468	0
LTPH13X	Trade and Agribusiness Programme	5/10/17	12/31/20 HORT/2014/080 Integrating Protected Cropping syste	37,476	51,168	88,643	32,088	56,555	56,555	0
LSOZ23X	Strategic Comm., Policy & Monitoring Progr.	6/25/14	6/30/18 Strategies for Root and Tuber Crops project	45,589	101,616	147,205	131,231	15,974	15,974	0
LRF21X	Sustainable Resource Management Programme	8/12/16	6/30/20 Aligning GR Res, prod & post harvest to market oppr	70,456	0	70,456	33,580	36,877	36,877	0
LRF24X	Sustainable Resource Management Programme	1/1/18	12/31/21 ASEM/2016/101 Climate Smart Landscapes promot.sust		21,218	21,218	20,767	451	451	0
LFCP06X	Food and Nutritional Security Programme	8/1/12	12/31/17 Understanding the response of taro and cassava	71,558	0	71,558	42,996	28,562	28,562	0
FCCA07X	Coastal Fisheries Programme	5/21/13	5/18/18 ACIAR - Mini-projects	105,804	0	105,804	0	105,804	105,804	0
LFCP11X	Food and Nutritional Security Programme	1/1/15	6/30/19 Improving Soil Health agricultural productivity	157,111	67,923	225,034	169,445	55,589	55,589	0
MULT	Multiple Divisions	2018	2021 ACIAR-Capacity Building Initiative LRD & FAME	568,098	277,537	845,635	286,381	559,254	559,254	0
LFCP11X	Food and Nutritional Security Programme	1/1/15	6/30/19 Improving Soil Health agricultural productivity	25,409	294,041	319,450	162,339	157,111	157,111	-
FCCA15X	Coastal Fisheries Programme	6/1/13	6/30/18 ACIAR FIS / 2012 / 076	287,545	97,831	385,376	180,997	204,378	204,378	-
MULT	Multiple Divisions		ACIAR-Capacity Building Initiative LRD & FAME	285,756	286,641	572,397	4,300	568,098	568,098	-
LRF219X	Sustainable Resource Management Programme	6/1/15	AFPNET	17,615	0	17,615	75	17,540	17,540	0
LRF219X	Sustainable Resource Management Programme	6/1/15	3/10/19 ROYAL BOTANIC GARDENS SEED BANK	17,615	0	17,615	75	17,540	17,540	0
FCFP87X	Coastal Fisheries Programme	12/14/16	Asian Development Bank (ADB)	20,170	135,276	155,446	166,876	(11,430)	0	(11,430)
FCFP87X	Coastal Fisheries Programme	12/14/16	ADB Strenght. Coastal and Marine Ress. Mngmt	20,170	135,276	155,446	166,876	(11,430)	0	(11,430)
DPPA03X	Climate Change Environmental Sustainability	??/2014	6/30/18 RESCUE Project	(541,154)	5,020,000	4,478,846	3,259,960	1,218,887	1,219,605	(718)
DPPA26X	Climate Change Environmental Sustainability	6/30/15	12/31/18 Environment sustainability and CC -AFD	(711,584)	4,000,000	3,288,416	2,952,785	335,631	335,631	0
PRAA57X	Research, Evidence and Information Programme	3/7/18	3/6/21 AFD - Réseau océanien surv.santé publique ROSSP	170,431	0	170,431	171,149	(718)	0	(718)
DPCA10X	Climate Change Environmental Sustainability	7/4/18	12/31/19 Verdissement de la fiscalité Polynésie Française	0	1,000,000	1,000,000	136,026	863,974	863,974	0
LFR20X	Food and Nutritional Security Programme	3/1/17	Crop Trust	24,270	21,951	46,221	13,702	32,519	32,519	0
LFR20X	Food and Nutritional Security Programme	3/1/17	10/31/18 CROP TRUST- Strength. Conserv. Post Cycl Winston	24,270	21,951	46,221	13,702	32,519	32,519	0
LRF218X	Sustainable Resource Management Programme	3/10/16	Asia Pacific Network	(1,569)	135	(1,434)	90,824	(92,259)	0	(92,259)
LRF218X	Sustainable Resource Management Programme	3/10/16	3/10/19 APFNet/SPC/Fiji/Tonga/Niue project	(1,569)	135	(1,434)	90,824	(92,259)	0	(92,259)

Code	Section	Grant period (MM/DD/YY)	Project name	Balance as at 31/12/2017	Received from donor	Total available	Expenditure	Balance as at 31/12/2018	Funds held on behalf donors	Funds owed by donors
French Pacific Funds										
LFCP16X	Food and Nutritional Security Programme	6/1/18	SPP1791-Effects CC Pests/Diseases food crops NC/WF	18,280	50,000	68,280	32,371	35,909	35,909	0
DPCA07X	Climate Change Environmental Sustainability	2/1/17	SPP1682-Reinforcement pratiques RSE Region/Pacifique	18,280	0	18,280	13,914	4,366	4,366	0
FCCA22X	Coastal Fisheries Programme	3/1/18	SPP1790-Coopération Technique NC/CPS	0	20,000	20,000	18,456	1,544	1,544	0
US Centers for Disease Control & Prevention										
PRAA08X	Research, Evidence and Information Programme	9/30/17	DU SOR Influenza Surveillance - CDC 2	25,209	0	25,209	46	25,163	25,163	0
PRAA56X	Research, Evidence and Information Programme	9/30/17	CDC Maint&Influenz Surv Health Auth. out the US	119,485	0	119,485	108,782	10,703	10,703	0
Comic Relief										
HHYM18X	Human Development	1/1/16	YAW Honiara Programme-Comic Relief	(50,995)	283,988	232,993	390,383	(157,390)	0	(157,390)
Global Fund										
PDAAI13X	Public Health Division	10/1/17	PIRMCCM - new funding	76,741	30,562	107,303	69,459	37,843	44,370	(6,527)
OOPA02X	Other		Joint Secretariat	(6,527)	0	(6,527)	0	(6,527)	0	(6,527)
Conservation International Funding										
F0FS63X	Oceanic Fisheries Programme	2/9/18	C.I. Modelling CC effect on tuna abundance in ABNU	0	121,814	121,814	101,101	20,712	20,712	0
F0FS68X	Oceanic Fisheries Programme	3/30/18	C.I._6004150_Spatial Structure of Tropical Tuna	0	131,142	131,142	67,394	63,748	63,748	0
CPSC										
ETWT14X	Transport Programme	9/10/15	ON GOING CPSC Meeting and Technical Assistance	4,717	65,162	69,878	73,903	(4,024)	0	(4,024)
Digital Globe										
GDR507X	Director's Office		Image Date Purchase - Digital Globe	31,191	165,684	196,875	139,782	57,093	57,093	0
Green Climate Fund										
DPCA05X	Climate Change Environmental Sustainability	3/31/16	GCF Strengthening Capacities NDA of FSM	(42,030)	44,789	2,760	114,211	(111,452)	0	(111,452)
Food & Agriculture Organisation (FAO)										
FCCA19X	Coastal Fisheries Programme	12/14/17	FAO-MASA-TCP-Micronesia	(3,080)	53,645	50,564	87,526	(36,962)	0	(36,962)
FCFP85X	Coastal Fisheries Programme	11/30/15	FAO Fiji policy work	(867)	854	(14)	(14)	0	0	0
LTHP09X	Trade and Agribusiness Programme	6/30/15	Promotion of indigenous pig and chicken products	1,699	2,950	4,649	22	4,627	4,627	0
LTPH10X	Trade and Agribusiness Programme	3/24/15	Capacity building for the implementation of MEAs	1,847	40,297	42,144	40,581	1,563	1,563	0

Code	Section	Grant period (MM/DD/YY)	Project name	Balance as at 31/12/2017	Received from donor	Total available	Expenditure	Balance as at 31/12/2018	Funds held on behalf donors	Funds owed by donors
LTHP08X	Trade and Agribusiness Programme	2/15/15	12/31/16	18,625	(15,235)	3,390	6	3,384	3,384	0
LFGR13X	Food and Nutritional Security Programme			32,152	0	32,152	2,455	29,697	29,697	0
LFPC12X	Food and Nutritional Security Programme	1/1/15	8/30/18	82,218	60,575	142,793	148,238	(5,445)	0	(5,445)
LRF108X	Sustainable Resource Management Programme	1/0/00	6/30/18	91,374	(5,547)	85,827	50,195	35,632	35,632	0
LRF122X	Sustainable Resource Management Programme	1/1/18	12/31/18	0	78,688	78,688	58,101	20,588	20,588	0
SDDA56X	Statistic for Development	9/24/18	12/10/18	0	58,768	58,768	59,418	(650)	0	(650)
FCCA20X	Coastal Fisheries Programme	12/13/17	4/30/18	0	6,723	6,723	6,033	691	691	0
FCDV16X	Coastal Fisheries Programme	4/13/13	Ext 30/09/18	0	83,800	83,800	153,138	(69,338)	0	(69,338)
FCFP90X	Coastal Fisheries Programme	2/19/18	12/31/18	0	61,212	61,212	49,000	12,212	12,212	0
Forum Fisheries Authority (FFA)				452,467	848,771	1,301,238	752,426	548,813	548,813	0
FOF53X	Oceanic Fisheries Programme	Feb'2017	Jun'2019	(103,751)	418,308	314,557	279,029	35,528	35,528	0
FCMG02X	Coastal Fisheries Programme	12/20/16	12/31/19	(10,965)	128,615	117,650	97,955	19,695	19,695	0
GOIP04X	Ocean and Islands Programme	11/13/15	11/13/18	4,166	37,873	42,039	11,515	30,524	30,524	0
FOF55X	Oceanic Fisheries Programme	Jun'2017	Feb'2022	563,017	263,975	826,992	363,926	463,066	463,066	0
National Marine Fisheries Service (NMFS)				16,496	63,962	80,458	71,179	9,279	9,279	0
FOF60X	Oceanic Fisheries Programme	Sep'2016	Mar'2018	16,496	63,962	80,458	71,179	9,279	9,279	0
Global Environment Facility (GEF)				455,917	559,830	1,015,747	544,370	471,377	471,377	0
FOF54X	Oceanic Fisheries Programme	Jul'2015	Jun'2019	455,917	559,830	1,015,747	544,370	471,377	471,377	0
Global Trust				178,644	109,503	288,146	164,831	123,316	123,528	(212)
LFGR07X	Food and Nutritional Security Programme	11/29/13	6/30/18	15,320	0	15,320	15,532	(212)	0	(212)
LFGR08X	Food and Nutritional Security Programme	12/1/09	12/1/19	163,324	109,503	272,826	149,299	123,528	123,528	0
GIZ				174,234	521,652	695,886	514,548	181,338	186,652	(5,314)
GDRS13X	Director's Office	10/15/16	9/15/18	(31,150)	48,765	17,615	22,788	(5,173)	0	(5,173)
EER10X	Energy Programme	7/1/16	1/31/19	(2,370)	149,998	147,628	126,482	21,147	21,147	0
EER11X	Energy Programme	12/1/16	11/30/18	21,087	154,550	175,637	110,573	65,064	65,064	0
EER208X	Energy Programme	7/1/16	8/31/18	32,238	0	32,238	32,379	(141)	0	(141)
ODNA02X	Decentralised Offices			42,256	0	42,256	0	42,256	42,256	0
DPPA24X	Climate Change Environmental Sustainability	11/28/14	12/31/18	47,632	0	47,632	45,087	2,544	2,544	0
EERZ09X	Energy Programme	8/1/16	11/30/18	64,542	158,950	223,492	168,240	55,252	55,252	0
OSIA38X	Information Communication Technology			0	9,389	9,389	9,000	389	389	0

Code	Section	Grant period (MM/DD/YY)	Project name	Balance as at 31/12/2017	Received from donor	Total available	Expenditure	Balance as at 31/12/2018	Funds held on behalf donors	Funds owed by donors
GRDP11X	Disaster Reduction Programme	9/1/16	NIWA 6/30/19 Partner Pacific Risk Tool, NIWA funded project	53,145	53,136	106,281	6,926	99,355	99,355	0
HPRZ26X	Pacific Regional Rights Resource Team (RRRT)	7/1/17	SWEDEN RRRT Sweden	534,388	2,330,336	2,864,725	1,186,261	1,678,463	1,678,463	0
HPRZ01P	Pacific Regional Rights Resource Team (RRRT)	7/1/17	RRRT Sweden	0	840,223	840,223	201,866	638,357	638,357	0
				534,388	1,490,113	2,024,502	984,395	1,040,106	1,040,106	0
LFCP14X	Food and Nutritional Security Programme	11/1/16	IFAD 7/31/19 SEARCA & PIRAS MOA 17-016	178,903	88,646	267,550	322,085	(54,536)	32,754	(87,290)
L1FA06X	Trade and Agribusiness Programme	1/23/15	Capacity-Building for Resilient Agriculture in Pac	29,834	75,387	105,221	72,467	32,754	32,754	0
				149,069	13,259	162,328	249,618	(87,290)	0	(87,290)
ETMT18X	Transport Programme	8/1/18	IFAN 7/31/21 IFAN 2-International Foundation Aids	0	0	0	117,457	(117,457)	0	(117,457)
ETMT03X	Transport Programme	6/30/02	International Maritime Organisation (IMO)	61,585	592,431	654,016	669,362	(15,346)	0	(15,346)
ETMT17X	Transport Programme	5/12/17	IMO-International Maritime Organisation MITCC – IMO	18,624	321,919	340,544	346,173	(5,629)	0	(5,629)
				42,961	270,512	313,472	323,189	(9,717)	0	(9,717)
FOF54X	Oceanic Fisheries Programme	Jul/2016	The Nature Conservancy TNC funding – Regional ER Technical Coordinator	86,346	21,004	107,350	104,366	2,985	20,988	(18,003)
FOF569X	Oceanic Fisheries Programme	9/1/18	TNC-P115998 Coord. E-Reporting & E-Monitoring SB	0	21,004	21,004	16	20,988	20,988	0
FOF50X	Oceanic Fisheries Programme	Jul/2016	Int Union Conservation of Nature & Natural Resources (IUCN) BIOPELAGOS - IUCN BEST 2.0 Secretariat	126,968	53,364	180,331	109,447	70,884	70,884	0
				126,968	53,364	180,331	109,447	70,884	70,884	0
FOF542X	Oceanic Fisheries Programme	Jan/2014	International Seafood Sustainability Foundation (ISSF) ISSF E-Monitoring Project (2014-2016)	722,407	50,328	772,736	202,660	570,075	570,075	0
				722,407	50,328	772,736	202,660	570,075	570,075	0
FCMG04X	Coastal Fisheries Programme	9/1/17	University of Wollongong UoW Pathways project (ACIAR Funds)	36,820	114,384	151,203	84,079	67,125	67,125	0
				36,820	114,384	151,203	84,079	67,125	67,125	0
FDA49X	Coastal Fisheries Programme	12/20/17	University of Cambridge UnivCambridge-CfAH S.Pacific clarification of delv	0	56,768	56,768	36,954	19,814	19,814	0
				0	56,768	56,768	36,954	19,814	19,814	0

Code	Section	Grant period (MM/DD/YY)	Project name	Balance as at 31/12/2017	Received from donor	Total available	Expenditure	Balance as at 31/12/2018	Funds held on behalf donors	Funds owed by donors
DPPA29X	Climate Change Environmental Sustainability	March 2015	Kreditanstalt für Wiederaufbau (KfW)	26,639	525,485	552,124	316,339	235,785	235,785	0
		June 2018	KfW Cyclone Pam	26,639	525,485	552,124	316,339	235,785	235,785	0
FOF558X	Oceanic Fisheries Programme	Dec'2016	World Wildlife Foundation	14,281	0	14,281	14,896	(614)	0	(614)
		Dec'2016	WWF - ER Technologies in the WCPO (509010)	14,281	0	14,281	14,896	(614)	0	(614)
			PEW	(39,443)	80,256	40,813	85,616	(44,803)	0	(44,803)
FOF544X	Oceanic Fisheries Programme	Jul'2016	PEW funding – OFP work areas	(39,443)	52,005	12,562	26,305	(13,743)	0	(13,743)
GOGM07X	Ocean and Islands Programme	5/1/18	PEW - DSM Workshop	0	28,251	28,251	59,311	(31,060)	0	(31,060)
			Papua New Guinea	111,994	0	111,994	20,078	91,916	91,916	0
LFGR17X	Food and Nutritional Security Programme	5/1/15	SIS Climate Change Adaptation support - PGR 2015	12,081	(12,055)	26	26	0	0	0
DDDA21X	Director-General's Office		Research Officer Sustainable Development	27,595	0	27,595	20,028	7,568	7,568	0
DDDA16X	Director-General's Office		PNG SIS Funds	72,317	12,055	84,372	24	84,348	84,348	0
			PNG Ports	6,476	0	6,476	660	5,816	5,816	0
ETMT13X	Transport Programme	4/29/15	Consultancy & Working Group Develop, Maritime Entit	6,476	0	6,476	660	5,816	5,816	0
			Pacific Commonwealth	0	0	0	126,788	(126,788)	0	(126,788)
HPRZ27X	Pacific Regional Rights Resource Team (RRRT)	7/16/18	RRRT PCW Equality Project	0	0	0	126,788	(126,788)	0	(126,788)
			SPREP	25,904	0	25,904	0	25,904	25,904	0
FOF547X	Oceanic Fisheries Programme	Jun'2015	Ocean Acidification (SPREP)	25,904	0	25,904	0	25,904	25,904	0
			USAID	44,796	825,767	870,563	841,537	29,026	45,933	(16,907)
HPRZ24X	Pacific Regional Rights Resource Team (RRRT)	5/31/17	RRRT USAid LGBTI Project	(15,462)	122,639	107,177	124,083	(16,907)	0	(16,907)
DPPA28X	Climate Change Environmental Sustainability	9/29/15	Institutional Strengthening in PICs	60,258	703,128	763,386	717,453	45,933	45,933	0
			US Embassy	30,801	1	30,802	9,995	20,808	20,808	0
EERZ07X	Energy Programme	9/18/14	Renewable Energy PIC Workshop-US Embassy	14,964	1	14,965	9,995	4,971	4,971	0
DDDA13X	Pacific NCD Partnership from SIDS		Pacific NCD Partnership from SIDS	15,837	0	15,837	15,837	15,837	15,837	0
			Western & Central Pacific Fisheries Commission (WCPFC)	1,295,500	2,766,666	4,062,165	3,045,214	1,016,952	1,428,913	(411,961)

Code	Section	Grant period (MM/DD/YY)	Project name	Balance as at 31/12/2017	Received from donor	Total available	Expenditure	Balance as at 31/12/2018	Funds held on behalf donors	Funds owed by donors
FOF551X	Oceanic Fisheries Programme	Jan 2015	ABNU/Tuna Project (scientific services for WCPFC)	(40,797)	(31,746)	(72,543)	144,576	(217,119)	0	(217,119)
FOF559X	Oceanic Fisheries Programme	Nov 2015	WCPCFC - P75-Development of Harvest Strategies (EU)	16,511	30,000	46,511	43,031	3,480	3,480	0
FOF521X	Oceanic Fisheries Programme	Renewed annually	WCPCFC ROP Data Management	552,127	801,000	1,353,127	805,405	547,722	547,722	0
FOF516X	Oceanic Fisheries Programme	6/24/05	Renewed annually	767,659	1,057,440	1,825,099	1,055,051	770,048	770,048	0
FOF564X	Oceanic Fisheries Programme	1/1/18	WCPCFC_Project 35b Tuna Tissue Bank (2018-2020)	0	79,346	79,346	69,954	9,392	9,392	0
FOF566X	Oceanic Fisheries Programme	4/20/18	WCPCFC_Project 68 - Estimating Seabird Mortality	0	33,272	33,272	4,414	28,857	28,857	0
FOF567X	Oceanic Fisheries Programme	1/1/18	WCPCFC_Support for the WPEA - Improved Tuna Monitor	0	139,440	139,440	70,026	69,414	69,414	0
FOF561X	Oceanic Fisheries Programme		WCPCFC(EU) Mitigating bycatch of BET & juvenile YFT	0	253,000	253,000	442,812	(189,812)	0	(189,812)
FOF562X	Oceanic Fisheries Programme		WCPCFC-Project 42 - Pacific Tuna Tagging Programme	0	404,914	404,914	409,944	(5,030)	0	(5,030)
The World Meteorological Organization				0	185,308	185,308	0	185,308	185,308	0
GOMC25X	Ocean and Islands Programme	12/1/18	3/1/21 Impact Forecast Coastal Inundation (IFCI)-TV-KI	0	185,308	185,308	0	185,308	185,308	0
Tuvalu				0	48,885	48,885	35,573	13,312	13,312	0
GWR02X	Water and Sanitation Programme	8/22/18	12/31/19 Tuvalu Ridge to Reef	0	48,885	48,885	35,573	13,312	13,312	0
Multi-Donor				5,014,473	1,109,781	6,124,254	2,189,189	3,935,065	3,969,802	(34,736)
GDPS14X	Director's Office		General Geoinformatics	22,362	88,868	111,229	86,892	24,337	24,337	0
FCFP52X	Coastal Fisheries Programme	3/16/15	6/30/20 Tonga demersal line project (Niwa)	27,663	80,174	107,837	135,732	(27,895)	0	(27,895)
DEEA36X	Strategic Engagement, Policy and Planning Facility		SEPPF 2016-2020	29,955	0	29,955	1,917	28,038	28,038	0
DDDA20X	Director-General's Office		Pacific Community Emerging Leaders Programme	34,698	(7,861)	26,837	(6,023)	32,861	32,861	0
OOPA03X	Other		GF Western Pacific Region Constituency funds	44,870	73,067	117,938	83,287	34,650	34,650	0
DDDA11X	Director-General's Office		Management Advisory Group, Audit & Risk Com	57,433	0	57,433	0	57,433	57,433	0
FCFP89X	Coastal Fisheries Programme		GBIF work with USP	0	1,785	1,785	5,432	(3,647)	0	(3,647)
DCCA08X	Communications & Public Relations		Video/TV/Pacific Way	78,075	0	78,075	34,429	43,646	43,646	0
BATA01X	Educational quality and assessment programme		Projects - Pearl Project & ET4D	144,031	11,288	155,319	33,749	121,570	121,570	0
GOZI04X	Ocean and Islands Programme		Ocean & Coastal Geoscience Project Activities	179,944	0	179,944	119,174	60,770	60,770	0
BAAA04X	Educational quality and assessment programme		Student Fees & Other Misc	201,627	330,360	531,987	225,897	306,090	306,090	0
ETMT07X	Transport Programme	6/30/11	Transport General	295,038	2	295,040	281,793	13,247	13,247	0
OSFA25X	Support Services	12/15/16	12/1/19 MFAT2017-19 Organisational Reform-Financial Capab	307,604	366,509	674,112	249,242	424,870	424,870	0
GOGM05X	Ocean and Islands Programme		Geosurvey & Earth Resources Project Activities	379,021	98,088	477,109	99,307	377,802	377,802	0
OSFA12X	Support Services	5/24/17	FIS Improvements	1,214,518	532,562	1,747,080	60,510	1,686,570	1,686,570	0
LITFA12X	Trade and Agribusiness Programme	10/15/18	4/15/19 PCDF-Internal Control Systems for Organic Certif.	0	12,181	12,181	3,600	8,581	8,581	0
LITFA13X	Trade and Agribusiness Programme	11/30/18	12/21/22 POETCOM General	0	18,891	18,891	1,150	17,741	17,741	0

Code	Section	Grant period (MM/DD/YY)	Project name	Balance as at 31/12/2017	Received from donor	Total available	Expenditure	Balance as at 31/12/2018	Funds held on behalf donors	Funds owed by donors
IIII01X	Director-General's Office		SPC Innovation Funds	1,997,635	(1,997,596)	39	39	0	0	0
BAD102X	Internal Funding		InvFunds - Dev. Accreditation Micro-qualification	0	253,328	253,328	138,359	114,969	114,969	0
ETMI01X	Internal Funding		InvFunds - Green Pacific Ports (GPP)	0	193,042	193,042	129,301	63,741	63,741	0
FOF01X	Internal Funding		InvFunds - Methylmercury PCCOS Pilot	0	366,465	366,465	108,855	257,610	257,610	0
FOF02X	Internal Funding		InvFunds - Acoustic FAD	0	174,782	174,782	44,088	130,694	130,694	0
FOF03X	Internal Funding		InvFunds - Blockchain fisheries traceability	0	113,384	113,384	83,592	29,792	29,792	0
LFG101X	Internal Funding		InvFunds - Pacific Seed for Life Initiative	0	299,462	299,462	174,583	124,879	124,879	0
SDD101X	Internal Funding		InvFunds - RMI HIES Pilot project	0	50,000	50,000	40,090	9,910	9,910	0
SDD102X	Internal Funding		InvFunds - SDG related work	0	51,000	51,000	54,195	(3,195)	0	(3,195)
			Miscellaneous	3,122,512	(462,116)	2,660,396	2,561,673	98,723	98,723	0
LRFT23X	Sustainable Resource Management Programme		ITTO Restoration and Sust. Management of Vuln. For	1,829	8,928	10,757	1,809	8,948	8,948	0
OSAA15X	Support Services		Pacific Village Shift - Project	8,033	0	8,033	2,098	5,936	5,936	0
LTPH04X	Trade and Agrilbusiness Programme		PPM SPC-FSM Matching	83,711	34,491	118,202	34,363	83,839	83,839	0
MULT	Multiple Divisions		Miscellaneous (Closed projects)	3,028,939	(505,535)	2,523,404	2,523,404	0	0	0
			TOTALS	42,157,454	60,053,729	102,211,183	64,727,165	37,484,018	44,241,108	(6,757,090)

Provident Fund
Financial Statements and
Audit Report for the year
ending 31 December 2018





INDEPENDENT AUDITORS' REPORT

To the Governing Body of Pacific Community Provident Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Pacific Community Provident Fund (Fund), which comprise the statement of financial position as at 31 December 2018, the statements of financial performance and movements in members' accounts for the year then ended, and notes, comprising significant accounting policies and other explanatory information as set out in notes 1 to 6.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 December 2018, and of its financial performance and movements in members' accounts for the year then ended in accordance with the Pacific Community's Financial Regulation 38.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Director-General Responsibilities for the Financial Statements

The Director-General of the Pacific Community is responsible for the preparation of financial statements that give a true and fair view in accordance with the Pacific Community's Financial Regulations, and for such internal control as the Director-General determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Director-General is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Director-General either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Director-General is responsible for overseeing the Fund's financial reporting process.



INDEPENDENT AUDITORS' REPORT - CONTINUED

To the Governing Body of Pacific Community Provident Fund - continued

Report on the Audit of the Financial Statements – Continued

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

We communicate with Director-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 we identify during our audit.

30 April , 2019
Suva, Fiji

KPMG
KPMG
Chartered Accountant

Pacific Community Provident Fund

Financial Statements for the year ended 31 December 2018

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2018

	Note	2018 Euro	2017 Euro
¹ Cash and cash equivalents	4	118,369	2,402,053
¹ Invested term securities	5	7,190,709	5,011,837
² Loans to members		164,466	161,366
¹ Loans to SPC		57,993	89,726
¹ Interest receivable & other		61,623	55,088
Total assets		7,593,160	7,720,070
¹ Other creditors		259,377	-
Total liabilities		259,377	-
NET ASSETS		7,333,783	7,720,070
Members' capital accounts - Noumea		4,681,977	5,028,309
Members' capital accounts - Suva		2,651,806	2,691,761
TOTAL MEMBERS' CAPITAL		7,333,783	7,720,070

The accompanying notes form an integral part of these financial statements.

For the Pacific Community Provident Fund



Dr Colin Tukuitonga
Director-General



Subhash K. Gupta
Director Finance

This statement is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 47 to 49.

¹ These financial assets and liabilities are expected to be realised and settled respectively within a year.

² For the terms of the lending arrangement refer to note 14 in the Pacific Community Financial Statements for 2018.

Pacific Community Provident Fund

Financial Statements for the year ended 31 December 2018

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	Euro	Euro
Interest received	162,710	179,729
Bank charges	(1,261)	(799)
Total net revenue transferred to appropriation account	161,449	178,930
Appropriation account for the year		
6 months ended 30 June	79,753	33,934
6 months ended 31 December	81,696	144,996
Total interest distributed to members' accounts	161,449	178,930

MOVEMENT IN MEMBERS' ACCOUNTS

	2018	2017
	Euro	Euro
Members' contributions and interest	4,001,637	3,951,369
SPC contributions	3,718,433	3,675,558
Opening balance 1 January	7,720,070	7,626,927
Members' contributions	1,016,666	1,055,567
SPC contributions	932,393	972,739
	1,949,059	2,028,306
Net revenue transferred to appropriate account	161,449	178,930
Exchange adjustment - Suva	9,261	(326,834)
Total additions	2,119,769	1,880,402
Total members' balances before investments paid out	9,839,839	9,507,329
Payouts upon termination and withdrawals	(2,506,056)	(1,787,259)
Closing balance 31 December	7,333,783	7,720,070
Members' contributions	3,743,200	4,001,637
SPC contributions	3,590,583	3,718,433
Closing balance 31 December	7,333,783	7,720,070

This statement is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 47 to 49.



Pacific Community Provident Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

Note 1

Reporting entity

1. The Provident Fund of the Pacific Community (the Fund) was established on 1 January 1953, for its officers and employees for the purpose of discharging the liability and/or responsibility (if any) of the Pacific Community (SPC) to the members in respect of provision for superannuation.
2. In accordance with the Rules of the Provident Fund (the Rules), the Fund is vested in and administered by SPC on the trusts declared therein.
3. Subject to these Rules, and to any direction by SPC in accordance therewith, the Director-General shall have and may exercise the powers and functions of SPC under the Rules, with the exception of Rule 26, which covers amendments.
4. Any member may appeal to the Joint Appeals Board against any decision of the Director-General, as provided for in Chapter XIII of the Staff Rules.

Note 2

Significant accounting policies

1. The accounting period used in the preparation of these accounts is the calendar year 1 January 2018 to 31 December 2018.
2. Items included in the financial statements of the organisation are measured using the currency of the primary economic environment in which the organisation operates (the functional currency). The Provident Fund of all Noumea members, comprising both members' and employer's contributions, is invested in Noumea in Comptoirs Français du Pacifique (CFP), while the Provident Fund of all Suva members is invested in Suva in Fiji dollars. The financial statements are presented in euro, which is the Fund's presentation currency. Except as otherwise stated, financial information presented in euro has been rounded to the nearest euro.
3. For the purpose of consolidating the Suva Provident Fund investment with the Noumea Provident Fund investment at year end, the Suva Provident Fund interest and investment have been converted to Euro at the bank buying rate as at 31 December 2018 of FJD 1.00 = EUR 0.40673.
4. Noumea Provident Fund interest and contribution has been converted to euro at a fixed exchange rate of EUR 1 = CFP 119.3317422
5. Loans to members consist of short-term loans borrowed against their holdings in the Provident Fund. In accordance with SPC policy, a member can borrow an amount up to 90% of the member's holdings in the Fund, provided that arrangements are made to repay the loan over a period of no longer than 12 months. The interest rate charged for such borrowings is a compound rate of 3.90% as at 31 December 2018 (which is 2% higher than the weighted average rate of interest earned on Provident Fund investments).
6. The Pacific Community (SPC) has borrowed money from the Fund to purchase residential blocks to provide accommodation for its staff in New Caledonia. This loan less capital repayments received is recognised as an asset by the Fund at amortised cost using the effective interest method.
7. **Member contributions**
Staff will contribute to the Fund an amount of 8% of basic salary, or a greater percentage as decided by the employee.

8. SPC contributions

SPC shall pay to the Fund only 8% of the basic salary for each member irrespective of the amounts contributed by individual members each month.

9. Interest on investment

The Fund earns interest through investments in fixed term deposits, which the fund intends to hold until maturity, and loans to members and SPC. Interest income is recognised in the statement of financial performance as it accrues using the effective interest method.

10. Interest distribution

At balance sheet date the Director-General shall determine:

- a) What income has been earned by the Fund during the immediately preceding half-year
- b) What expenses have been paid or shall be paid from the Fund
- c) What rate of interest shall be credited to the accounts of members

Interest at such a rate on the balance of each member's account and shall be credited to the accounts of members as at that date. Where a member has contributed for less than the full half-year, the interest credited shall be adjusted proportionately to the number of months during which contributions have been paid.

11. Cash and cash equivalents

Cash and cash equivalents include cash and short-term, highly liquid assets including term deposits with original maturity less than three months that are readily convertible to known amounts of cash and are subject to insignificant changes in value. These are held with banks and other reputable financial institutions.

12. Held-to-maturity term deposits

Financial assets that the Fund has the intent and ability to hold to maturity are classified as held-to-maturity and are carried at amortised cost. This relate to SPC's investments in term deposits with an original maturity of more than three months.

Note 3

Changes to comparatives

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

Note 4

Cash and cash equivalents

	31/12/2018	31/12/2017
Cash held in bank accounts	EUR 118,369	EUR 2,402,053

Note 5

	31/12/2018	31/12/2017
Invested term securities	EUR 7,190,709	EUR 5,011,837
Ageing analysis of invested term securities:		
Less than 3 months	1,005,600	-
3 to 6 months	1,679,163	1,084,932
6 to 12 months	4,505,946	3,926,905
Total invested term securities	7,190,709	5,011,837

The Noumea Fund has invested in Term Securities with Banque Caledonienne d'Investment (BCI), of EUR 4,558,720, and with Banque de Nouvelle Calédonia (BNC) of EUR 167,600. The interest rates range from 1% to 1.60%, with maturity between 6 and 12 months.

The Suva Fund has invested in Term Securities with Bank of South Pacific (BSP), of EUR 562,257, Home Finance Company (HFC) of EUR 81,347, Credit Corporation of EUR 1,240,536, and Merchant Finance of EUR 580,249. The interest rate is 4%, with maturity of 12 months.

Note 6

Related party disclosure

The related parties of the Provident Fund are:

- i) The Pacific Community (SPC).

SPC undertakes transactions with the Fund. These transactions arise out of the superannuation contribution made by SPC to the Fund and repayment of the loan to the Fund. Transactions with the Fund are on an arm's-length basis, and are transacted or recorded on normal terms and conditions.

a) Amount owed to SPC Provident Fund

	<u>31/12/2018</u>	<u>31/12/2017</u>
Loan to SPC	EUR 57,993	EUR 89,726

b) Transaction with SPC Provident Fund

	<u>31/12/2018</u>	<u>31/12/2017</u>
Loan repayment	EUR 31,733	EUR 30,708
Superannuation contribution	EUR 1,949,059	EUR 2,028,306



Produced by the Pacific Community (SPC)

Pacific Community
B.P. D5 - 98848 Noumea Cedex, New Caledonia
Telephone: +687 26 20 00
Email: spc@spc.int Website: www.spc.int

© Pacific Communiity (SPC) 2019

