

Pacific Community

Financial Statements for 2019



SPC
Corporate

Pacific Community

Financial Statements for 2019

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Original text: English

Pacific Community Cataloguing-in-publication data

Pacific Community Financial Statements for 2019 / 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: 978-982-00-1294-3

Pacific Community Financial Statements for 2019
(Subject to acceptance by the Committee of Representatives of Governments and Administrations (CRGA), at CRGA 50, in
accordance with Financial Regulation 46)

Prepared for publication and printed at SPC
B.P. D5, 98848 Noumea Cedex, New Caledonia, 2020
www.spc.int

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Pacific Community
Financial Statements
and Audit Report
for the year ended
31 December 2019



Independent Auditors' Report



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 2019, 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 2019, 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 (IPSAS).

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 the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements and 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

To the Members of the Pacific Community

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.

7 July , 2020
Suva, Fiji

KPMG
KPMG
Chartered Accountants

Pacific Community

Financial Statements for the year ended 31 December 2019

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

	Note	2019 Euro	2018 Euro
Cash and cash equivalents	7a	26,952,759	26,737,846
Held to maturity term deposits	7b	38,634,100	36,228,000
Assessed contributions receivable	8	1,416,656	1,265,507
Other receivables	9	636,835	644,165
Partner advances		1,434,822	2,279,605
Project funds receivable	16	3,026,506	6,757,090
Inventories		410,764	409,488
Current assets		72,512,442	74,321,701
Intangibles	11	26,201	10,069
Property, plant and equipment	10	19,923,262	20,008,528
Non-current assets		19,949,463	20,018,597
Total assets		92,461,905	94,340,298
Assessed contribution received in advance	8	-	1,717,900
Creditors and accruals	12	4,235,326	4,035,462
Loans	14	358,136	358,000
Project funds unexpended	16	39,522,767	45,299,992
Deferred income – property, plant & equipment	15	151,006	257,305
Provisions	13	11,376,355	10,370,574
Current liabilities		55,643,590	62,039,233
Deferred income – property, plant & equipment	15	1,895,340	1,961,102
Loans	14	3,024,146	3,382,576
Provisions	13	3,009,983	3,078,848
Non-current liabilities		7,929,469	8,422,526
Total liabilities		63,573,059	70,461,759
Net Assets		28,888,846	23,878,539
General reserve		19,844,716	15,513,913
Specific reserves		502,205	156,873
Special funds	17	8,541,925	8,207,753
Total Equity		28,888,846	23,878,539

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

For the Pacific Community



Dr Stuart Minchin
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 8 to 27.

Pacific Community

Financial Statements for the year ended 31 December 2019

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 DECEMBER 2019			
	Note	2019 Euro	2018 Euro
Voluntary contributions member countries	18	6,294,204	7,116,300
Assessed contributions and host grants	19	9,691,480	9,964,900
Project income	6	60,536,418	64,727,165
Housing income, net	17	357,089	340,092
Canteen (deficit)/income, net	17	(22,917)	9,217
Interest income	20	574,187	476,666
Foreign exchange gain, net		338,768	30,559
Other income		249,208	158,024
Total revenue		78,018,437	82,822,923
Staff costs	21	34,250,062	31,743,610
Communication costs		390,791	533,807
Operating and other	22	6,401,201	6,406,331
Capital assets projects		1,027,636	691,649
Transport and travel		13,759,179	10,453,884
Conference, training and workshop/fieldwork		3,158,930	2,477,213
Grants		4,211,458	9,067,281
Consultants		9,454,353	16,692,470
Depreciation and amortisation (net)	10(b)	243,963	358,584
Finance costs-bank fees		110,557	71,136
Total expenses		73,008,130	78,495,965
Total operating surplus for the year		5,010,307	4,326,958

This statement is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 8 to 27.

Pacific Community

Financial Statements for the year ended 31 December 2019

STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	General Reserves* Euro	Specific Reserves Foreign exchange Euro	Special Funds			Total Euro
				Housing Euro	Canteen Euro	Total Euro	
Balance as at 1 January 2018		11,416,868	276,269	7,809,073	49,371	7,858,444	19,551,581
Operating surplus		4,097,045	(119,396)	-	-	-	3,977,649
Surplus – related to special funds		-	-	340,092	9,217	349,309	349,309
Balance as at 31 December 2018		15,513,913	156,873	8,149,165	58,588	8,207,753	23,878,539
Balance as at 1 January 2019		15,513,913	156,873	8,149,165	58,588	8,207,753	23,878,539
Operating surplus		4,330,803	345,332	-	-	-	4,676,135
Surplus / (deficit) – related to special funds	17	-	-	357,089	(22,917)	334,172	334,172
Balance as at 31 December 2019		19,844,716	502,205	8,506,254	35,671	8,541,925	28,888,846

* General Reserve is represented by:

Net fixed asset (excluding housing asset)	9,784,517
Less: deferred income	(2,046,346)
Net fixed asset core	7,738,171
Receivable & inventories	6,925,583
Cash and cash equivalent	5,180,962
	19,844,716

This statement is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 8 to 27.

Pacific Community

Financial Statements for the year ended 31 December 2019

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2019			
	Note	2019 Euro	2018 Euro
Cash flow from operating activities			
Contributions received from members and non-members		69,471,133	83,311,352
Rentals from housing		2,107,830	1,559,538
Canteen sales		577,173	533,295
Interest received		574,187	476,666
Cash inflows		72,730,323	85,880,851
Salaries and related costs		(31,508,853)	(29,235,997)
Payment for supply and services		(37,157,600)	(54,083,681)
Housing expenses		(1,750,741)	(1,234,709)
Canteen purchases		(600,090)	(536,449)
Interest payments		(110,557)	(78,522)
Cash outflows		(71,127,841)	(85,169,358)
Net cash flows provided by operating activities		1,602,482	711,493
Cash flow from Investing Activities			
Purchase of property, plant and equipment		(843,408)	(584,314)
Net movement in term deposits		(2,406,100)	(24,533,088)
Net cash flows used in investing activities		(3,249,508)	(25,117,402)
Cash flow from Financing Activities			
Loan repayment		(358,294)	(350,002)
Net cash flows used in investing activities		(358,294)	(350,002)
Net decrease in cash held		(2,005,320)	(24,755,911)
Cash and cash equivalents at the beginning of the year		26,737,846	48,981,526
Movement on exchange rates on cash held		2,220,233	2,512,231
Cash and cash equivalents at the end of the year	7	26,952,759	26,737,846

This statement is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 8 to 27.

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Financial Statements for the year ended 31 December 2019

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS BY PROGRAMME FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	Revised Budget Euro	Actual Euro	Performance Difference ¹ Euro
Core funds		16,064,600	15,985,684	(78,916)
Interest income		100,000	574,187	474,187
Other income		-	249,208	249,208
Foreign exchange gain		-	338,768	338,768
Project funds		64,096,700	60,536,418	(3,560,282)
Self-funding units (special funds)		-	334,172	334,172
Total revenue		80,261,300	78,018,437	(2,242,863)
Office of the Director General		6,039,100	5,470,471	568,629
Operations and management		2,522,400	(458,680)	2,981,080
Total administration expenditure		8,561,500	5,011,791	3,549,709
Geoscience, Energy and Maritime (GEM)		22,186,700	20,826,122	1,360,578
Education Quality Assessment (EQAP)		2,909,400	3,585,871	(676,471)
Fisheries, Aquaculture & Marine Ecosystems (FAME)		18,162,200	15,830,066	2,332,134
Land Resources		6,050,200	8,491,967	(2,441,767)
Public Health		5,661,100	5,065,916	595,184
Social Development		7,636,100	6,810,431	825,669
Climate Change (CCES)		6,145,900	3,951,331	2,194,569
Statistics for Development		2,902,500	3,434,635	(532,135)
Total programmes expenditure		71,654,100	67,996,339	3,657,761
Total divisional expenditure	6	80,215,600	73,008,130	7,207,470
Net operating surplus / (deficit) for the year		45,700	5,010,307	4,964,607

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 2019

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. 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 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 has been carried forward to IPSAS 41.	Periods beginning on or after 1 January 2022
IPSAS 42 – Social Benefits	The standard provides guidance on accounting for social benefits expenditure. It defines social benefits as cash transfers paid to specific individuals and/or households to mitigate the effect of social risk. Specific examples include state retirement benefits, disability benefits, income support and unemployment benefits. The new standard requires an entity to recognize an expense and a liability for the next social benefit payment.	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'). These financial statements are presented in euro, which is the organisation's functional and presentation currency. Except as otherwise indicated, financial information presented in euro has been rounded to the 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 _____ 2020.

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 2,500 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.

Property, plant and equipment (continued)

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	10–40 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.
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.

Impairment of non-cash-generating assets (continued)

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 benefit 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

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. 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.
35. 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.
36. Restricted grants or project funding are only recognised as income upon the fulfilment of donor-imposed conditions. (Refer to Note 4; No. 25)
37. Unrestricted grants or project funding are recognised upon the receipt of the confirmed commitment.
38. Other revenues and gains are recognised as they are earned.
39. Programme management fees are charged by SPC to recover part of the overhead cost to SPC as project implementer, and are netted against administration expenditure as projects are implemented. As the outcome of the service provided can be estimated reliably, project management fees associated with these transactions will be recognised by reference to the stage of completion of these transactions at the reporting date.

Expense Recognition

40. Expenses are recognised when goods/services are delivered/rendered and accepted by SPC, or as specified in Note 41, below.
41. 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

42. 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

43. 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 of financial assets to foreign currency risk was as follows, based on notional amounts at 31 December 2019 by currency and reported in original currency:

Currency	2019	2018
AUD	8,796,863	2,168,956
NZD	2,168,521	4,887,205
USD	2,844,272	2,558,217
FJD	672,852	4,327,492

The following significant exchange rates against the euro applied:

Currency	Year End Rate	
	2019	2018
AUD	0.6244	0.6155
NZD	0.6005	0.5865
USD	0.8916	0.8739
FJD	0.4128	0.4067

Sensitivity analysis:

44. A 10 per cent strengthening or weakening of the foreign currency against the euro as at 31 December 2019 would have increased or decreased, respectively, profit 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 2019	+ 549,276	+ 130,220	+ 253,595	+ 27,775
	-	-	-	-
Profit or loss 2018	+ 133,499	+ 286,635	+ 223,563	+ 175,999
	-	-	-	-

Credit risk

45. 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

46. 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 2019:

Financial liabilities	Up to 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Creditors and accruals	4,235,326	-	-	-	4,235,326
Loans	358,136	685,509	1,079,377	1,259,260	3,382,282
Total	4,593,462	685,509	1,079,377	1,259,260	7,617,608

As at 31 December 2018:

Financial liabilities	Up to 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

47. 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

48. 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.

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.

General reserves

49. '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

50. '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

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

Foreign Exchange Reserve

52. A foreign exchange reserve was set up prior to SPC adopting euro as its operating and reporting currency to manage annual exchange adjustment that was recognised at the time of consolidation of the annual financial statements. The reserve is maintained to cover for volatility of the euro against all currencies in which SPC transacts.

Commitments, provisions and contingencies

Commitments

53. 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

54. 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

55. 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.
56. 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.
57. SPC is an international non-profit organisation and is exempt from income tax.

Offsetting income and expenses

58. 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

59. 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 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 2019

SEGMENT REPORTING: STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 DECEMBER 2019									
	2019	2018	2019	2018	2019	2018	2019	2018	2018
	Euro	Euro	Euro	Euro	Euro	Euro	Euro	Euro	Euro
	Core	Core	Project	Project	Special	Special	Total	Total	Total
	Funds	Funds	Funds	Funds	Funds	Funds	Funds	Funds	Funds
Income									
Member countries contributions	15,985,684	17,081,200	60,493,966	41,314,878	-	-	76,479,650	58,396,078	
Non-members contributions	-	-	-	23,412,287	-	-	-	23,412,287	
Housing, net	-	-	-	-	357,089	340,092	357,089	340,092	
Canteen, net	-	-	-	-	(22,917)	9,217	(22,917)	9,217	
Other (inc interest)	1,162,163	665,249	42,452	-	-	-	1,204,615	665,249	
Total Income	17,147,847	17,746,449	60,536,418	64,727,165	334,172	349,309	78,018,437	82,822,923	
Expenditure									
Office of the Director-General	4,343,378	3,769,347	1,127,093	417,577	-	-	5,470,471	4,186,924	
Operations and Management	(952,047)	260,204	493,367	682,315	-	-	(458,680)	942,519	
Total – Administration	3,391,331	4,029,551	1,620,460	1,099,892	-	-	5,011,791	5,129,443	
Geoscience, Maritime and Energy	2,193,338	2,680,859	18,632,784	25,241,879	-	-	20,826,122	27,922,738	
Educational, Quality & Assessment	427,719	468,245	3,158,152	3,487,147	-	-	3,585,871	3,955,392	
Fisheries, Aquaculture & Marine Ecosystems	2,138,659	2,213,013	13,691,407	10,851,749	-	-	15,830,066	13,064,762	
Land Resources	1,266,587	1,311,276	7,225,380	8,130,630	-	-	8,491,967	9,441,906	
Public Health	1,067,375	1,204,087	3,998,541	2,736,743	-	-	5,065,916	3,940,830	
Social Development	661,554	704,371	6,148,877	4,390,314	-	-	6,810,431	5,094,685	
Climate Change (CCES)	324,974	167,059	3,626,357	6,678,981	-	-	3,951,331	6,846,040	
Statistics for Development	1,000,175	990,339	2,434,460	2,109,830	-	-	3,434,635	3,100,169	
Total – Programmes	9,080,381	9,739,249	58,915,958	63,627,273	-	-	67,996,339	73,366,522	
Total Expenditure	12,471,712	13,768,800	60,536,418	64,727,165	-	-	73,008,130	78,495,965	
Net surplus for the year	4,676,135	3,977,649	-	-	334,172	349,309	5,010,307	4,326,958	

Note 7 Cash and cash equivalents

	31/12/2019	31/12/2018
(a) Cash and cash equivalents		
Cash held in bank accounts	26,944,792	26,722,650
Petty cash	7,967	15,196
Total cash and cash equivalents	26,952,759	26,737,846
(b) Held to maturity term deposits		
Held to maturity term deposits	38,634,100	36,228,000
Total held to maturity term deposits	38,634,100	36,228,000
Total cash & cash equivalents and held to maturity term deposits	65,586,859	62,965,846

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

	31/12/2019	31/12/2018
Australian dollar	5,492,814	1,335,070
Comptoirs français du Pacifique (CFP)	5,467,673	4,487,975
Euro	50,179,030	49,898,514
Fijian dollar	277,650	1,760,139
Great Britain pound sterling	87,624	60,831
New Zealand dollar	1,302,113	2,866,541
Samoa tala	6,901	14,920
Solomon dollar	118,245	44,260
Tongan pa'anga	20,075	28,274
United States dollar	2,535,871	2,235,539
Vanuatu vatu	98,863	233,783
Total cash & cash equivalents and held to maturity term deposits	65,586,859	62,965,846

Note 8 Assessed contributions, receivables and payables

	31/12/19	31/12/2018
Assessed contributions receivable	2,058,456	1,854,507
Provision for impairment	(641,800)	(589,000)
Total assessed contribution receivable	1,416,656	1,265,507
Assessed contributions received in advance	-	(1,717,900)
Total assessed contributions received in advance	-	(1,717,900)
1 year	1,328,833	1,185,473
2-4 years	299,023	218,156
over 4 years	430,600	450,878
Provision for impairment	(641,800)	(589,000)
Assessed contribution receivable	1,416,656	1,265,507

Note 9 Other receivables and prepayments

	31/12/2019	31/12/2018
Receivable from canteen	41,910	31,725
Receivable from third parties (deposits)	65,196	70,765
Receivable from staff	80,087	80,501
Receivable from other debtors	449,642	461,174
Total other receivables	636,835	644,165

Note 10 Property, plant and equipment

- SPC has two broad categories for property, plant and equipment: core and project assets. Core assets 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.
- As at 31 December 2019, 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
Cost or Valuation										
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
Additions note 10(a)	-	-	-	71,627	36,121	-	-	-	735,660	843,408
Transfer	-	450,285	450,285	-	-	-	-	-	(450,285)	-
At 31 December 2019	6,392,274	30,094,200	36,486,474	3,582,728	3,982,252	345,124	87,859	1,507,658	426,212	46,418,307
Accumulated depreciation										
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)
Depreciation note 10(b)	-	(638,919)	(638,919)	(177,724)	(32,286)	(2,457)	-	(77,288)	-	(928,674)
At 31 December 2019	-	(17,400,391)	(17,400,391)	(3,389,469)	(3,869,498)	(336,826)	(87,859)	(1,411,002)	-	(26,495,045)
Written down value										
as at 31 December 2019	6,392,274	12,693,809	19,086,083	193,259	112,754	8,298	-	96,656	426,212	19,923,262
Made up of:-										
Core	6,392,274	10,855,781	17,248,055	58,269	98,130	8,298	-	37,950	426,212	17,876,914
Project	-	1,838,028	1,838,028	134,990	14,624	-	-	58,706	-	2,046,348
	6,392,274	12,693,809	19,086,083	193,259	112,754	8,298	-	96,656	426,212	19,923,262
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

	31/12/19	31/12/18
(a) Additions		
Core	1,108,959	400,785
Project	83,796	138,882
Special funds (housing)	100,938	298,541
Transfer project	(450,285)	(253,894)
	843,408	584,314
(b) Depreciation		
Property, plant & equipment – core	243,522	358,584
Property, plant & equipment – project	245,785	298,959
Intangibles – project	10,513	9,482
Core and project	499,820	667,025
less deferred income offset	(255,857)	(308,441)
Net dep – Core and projects	243,963	358,584
Special funds (housing) Note 17	439,367	297,565
Total depreciation and amortisation	939,187	964,590
Made up of:		
Property, plant & equipment	928,674	955,108
Intangibles	10,513	9,482
	939,187	964,590

Note 11 Intangibles assets

	Cost	Amortisation	Total
At 31 December 2018	380,052	(369,983)	10,069
Additions	26,645	-	26,645
Amortisation expense	-	(10,513)	(10,513)
At 31 December 2019	406,697	(380,496)	26,201
Made up of:		31/12/19	31/12/18
Project		26,201	10,069
		26,201	10,069

1. As at 31 December 2019, SPC did not have any impairment on intangible assets.

Note 12 Creditors and accruals

	31/12/2019	31/12/2018
Trade creditors and accruals	3,963,894	3,302,696
Project and other creditors	271,432	732,766
Total creditors, accruals	4,235,326	4,035,462

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 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. These are projects with acquittal of amount spent in dispute or expected to be not entirely remitted by the donors as eligible spent.

	Employee Entitlements	Project ineligible expenditures	Project other	Total
Closing 31/12/18	5,911,878	7,471,599	65,945	13,449,422
Addition	3,999,470	1,058,884	-	5,058,354
Writeback – used	(3,366,091)	(748,351)	(6,996)	(4,121,438)
Closing 31/12/19	6,545,257	7,782,132	58,949	14,386,338
			31/12/2019	31/12/2018
Current			11,376,355	10,370,574
Non-current			3,009,983	3,078,848
			14,386,338	13,449,422

The provision for project ineligible expenditure includes a 5% charge of the project values to be audited in 2020.

Note 14 Loans

	31/12/2019	31/12/2018
Opening balance as at 1 January	3,740,576	4,090,578
Less capital repayment of loans	(358,294)	(350,002)
Total loans	3,382,282	3,740,576
Current	358,136	358,000
Non-current	3,024,146	3,382,576
	3,382,282	3,740,576

SPC has five secured term loans with Banque calédonienne d'investissement (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 289,366 as at 31 December 2019. 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 at 31 December 2019. This facility is secured by the property located at 1R LOT 2+F4 DOMAINE ANSE VATA.

BCI secured term loans (continued)

2. The second loan facility (No: 21305032) has a principal amount of EUR 527,940 with outstanding balance of EUR 331,709 as at 31 December 2019. 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 at 31 December 2019. 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 398,407 as at 31 December 2019. 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 at 31 December 2019. 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 333,606 as at 31 December 2019. 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 at 31 December 2019. 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 621,117 as at 31 December 2019. 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 at 31 December 2019. 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 778,866 as at 31 December 2019. 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 at 31 December 2019.
2. The second loan facility (No: 0028680 01) has a principal amount of EUR 1,089,400 with outstanding balance of EUR 603,967 as at 31 December 2019. 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 at 31 December 2019.
3. The above loans are unsecured term facilities.

Provident Fund unsecured term loans

1. This loan facility has a principal amount of EUR 407,268 with outstanding balance of EUR 25,245 as at 31 December 2019. 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 and equipment

Deferred Income – property, plant and equipment										
Description	Buildings	General equipment	Computer equipment	Furniture	Housing	Motor vehicles	Intangibles	Total		
Cost or valuation										
At 31 December 2018	2,151,780	1,479,512	867,536	126,000	37,135	581,103	67,713	5,310,779		
Additions	-	71,627	12,169	-	-	-	-	83,796		
At 31 December 2019	2,151,780	1,551,139	879,705	126,000	37,135	581,103	67,713	5,394,575		
Accumulated depreciation										
At 31 December 2018	(214,937)	(1,329,977)	(850,880)	(126,000)	(37,135)	(475,802)	(57,641)	(3,092,372)		
Depreciation	(98,815)	(80,765)	(19,610)	-	-	(46,595)	(10,072)	(255,857)		
At 31 December 2019	(313,752)	(1,410,742)	(870,490)	(126,000)	(37,135)	(522,397)	(67,713)	(3,348,229)		
Written down value										
as at 31 Dec 2019	1,838,028	140,397	9,215	-	-	58,706	-	2,046,346		
Written down value										
as at 31 Dec 2018	1,936,843	149,535	16,656	-	-	105,301	10,072	2,218,407		
Reconciliation of written down value										
	31/12/19	31/12/18								
Current	151,006	257,305								
Non-current	1,895,340	1,961,102								
Total	2,046,346	2,218,407								

Note 16 Project funds

	31/12/19	31/12/18
Funds held on behalf of donors	39,522,767	44,241,108
Other project liabilities	-	1,058,884
Total funds and project liabilities held on behalf of donors	39,522,767	45,299,992
Funds owed by donors	(3,026,506)	(6,757,090)
Total funds owed by donors	(3,026,506)	(6,757,090)
Net amount held on behalf of donors	36,496,261	38,542,902

Note 17 Special funds

	Housing	Canteen	Total
Balance 1/1/18	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	340,092	9,217	349,309
Balance 31/12/18	8,149,165	58,588	8,207,753
Income	2,107,830	577,173	2,685,003
Expenses	(1,750,741)	(600,090)	(2,350,831)
Operating surplus/(deficit)	357,089	(22,917)	334,172
Balance 31/12/19	8,506,254	35,671	8,541,925

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

	Housing	Canteen	Total
Rental income	2,094,401	-	2,094,401
Canteen sales	-	577,173	577,173
Other income	13,429	-	13,429
Staff costs	(271,461)	(114,971)	(386,432)
Operating and other expenses	(966,634)	(485,119)	(1,451,753)
Depreciation and amortisation	(439,367)	-	(439,367)
Finance costs	(73,279)	-	(73,279)
	357,089	(22,917)	334,172

Note 18 Voluntary contributions member countries

	31/12/19	31/12/18
Australia	5,989,204	6,811,300
France	305,000	305,000
Total	6,294,204	7,116,300

Note 19

Assessed contributions and host grants

	31/12/19	31/12/18
American Samoa	52,794	52,794
Australia	2,681,600	2,681,600
Cook Islands	43,576	43,576
Federated States of Micronesia	67,794	220,374
Fiji	162,200	162,237
France	2,095,000	2,095,000
French Polynesia	108,800	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	485,185	511,180
New Zealand	1,717,900	1,717,900
Niue	35,196	35,196
Northern Mariana Islands	-	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	72,571	114,471
Tokelau	46,174	46,174
Tonga	63,353	63,353
Tuvalu	46,174	46,174
United States of America	1,188,000	1,188,003
Vanuatu	131,300	131,271
Wallis and Futuna	35,195	35,195
Total	9,691,480	9,964,900

Note 20

Interest income

	31/12/19	31/12/18
Interest on term deposits	564,864	468,235
Interest on car loans	9,323	8,431
Total	574,187	476,666

Note 21

Staff costs

	31/12/19	31/12/18
Salaries	21,310,913	20,028,999
Temporary / casual staff	205,210	156,373
Provisions – Leave & repatriation	3,999,470	3,543,297
Allowances	1,709,264	1,738,229
Housing	3,331,186	2,889,434
Medical benefit	1,728,021	1,589,279
Provident fund	1,880,547	1,683,594
Other – Training & development and social security	85,451	114,405
Total	34,250,062	31,743,610

Note 22

Operating and other expenses

	31/12/19	31/12/18
External rental	145,238	142,123
Consumable supplies	2,754,708	2,891,418
ICT consumables	349,761	465,885
Utilities	420,722	440,806
Freight & delivery	163,689	201,277
Provision for project expenditures	-	(23,717)
Provision for assessed contributions	52,800	220,400
Other provision	4,666	(13,134)
Repairs and maintenance	1,250,473	804,898
Publications and production materials	775,445	705,934
Audit fees	102,310	135,261
Security	144,649	151,761
Other	236,740	283,419
Total	6,401,201	6,406,331

Note 23

Comparison to budget

- Income is lower than the budget mainly due to below budgeted projects execution. Several large projects that commenced in 2019 were below expected level of execution as it took time to mobilise resources due to delays in finalising contractual arrangements with partner agencies.
- Decrease in expenditure is linked to the reduced budget project execution as stated above. Furthermore, there were core savings in net expenditure arising mainly from salary savings and increased project management fee recovery, that has been netted-off against operating expenditure.

Note 24

Related party disclosure

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.

	31/12/2019	31/12/2018
(a) Amount owed to SPC Provident Fund		
Loan to SPC	25,245	57,993
(b) Transaction with SPC Provident Fund		
Loan repayment	32,748	31,733
Superannuation contribution	2,116,181	1,949,059

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), Director of Corporate Communications and Public Information, Director of Finance, Head of Strategy, Performance and Learning, 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 employee compensation including short-term benefits, and is set out below:

	31/12/2019	31/12/2018
Employee Compensation	2,981,428	2,410,926

Note 25 Employee numbers

The average number of employees at the end of the financial year was 553 (2018: 536).

Note 26 Commitments and contingencies

Contingent assets

1. SPC has no contingent assets as at 31 December 2019 (2018: Nil)

Contingent liability

2. SPC has reported no contingent liability as at 31 December 2019 (2018: Nil)

Capital expenditure commitments

3. SPC has no capital expenditure approved and committed as at 31 December 2019 (2018: Nil).

Note 27 Events subsequent to balance date

Subsequent to year end, the World Health Organisation announced the spread of the COVID-19 virus to be a pandemic. The impact of the spread of this virus is disrupting travel and businesses in Fiji and throughout the world. It is not clear at the time of finalising these financial statements, the impact this will have on services provided by the Secretariat during 2020. Management and the Committee are monitoring developments on an ongoing basis. Other than this, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to significantly affect the operations of SPC, the results of these operations, or the state of the affairs of SPC, in subsequent financial years.



Disclaimer

The additional financial data presented on pages 29 to 41 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 2019. 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.

7 July , 2020
Suva, Fiji

KPMG
KPMG
Chartered Accountants

Appendix A

Details of movement in project funds
for the period 01 January 2019 to
31 December 2019 - by donor



Code	Section	Grant period (DD/MM/YY)	Project name	Balance as at 31/12/2018	Received from donor	Total available	Expenditure 31/12/2019	Balance as at 31/12/2019	Fundsheld on behalf of donors	Fundsowed by donors
			Department of Foreign Affairs & Trade - Australia	2,767,858	11,655,178	14,423,036	9,847,806	4,575,231	4,575,231	(0)
J00015	Land Resources Division – Markets for Livelihoods	24/8/18	30/6/22							
J00016	Geoscience, Energy and Maritime Division – Oceans and Maritime Programme	21/12/18	1/4/19	534,371	0	534,371	423,567	110,803	110,803	0
J00031	Regional Rights Resource Team	1/5/17	30/4/20	31,941	429,293	461,234	305,197	156,037	156,037	0
J00033	Regional Rights Resource Team	1/7/18	31/12/20	283,340	1,155,898	1,439,238	1,114,131	325,107	325,107	0
J00039	Educational Quality Assessment Programme	1/1/19	28/2/23	19,119	2,315,911	2,335,030	1,837,871	497,160	497,160	0
J00046	Social Development Programme – Gender Development	1/6/17	31/12/19	97,621	0	97,621	27,586	70,035	70,035	0
J00047	Social Development Programme	1/1/19	31/12/23	0	631,245	631,245	382,325	248,920	248,920	0
J00050	Social Development Programme – Youth Development	23/11/15	31/8/19	72,574	0	72,574	72,574	0	0	0
J00051	Social Development Programme – Youth Development	23/11/15	31/8/19	142,889	0	142,889	142,889	0	0	0
J00055	Statistics for Development Division	9/6/17	31/3/20	369,492	0	369,492	181,657	187,835	187,835	0
J00056	Statistics for Development Division	1/1/18	30/6/21	83,986	1,081,126	1,165,113	988,273	176,840	176,840	0
J00074	Geoscience, Energy and Maritime Division – Disaster and Community Resilience Programme	1/1/18	31/12/19	25,653	33,948	59,601	30,073	29,527	29,527	0
J00097	Fisheries, Aquaculture and Marine Ecosystems – Coastal Fisheries Management	13/5/17	30/6/19	210,644	(48,735)	161,909	161,909	0	0	0
J00125	Geoscience, Energy and Maritime Division – Georesources and Energy Programme	26/4/12	30/6/19	197,049	0	197,049	197,049	0	0	0
J00134	Geoscience, Energy and Maritime Division – Oceans and Maritime Programme	1/7/18	31/12/20	152,467	179,056	331,523	155,355	176,169	176,169	0
J00149	Operations and Management Directorate – Melanesian Regional Office	17/10/14	31/5/19	155,483	0	155,483	148,812	6,671	6,671	0
J00188	Geoscience, Energy and Maritime Division – Oceans and Maritime Programme	28/5/19	30/6/23	0	618,614	618,614	89,258	529,355	529,355	0
J00215	Land Resources Division – Directorate	8/8/19	30/6/20	0	64,702	64,702	64,702	(0)	(0)	(0)
J00221	Land Resources Division – Genetic Resources	12/9/19	31/12/23	0	375,955	375,955	3,032	372,923	372,923	0
J00223	Public Health Division – Office of Director	1/10/19	31/12/22	0	277,906	277,906	0	277,906	277,906	0
J00042	Public Health Division – Office of Director	1/1/18	31/12/20	(205,303)	2,785,653	2,580,350	2,025,614	554,736	554,736	0
J00087	Fisheries, Aquaculture and Marine Ecosystems – Director's Office	1/1/18	31/12/20	171,662	1,700,565	1,872,227	1,207,474	664,753	664,753	0
J00146	Operations and Management Directorate – Finance Section	1/1/17	31/12/19	424,870	0	424,870	252,479	172,392	172,392	0

Code	Section	Grant period (DD/MM/YY)	Project name	Balance as at 31/12/2018	Received from donor	Total Expenditure available	Balance as at 31/12/2019	Fundshield on behalf of donors	Fundsowed by donors
			Ministry of Foreign Affairs & Trade - NZ	8,683,117	9,602,919	18,286,036	6,746,596	6,770,026	(23,430)
J00020	Land Resources Division – Sustainable Agriculture	28/6/18	1/12/19	173,040	293,534	466,574	332,182	134,392	0
J00037	Educational Quality Assessment Programme	1/1/19	30/4/21	112,605	896,271	1,008,876	853,835	155,041	0
J00043	Public Health Division – Non-Communicable Diseases Prevention and Control Programme	7/8/18	30/11/21	573,777	0	573,777	317,888	255,889	0
J00076	Geoscience, Energy and Maritime Division – Disaster and Community Resilience Programme	1/1/19	31/10/20	87,378	0	87,378	40,171	47,207	0
J00080	Geoscience, Energy and Maritime Division – Oceans and Maritime Programme	12/10/18	30/11/21	607,760	0	607,760	437,297	170,464	0
J00089	Fisheries, Aquaculture and Marine Ecosystems – Coastal Aquaculture	1/7/16	1/7/21	561,774	642,578	1,204,352	918,678	285,674	0
J00140	Geoscience, Energy and Maritime Division – Disaster and Community Resilience Programme	1/1/15	31/12/19	586,452	585,059	1,171,511	1,194,941	(23,430)	0
J00150	Fisheries, Aquaculture and Marine Ecosystems – Director's Office	22/2/18	22/4/23	568,055	1,044,638	1,612,694	829,355	783,338	0
J00184	Statistics for Development Division	17/5/19	31/3/23	0	497,306	497,306	208,748	288,558	0
J00189	Fisheries, Aquaculture and Marine Ecosystems – Coastal Fisheries Management	1/1/16	1/1/20	1,389,835	927,080	2,316,914	964,548	1,352,366	0
J00198	Fisheries, Aquaculture and Marine Ecosystems – Oceanic Fisheries Programme	1/6/17	31/12/21	767,231	1,690,804	2,458,035	575,235	1,882,800	0
J00199	Director General's Office – Strategy, Performance and Learning	14/6/19	31/5/20	0	216,453	216,453	140,870	75,584	0
J00200	Geoscience, Energy and Maritime Division – Oceans and Maritime Programme	14/6/19	31/7/23	0	713,696	713,696	23,942	689,753	0
J00218	Director General's Office – Strategy, Performance and Learning	1/1/17	31/12/19	0	57,135	57,135	57,135	0	0
J00224	Land Resources Division – Sustainable Agriculture	1/10/19	1/10/23	0	514,145	514,145	6,412	507,732	0
J00234	Geoscience, Energy and Maritime Division – Director's Office	11/11/19	31/3/20	0	157,100	157,100	15,873	141,227	0
J00022	Land Resources Division – Directorate	1/1/17	31/12/19	265,906	178,320	444,226	444,226	0	0
J00041	Public Health Division – Non-Communicable Diseases Prevention and Control Programme	7/8/18	30/11/21	750,962	0	750,962	750,962	(0)	(0)
J00052	Statistics for Development Division	1/1/17	31/12/19	66,092	0	66,092	66,092	0	0
J00053	Statistics for Development Division	1/1/17	31/12/19	258,881	278,774	537,655	537,655	0	0
J00054	Statistics for Development Division	1/1/17	31/12/19	0	113,712	113,712	113,712	0	0
J00085	Fisheries, Aquaculture and Marine Ecosystems – Director's Office	1/1/17	31/12/19	580,708	205,781	786,489	786,489	0	0
J00088	Fisheries, Aquaculture and Marine Ecosystems – Oceanic Fisheries – Fisheries and Ecosystems Monitoring & Analysis	1/1/17	31/12/19	115,894	0	115,894	115,894	(0)	(0)

Code	Section	Grant period (DD/MM/YY)	Project name	Balance as at 31/12/2018	Received from donor	Total Expenditure available	Balance as at 31/12/2019	Fundsheld on behalf of donors	Fundsowed by donors
J00144	Geoscience, Energy and Maritime Division – Director's Office	1/1/17	31/12/19 GEM Programme Funds	779,902	267,061	1,046,963	0	0	0
J00166	Deputy Director-General (Noumea)	1/1/17	31/12/19 2017-19 – Incubator Funding	177,612	0	177,612	(0)	0	(0)
J00176	Social Development Programme	1/1/17	31/12/19 Programme Funding 2019-2020	0	178,320	178,320	0	0	0
J00186	Fisheries, Aquaculture and Marine Ecosystems – DO	1/1/17	31/12/19 NZAid Pilot Intra-Pacific study exchanges 2017-2019	259,254	(113,712)	145,541	0	0	0
J00197	ICT Section	1/1/17	31/12/19 Programme Funding 2017-19 – Pacific DATA Hub (NZRESET)	0	258,864	258,864	0	0	0
European Union (EU)				13,488,746	18,019,169	31,507,915	15,776,194	15,731,721	16,974,218
J00008	Land Resources Division – Markets for Livelihoods	11/2/16	31/12/19 Coconut Industry Development for the Pacific (CIDP)	241,914	2,238,334	2,480,248	16,733	16,733	0
J00025	Climate Change and Environmental Sustainability	10/7/18	9/12/22 PACRES-Climate Change in the Pacific ACP	(838)	382,129	381,291	115,794	265,497	0
J00062	Geoscience, Energy and Maritime Division – Disaster and Community Resilience Programme	7/9/13	6/4/20 Building Safety and Resilience in the Pacific (BSRP)	1,627,179	1,423,366	3,050,545	2,620,790	429,755	0
J00073	Geoscience, Energy and Maritime Division – Disaster and Community Resilience Programme	5/7/17	6/7/20 EU-North Pacific – Readiness for El Niño (RENI)	1,099,441	1,507,911	2,607,352	987,769	1,619,583	0
J00075	Geoscience, Energy and Maritime Division – Disaster and Community Resilience Programme	1/1/19	30/6/23 EU GCCA + SUPA PROJECT	(24)	644,040	644,016	451,765	192,251	0
J00100	Fisheries, Aquaculture and Marine Ecosystems – Director's Office	1/7/18	1/9/23 Pacific EU Marine Partnership (PEUMP)	5,732,555	6,249,168	11,981,723	2,457,169	9,524,554	0
J00123	Geoscience, Energy and Maritime Division – Georesources and Energy Programme	1/8/14	30/6/20 Technical & Vocational Education Training (PACTVET)	(474,323)	1,659,323	1,185,000	670,743	514,257	0
J00135	Geoscience, Energy and Maritime Division – Oceans and Maritime Programme	25/07/19	29/07/22 Maritime Boundaries Database (FFA)	30,524	22,709	53,232	23,700	29,533	0
J00141	Geoscience, Energy and Maritime Division – Disaster and Community Resilience Programme	1/8/14	1/8/19 EU/SPC KIRIWATSAN IN OUTER ISLANDS PHASE II	(578,872)	545,204	(33,668)	387,399	(421,067)	0
J00151	Land Resources Division – Markets for Livelihoods	1/1/15	18/12/18 FTAsocn Capacity Building & Farm Advis Services	55,449	0	55,449	17,350	38,100	0
J00152	Land Resources Division – Markets for Livelihoods	12/6/12	12/7/18 Improving of Key Services to Agriculture (IKSA)	(290,029)	0	(290,029)	(6,428)	(283,601)	0
J00153	Geoscience, Energy and Maritime Division – Director's Office	16/10/13	30/6/18 Implementation of Micro-projects (MPP)	(39,245)	0	(39,245)	88,710	(127,955)	0
J00154	Geoscience, Energy and Maritime Division – Georesources and Energy Programme	22/1/15	31/3/19 Rural Access Roads and Associated Infrastructure	1,478,313	0	1,478,313	1,612,277	(133,964)	0
J00155	Land Resources Division – Sustainable Forestry and Landscapes	3/6/14	30/6/19 Reforestation of degrading foothills of Sugar Belt	(559,253)	1,984,665	1,425,412	1,444,716	(19,304)	0
J00175	Geoscience, Energy and Maritime Division – Disaster and Community Resilience Programme	12/12/13	12/12/18 Improved Drinking Water Supply for Kirimati Island	(1,374,158)	1,208,570	(165,588)	91,018	(256,606)	0
J00177	Geoscience, Energy and Maritime Division – Disaster and Community Resilience Programme	12/12/16	12/12/18 AUSAID/SPC MCCA Program for Fiji, Tokelau, Tonga	3,745	0	3,745	3,745	0	0
J00192	Fisheries, Aquaculture and Marine Ecosystems – Director's Office	17/4/10	3/9/15 SciCOfish – Coastal and Oceanic – Y4 and Y5	(268,140)	268,140	0	0	0	0

Code	Section	Grant period (DD/MM/YY)	Project name	Balance as at 31/12/2018	Received from donor	Total Expenditure available	Expenditure 31/12/2019	Balance as at 31/12/2019	Fundshield on behalf of donors	Fundsowed by donors
J00220	Climate Change and Environmental Sustainability	10/4/18	30/9/22	PROTEGE	6,804,509	(978,683)	5,825,826	2,346,164	3,479,662	3,479,662
J00235	Public Health Division – Office of Director	1/1/20	31/12/23	EU Scale up Public Health Surveillance Network	0	864,293	864,293	0	864,293	864,293
J00057	Statistics for Development	15/3/18	28/2/20	Improving Data Dissemination and Use in PICTs	688,046	941,868	1,629,914	1,232,256	397,658	397,658
J00072	Geoscience, Energy and Maritime Division – Disaster and Community Resilience Programme	2/10/15	30/11/20	Pacific Resilience Project I PPCR TF0A1131	49,396	116,390	165,785	109,508	56,278	56,278
J00137	Geoscience, Energy and Maritime Division – Disaster and Community Resilience Programme	2/10/15	30/11/20	WB Pacific Resilience Project I IDA D074-4P	39,992	238,197	278,188	270,132	8,057	8,057
J00138	Geoscience, Energy and Maritime Division – Disaster and Community Resilience Programme	23/6/17	30/11/22	Pacific Resilience Project II	37,552	155,356	192,908	138,823	54,085	54,085
J00139	Geoscience, Energy and Maritime Division – Disaster and Community Resilience Programme	17/12/18	28/2/21	PCRAFI – Phase II	286,545	387,460	674,005	456,051	217,954	217,954
J00196	Geoscience, Energy and Maritime Division – Disaster and Community Resilience Programme	8/3/19	31/12/19	Kiribati Water Resilience Project	274,562	0	274,562	226,588	47,974	47,974
J00030	Regional Rights Resource Team	1/5/17	30/4/20	UNWomen	510,366	4,008,462	4,518,828	3,199,968	1,318,860	1,460,603
J00034	Regional Rights Resource Team	1/1/18	31/12/21	UNWomen	5,388	100,329	105,717	88,457	17,260	17,260
J00045	Social Development Programme – Youth Development	1/1/19	31/5/19	UNESCO – United Nations Educ. Scient. Cult. Org.	638,357	882,605	1,520,962	583,834	937,128	937,128
J00048	Social Development Programme – Youth Development	1/6/17	1/6/19	UNDP Pacific Fiji Office	0	18,695	18,695	16,288	2,407	2,407
J00058	Social Development Programme	8/8/18	8/3/20	UNICEF – Pacific Islands Office	29,208	0	29,208	29,208	0	0
J00077	Geoscience, Energy and Maritime Division – Disaster and Community Resilience Programme	1/1/19	31/12/19	UNDP – United Nations Development Programme	(6,405)	137,179	130,775	130,775	0	0
J00124	Geoscience, Energy and Maritime Division – Georesources and Energy Programme	1/4/17	1/7/18	UNIDO – United Nations Industrial Development Organization	31,141	112,088	143,229	124,632	18,597	18,597
J00136	Geoscience, Energy and Maritime Division – Oceans and Maritime Programme	19/12/18	18/12/20	UNDP – United Nations Development Programme	(64,064)	419,159	355,095	333,312	21,783	21,783
J00142	Geoscience, Energy and Maritime Division – Disaster and Community Resilience Programme	1/4/15	31/3/20	UNDP – United Nations Development Programme	0	155,550	155,550	183,463	(27,912)	(27,912)
J00143	Geoscience, Energy and Maritime Division – Disaster and Community Resilience Programme	22/8/18	31/12/19	UNDP – United Nations Development Programme	(136,572)	1,617,205	1,480,633	1,526,533	(45,900)	(45,900)
J00187	Geoscience, Energy and Maritime Division – Programming Performance and Systems	14/5/19	14/5/20	UNDP – United Nations Development Programme	13,312	113,973	127,285	49,439	77,846	77,846
J00217	Geoscience, Energy and Maritime Division – Oceans and Maritime Programme	15/7/19	31/10/19	UNESCO – United Nations Educ. Scient. Cult. Org.	0	28,018	28,018	37,401	(9,383)	(9,383)
J00228	Land Resources Division – Sustainable Forestry and Landscapes	1/10/19	31/10/20	UNDP – United Nations Development Programme	0	423,660	423,660	38,077	385,583	385,583
J00233	Social Development Programme	25/10/19	31/12/19	UNFPA – United Nations Population Fund	0	0	0	11,548	(11,548)	(11,548)

Code	Section	Grant period (DD/MM/YY)	Project name	Balance as at 31/12/2018	Received from donor	Total Expenditure available	Balance as at 31/12/2019	Fundsheld on behalf of donors	Fundsowed by donors
			AAAMP	(9,073)	9,081	7	7	0	0
J00103	Fisheries, Aquaculture and Marine Ecosystems – Oceanic Fisheries Programme – FEMA	1/1/18	L'Agence des Aires Marines Protégées-AAAMP	(9,073)	9,081	7	7	0	0
J00064	Geoscience, Energy and Maritime Division – Oceans and Maritime Programme	1/7/18	Bureau of Meteorology Climate & Oceans Support Program in Pacific - II	(103,271) (103,271)	809,760 809,760	706,489 706,489	1,049,556 (343,067) (343,067)	0	(343,067)
			ACIAR	929,796	1,503,423	2,433,219	892,611	901,142	(8,531)
J00001	Land Resources Division – Markets for Livelihoods	1/9/15	Atoll Soil Health/ACIAR	55,589	164,271	219,859	103,912	115,947	0
J00003	Land Resources Division – Sustainable Agriculture	28/11/17	Soil Mgmt in Pac is:Inv Nut Cycling & Dev of SPP	468	0	468	8,998	(8,531)	0
J00006	Land Resources Division – Genetic Resources	29/3/16	Fruit Production & Post-Harvest Handling Systems	62,246	15,271	77,518	35,567	41,951	0
J00009	Land Resources Division – Sustainable Forestry and Landscapes	29/3/16	Agroforestry Systems	52,763	0	52,763	51,224	1,539	0
J00011	Land Resources Division – Sustainable Forestry and Landscapes	29/3/16	Domestication and Breeding of Sandalwood	6,089	2,609	8,698	18	8,680	0
J00012	Land Resources Division – Sustainable Forestry and Landscapes	1/7/16	Market opportunities for Cocoa	36,877	114,978	151,854	90,363	61,491	0
J00013	Land Resources Division – Sustainable Forestry and Landscapes	1/1/18	Climate-smart landscapes	451	22,107	22,558	21,791	767	0
J00018	Land Resources Division – Sustainable Agriculture	10/5/17	Integrating Protected Cropping Systems	56,555	54,105	110,661	51,150	59,510	0
J00019	Land Resources Division – Sustainable Agriculture	26/6/18	Responding Emerging Pests & Diseases Horticult in PI	(52,585)	460,821	408,236	370,835	37,401	0
J00173	Land Resources Division – Directorate	1/8/12	Understanding the response of taro and cassava	28,562	(23,065)	5,497	6	5,490	0
J00182	Land Resources Division – Genetic Resources	29/3/16	Long term funding for ex-situ aroids & yams	123,528	53,115	176,643	132,147	44,496	0
J00205	Land Resources Division – Genetic Resources	28/5/19	Safeguarding and Deploying Coconut Diversity	0	284,925	284,925	40,314	244,611	0
J00214	Social Development Programme	1/8/19	Agriculture Fisheries Improved Nutrition	0	59,198	59,198	1,018	58,180	0
J00023	Land Resources Division – Directorate	1/1/18	LRD-ACIAR Programme Funds 2018 - 2020	116,995	145,483	262,479	218,497	43,981	0
J00084	Fisheries, Aquaculture and Marine Ecosystems – Director's Office	1/6/17	ACIAR funded Capacity Building Programme	143,404	0	143,404	124,055	19,349	0
J00086	Fisheries, Aquaculture and Marine Ecosystems – Director's Office	1/1/18	ACIAR Strategic Partnership (LRD&FAME)	121,182	119,032	240,214	82,466	157,748	0
J00208	Land Resources Division – Directorate		LRD-ACIAR Programme Funds 2016-2017	177,672	30,574	208,246	208,246	0	0
			Pacific Island Forum Fisheries Agency (FFA)	1,077,434	394,892	1,472,326	1,448,889	23,437	(201,717)
J00096	Fisheries, Aquaculture and Marine Ecosystems – Coastal Fisheries Management	1/1/17	FFA – PROP BDM work for FFA and WB	19,695	133,676	153,371	11,409	141,962	0
J00106	Fisheries, Aquaculture and Marine Ecosystems – Oceanic Fisheries Programme	1/1/15	Implement Fisheries Conventions in SIDS/PIOFMP-II	471,377	27,162	498,539	508,242	(9,703)	(9,703)

Code	Section	Grant period (DD/MM/YY)	Project name	Balance as at 31/12/2018	Received from donor	Total Expenditure available	Balance as at 31/12/2019	Fundshield on behalf of donors	Fundsowed by donors
J00110	Fisheries, Aquaculture and Marine Ecosystems – Oceanic Fisheries – Fisheries and Ecosystems Monitoring and Analysis	1/7/16	FFA – Regional Observer Services Cost Recovery	35,528	221,161	256,689	(54,221)	0	(54,221)
J00111	Fisheries, Aquaculture and Marine Ecosystems – Oceanic Fisheries Programme	27/6/17	FFA-MFAT-Sth Pac.Tuna LL Policy & Mgmt (TK Aggmt)	463,066	0	463,066	(137,793)	0	(137,793)
J00112	Fisheries, Aquaculture and Marine Ecosystems – Oceanic Fisheries Programme	1/6/17	FFA-Pacific Management Strategy Evaluation (MSE)	0	0	0	(0)	0	(0)
J00119	Fisheries, Aquaculture and Marine Ecosystems – Oceanic Fisheries – Data Management	1/7/18	FFA Catch Documentation and Compliance Scheme	87,769	0	87,769	82,880	82,880	0
J00225	Fisheries, Aquaculture and Marine Ecosystems – Oceanic Fisheries – Data Management	18/10/19	PIRFO Workshops November 2019	0	12,892	12,892	313	313	0
J00010	Land Resources Division – Sustainable Forestry and Landscapes	29/3/16	Royal Botanic Gardens, KEW	17,540	0	17,540	4,148	4,148	0
J00010	Land Resources Division – Sustainable Forestry and Landscapes	30/9/19	Garfield Weston Global Tree Seed Bank	17,540	0	17,540	4,148	4,148	0
J00026	Climate Change and Environmental Sustainability	4/7/18	Agence Francaise Developement (AFD)	1,219,605	700,000	1,919,605	4,291	20,118	(15,827)
J00027	Climate Change and Environmental Sustainability	16/10/18	Verdissement de la fiscalité Polynésie Française	20,000	0	20,000	(13,388)	0	(13,388)
J00028	Climate Change and Environmental Sustainability	1/4/14	AFD – Environment sustainability and CC – 2019-2021 RESCCUE	335,631	500,000	200,000	20,118	20,118	0
J00044	Public Health Division – Surveillance, Preparedness and Response Programme	1/1/18	ROSSP-Réseau océanien de Surv. de Santé publique	863,974	0	863,974	(2,439)	0	(2,439)
J00014	Land Resources Division – Sustainable Forestry and Landscapes	4/10/18	SPREP	0	28,965	28,965	2,638	2,638	0
J00014	Land Resources Division – Sustainable Forestry and Landscapes	31/3/20	SPREP - Implementation of refores & agroforestry	0	28,965	28,965	2,638	2,638	0
J00174	Land Resources Division – Sustainable Forestry and Landscapes	1/6/15	Department of Project Management, APFNet Secretaria	(92,259)	0	(92,259)	(25)	0	(92,233)
J00174	Land Resources Division – Sustainable Forestry and Landscapes	10/3/19	APFNet/SPC/Fiji/Tonga/Niue project	(92,259)	0	(92,259)	(25)	0	(92,233)
J00083	Public Health Division – Office of Director	1/1/15	The Global Biodiversity Information Facility S.	63,523	16,962	80,486	45,835	34,650	0
J00094	Fisheries, Aquaculture and Marine Ecosystems – Fisheries Information	1/1/18	GF Western Pacific Region Constituency funds	34,650	0	34,650	0	34,650	0
J00165	Land Resources Division – Genetic Resources	1/3/17	GBIF work with USP	(3,647)	2,910	(737)	(737)	0	0
J00165	Land Resources Division – Genetic Resources	30/4/19	Strengthening crop conservation – TC Winston	32,520	14,052	46,572	0	0	0
J00181	Public Health Division – Surveillance, Preparedness and Response Programme	1/1/18	Centers for Disease Control & Prevention	35,867	87,901	123,768	47,599	76,169	0
J00181	Public Health Division – Surveillance, Preparedness and Response Programme	31/12/21	2016-2021 CDC Project Funding	35,867	87,901	123,768	47,599	76,169	0

Code	Section	Grant period (DD/MM/YY)	Project name	Balance as at 31/12/2018	Received from donor	Total Expenditure available	Balance as at 31/12/2019	Fundsheld on behalf of donors	Fundsowed by donors
J00226	Land Resources Division – Sustainable Agriculture	16/10/19	Ministry of Primary Industries Export Plan Training Workshops	0	40,483	40,483	718	718	0
J00194	Land Resources Division – Markets for Livelihoods	15/10/18	Partnership for Community Development Fiji-PCDF PCDF - Internal Control Systems for Organic Certif.	8,581	27,164	35,745	(1,528)	0	(1,528)
J00079	Geoscience, Energy and Maritime Division – Programming Performance and Systems	15/10/16	Deutsche Gesellschaft für Internationale (GIZ) GIZ Financing project, Readiness preparation phase	203,131	595,831	798,962	121,084	222,325	(101,241)
J00127	Geoscience, Energy and Maritime Division – Georesources and Energy Programme	1/7/16	ASCE-PDD7- Investments in Renew. Energy in FSM	(141)	54,000	53,859	22,345	22,345	0
J00128	Geoscience, Energy and Maritime Division – Georesources and Energy Programme	1/8/16	Community-Based Biogas Schemes - ACSE Tuvalu	55,252	0	55,252	(16,853)	0	(16,853)
J00129	Geoscience, Energy and Maritime Division – Georesources and Energy Programme	1/7/16	Solar Hybrid Systems in Boarding Schools, Kiribati	21,147	184,000	205,147	(14,845)	0	(14,845)
J00130	Geoscience, Energy and Maritime Division – Georesources and Energy Programme	20/12/16	ACSE – PILLAR Renewable Energy – Education Prog.	65,064	102,671	167,734	(58,768)	0	(58,768)
J00133	Geoscience, Energy and Maritime Division – Programming Performance and Systems	1/1/19	General Geoinformatics and GIS	24,337	0	24,337	0	0	0
J00169	ICT Section		SPC / GIZ Staff Cost Sharing	389	1,625	2,014	2,014	2,014	0
J00229	Climate Change and Environmental Sustainability	1/5/19	Impl. Regional Pacific NDC Hub, Fiji	0	200,000	200,000	155,710	155,710	0
J00147	Operations and Management Directorate – Micronesian Regional Office	1/1/19	GIZ Climate Change	42,256	0	42,256	42,256	42,256	0
J00195	Land Resources Division – Sustainable Forestry and Landscapes	27/5/19	REDD+ - Forest Conservation in Pacific Island Count	0	37,165	37,165	(10,776)	0	(10,776)
J00202	Fisheries, Aquaculture and Marine Ecosystems – Fisheries Development	1/1/14	NIMA NIMA – National Institute of Water and Atmosph. Res	71,461	132,929	204,391	133,917	133,917	0
J00203	Geoscience, Energy and Maritime Division – Disaster and Community Resilience Programme	1/9/16	NIMA – National Institute of Water and Atmosph. Res	99,355	35,476	134,831	100,723	100,723	0
J00029	Regional Rights Resource Team	1/7/18	SWEDEN DFAT – Department of Foreign Affairs and Trade	1,040,106	1,313,038	2,353,144	915,947	915,947	0
J00172	Land Resources Division – Markets for Livelihoods	23/1/15	IFAD Capacity Building for Resilient Agri in the Pac	(87,290)	91,782	4,492	(25,459)	0	(25,459)

Code	Section	Grant period (DD/MM/YY)	Project name	Balance as at 31/12/2018	Received from donor	Total Expenditure available	Balance as at 31/12/2019	Fundsheld on behalf of donors	Fundsowed by donors
J00078	Geoscience, Energy and Maritime Division – Oceans and Maritime Programme	1/8/18	International Foundation for Aids to Navigation (IFAN) IFAN: Safety Navigation in Pacific – Phrase II	(117,457)	676,359	558,902	80,135	80,135	0
J00066	Geoscience, Energy and Maritime Division – Oceans and Maritime Programme	1/1/19	International Maritime Organisation (IMO) Integrated Technical Cooperation Programme (ITCP)	(15,346)	586,151	570,805	(230,764)	16,176	(246,940)
J00132	Geoscience, Energy and Maritime Division – Oceans and Maritime Programme	1/4/16	MTCC-Pacific	(9,717)	205,000	195,283	(246,940)	0	(246,940)
J00108	Fisheries, Aquaculture and Marine Ecosystems – Oceanic Fisheries – Fisheries and Ecosystems Monitoring & Evaluation	1/7/16	Int Union Conservation of Nature & Natural Resources (IUCN) BIOPELAGOS – IUCN BEST 2.0 Secretariat	70,884	40,000	110,884	5,369	5,369	0
J00104	Fisheries, Aquaculture and Marine Ecosystems – Oceanic Fisheries Programme	1/1/14	International Seafood Sustainability Foundation (ISSF) ISSF E-Monitoring Project (2014-2016)	572,445	36,136	608,581	379,005	379,005	0
J00212	Fisheries, Aquaculture and Marine Ecosystems – Oceanic Fisheries – Data Management	1/8/19	ISSF EM Planning Meeting Oct 2019	0	36,136	36,136	889	889	0
J00098	Fisheries, Aquaculture and Marine Ecosystems – Coastal Fisheries Management	1/1/18	University of Wollongong UoW Pathways project (ACIAR Funds)	67,125	59,714	126,839	70,115	70,115	0
J00099	Fisheries, Aquaculture and Marine Ecosystems – Director's Office	20/12/17	University of Cambridge FEA Academic Collab UoW_RTI_UoSP_UoW_UoE_PC_UCAM	19,814	7,539	27,353	0	0	0
J00069	Geoscience, Energy and Maritime Division – Geosources and Energy Programme	14/5/18	The Pew Charitable Trusts PEW funding – OFF work areas	(44,803)	132,821	88,018	(17,243)	11,160	(28,403)
J00105	Fisheries, Aquaculture and Marine Ecosystems – Oceanic Fisheries Programme – Stock Assessment and Modelling	1/1/18	PEW – DSM Workshop	(31,060)	73,062	42,002	(28,403)	0	(28,403)
J00210	Regional Rights Resource Team	16/7/18	British High Commission Pacific Commonwealth Equality Project	(126,788)	1,616,559	1,489,771	(73,833)	0	(73,833)

Code	Section	Grant period (DD/MM/YY)	Project name	Balance as at 31/12/2018	Received from donor	Total available	Expenditure	Balance as at 31/12/2019	Fundshield on behalf of donors	Fundsowed by donors
USAID										
J00065	Geoscience, Energy and Maritime Division – Disaster and Community Resilience Programme	29/1/15	28/9/20	45,933	619,734	665,667	738,587	(72,920)	0	(72,920)
			Institutional Strengthening in PICs (ISSAC)	45,933	619,734	665,667	738,587	(72,920)	0	(72,920)
US Embassy										
J00032	Regional Rights Resource Team	31/5/17	31/5/19	(11,936)	95,044	83,108	83,108	0	0	0
J00126	Geoscience, Energy and Maritime Division – Georesources and Energy Programme	1/1/14	31/12/20	(16,907)	95,044	78,137	78,137	0	0	0
			Renewable Energy PIC Workshop – US Embassy	4,971	0	4,971	4,971	0	0	0
Western & Central Pacific Fisheries Commission (WCPFC)										
J00101	Fisheries, Aquaculture and Marine Ecosystems – Oceanic Fisheries Programme	1/1/18	31/12/19	773,528	1,261,842	2,035,370	787,703	1,247,667	1,247,667	0
			WCPFC Fee for Services							
J00102	Fisheries, Aquaculture and Marine Ecosystems – Oceanic Fisheries – Data Management	1/1/18	31/12/20	547,722	790,950	1,338,672	957,759	380,914	380,914	0
J00107	Fisheries, Aquaculture and Marine Ecosystems – Oceanic Fisheries Programme	1/1/18	31/12/20	119,643	8,019	127,662	36,734	90,929	90,929	0
			Closures to 'Fee for Service' project (ex FOF571X)							
J00109	Fisheries, Aquaculture and Marine Ecosystems – Oceanic Fisheries – Fisheries and Ecosystems Monitoring & Evaluation	1/1/15	31/12/19	(217,119)	425,553	208,434	208,434	0	0	0
			ABNJ Tuna Project (scientific services for WCPFC)							
J00113	Fisheries, Aquaculture and Marine Ecosystems – Oceanic Fisheries – Fisheries and Ecosystems Monitoring & Evaluation	1/12/17	30/11/19	(189,812)	237,000	47,188	242,759	(195,571)	0	(195,571)
			WCPFC (EU) Mitigating bycatch of BET & juvenile YFT							
J00114	Fisheries, Aquaculture and Marine Ecosystems – Oceanic Fisheries – Fisheries and Ecosystems Monitoring & Evaluation	1/1/18	31/12/20	(5,030)	697,209	692,179	667,288	24,891	24,891	0
			Pacific Tuna Tagging Programme							
J00115	Fisheries, Aquaculture and Marine Ecosystems – Oceanic Fisheries – Fisheries and Ecosystems Monitoring & Evaluation	1/1/18	31/12/20	9,392	87,528	96,920	89,513	7,407	7,407	0
			PROJECT 35B TUNA TISSUE BANK							
J00116	Fisheries, Aquaculture and Marine Ecosystems – Oceanic Fisheries – Fisheries and Ecosystems Monitoring & Evaluation	20/4/18	30/11/19	0	26,485	26,485	18	26,468	26,468	0
			WCPFC – Project 81 Furthering BET age & growth							
J00117	Fisheries, Aquaculture and Marine Ecosystems – Oceanic Fisheries – Fisheries and Ecosystems Monitoring & Evaluation	20/4/18	30/11/19	28,857	0	28,857	27,015	1,842	1,842	0
			Estimating Seabird Mortality							
J00118	Fisheries, Aquaculture and Marine Ecosystems – Oceanic Fisheries – Data Management	1/1/18	1/3/22	69,414	0	69,414	86,953	(17,540)	0	(17,540)
			Support for WPEA-improved Tuna Monitoring Project							
J00222	Fisheries, Aquaculture and Marine Ecosystems – Oceanic Fisheries – Data Management	1/1/19	31/12/21	0	49,542	49,542	2,961	46,581	46,581	0
			WCPFC – Better data on fishweights and lengths							

Code	Section	Grant period (DD/MM/YY)	Project name	Balance as at 31/12/2018	Received from donor	Total available	Expenditure 31/12/2019	Balance as at 31/12/2019	Fundsheld on behalf of donors	Fundsowed by donors
			The World Meteorological Organization	185,308	191,341	376,649	388,829	(12,180)	39,764	(51,944)
J00219	Geoscience, Energy and Maritime Division – Oceans and Maritime Programme	1/7/19	Coastal Inundation Forecasting System FJ-CIFDP	0	191,341	191,341	151,576	39,764	39,764	0
J00081	Geoscience, Energy and Maritime Division – Oceans and Maritime Programme	1/1/19	Impact Forecast Coastal Inundation: IFCI – TV & KI	185,308	0	185,308	237,252	(51,944)	0	(51,944)
			Multi-Donor	5,139,536	442,986	5,582,522	2,000,995	3,581,527	3,590,697	(9,170)
J00038	Educational Quality and Assessment Programme	1/1/19	SPESC and Form 6 Exam	306,090	300,991	607,080	270,238	336,842	336,842	0
J00040	Educational Quality and Assessment Programme	1/1/19	Other Projects – Fee for services	152,841	37,449	190,290	144,810	45,480	45,480	0
J00063	Geoscience, Energy and Maritime Division – Oceans and Maritime Programme	1/1/19	Central Pacific Shipping Commission (CPS)	(4,024)	61,881	57,857	58,848	(991)	0	(991)
J00067	Geoscience, Energy and Maritime Division – Disaster and Community Resilience Programme	1/1/19	General DCRP	57,093	0	57,093	57,093	0	0	0
J00068	Geoscience, Energy and Maritime Division – Georesources and Energy Programme	1/1/18	Geosurvey & Earth Resources Project Activities	377,802	19,276	397,078	68,764	328,314	328,314	0
J00071	Geoscience, Energy and Maritime Division – Disaster and Community Resilience Programme	2/10/17	Pacific Is. Emergency Management Alliance (PIEMA)	131,354	728,192	859,546	604,026	255,520	255,520	0
J00131	Geoscience, Energy and Maritime Division – Oceans and Maritime Programme	1/1/19	Pacific Island Maritime Conference (PIMC)	5,816	0	5,816	13,995	(8,179)	0	(8,179)
J00145	Land Resources Division – Markets for Livelihoods	30/11/18	POETCom General Account	17,741	0	17,741	5,494	12,246	12,246	0
J00156	Director-General's Office	1/1/19	Management Advisory Group, Audit and Risk	57,433	0	57,433	0	57,433	57,433	0
J00157	Director-General's Office	1/1/19	Pacific NCD Partnership from SIDS	15,837	0	15,837	0	15,837	15,837	0
J00158	Director-General's Office	1/1/19	PNG SIS Funds	84,348	0	84,348	22,521	61,827	61,827	0
J00159	Director-General's Office	1/1/19	Research Officer Sustainable Development	7,568	0	7,568	7,568	0	0	0
J00160	Director-General's Office	1/1/19	Pacific Community Emerging Leaders Programme	32,861	0	32,861	5,065	27,796	27,796	0
J00161	Director-General's Office – Communications	1/1/19	Video/TV/Pacific Way	43,646	0	43,646	16,221	27,425	27,425	0
J00162	Deputy Director-General (Suva)	1/1/19	SEPPF 2016-2020	28,038	0	28,038	3,377	24,661	24,661	0
J00167	Deputy Director-General (Noumea)	1/1/19	Cross-OMD Projects	1,120,000	0	1,120,000	201,833	918,167	918,167	0
J00168	Deputy Director-General (Noumea)	1/1/19	Internal Innovation Fund	572,506	266,298	838,803	1,787	837,016	837,016	0
J00170	Land Resources Division – Directorate	1/1/19	LRD Consolidated account	1,201,095	(1,054,652)	146,443	7,652	138,791	138,791	0
J00179	Land Resources Division – Directorate	1/1/19	SPP1791-Effects CC Pests/Diseases food crops NC/WF	30,000	0	30,000	0	30,000	30,000	0
J00180	Geoscience, Energy and Maritime Division – Director's Office	1/1/19	GEM Projects	119,973	230,237	350,210	132,274	217,936	217,936	0
J00183	Climate Change and Environmental Sustainability	1/1/19	CCES Projects	6,191	(4,366)	1,826	(1,381)	3,207	3,207	0
J00191	Fisheries, Aquaculture and Marine Ecosystems – Coastal Fisheries Programme – G	1/1/19	FAME Coastal Closed Project	112,085	43,821	155,906	3,794	152,111	152,111	0
J00193	Statistics for Development Division	1/1/19	SDD Projects	(1,416)	1,432	16	16	0	0	0
J00209	Land Resources Division – Markets for Livelihoods	26/6/19	E-Phyto Workshop Aug 2019	0	78,726	78,726	73,895	4,831	4,831	0

Code	Section	Grant period (DD/MM/YY)	Project name	Balance as at 31/12/2018	Received from donor	Total available	Expenditure	Balance as at 31/12/2019	Fundsheld on behalf of donors	Fundsowed by donors
J00211	Operations and Management Directorate – Finance Section		Finance – Review systems Policies & Procedures	0	100,000	100,000	4,745	95,255	95,255	0
J00036	Educational Quality and Assessment Programme		Development & Accreditation of Miro-qualifications	114,969	(63,897)	51,072	51,072	0	0	0
J00060	Social Development Programme	1/3/18	RMI HIES Pilot project	9,910	0	9,910	9,910	0	0	0
J00061	Social Development Programme	1/3/18	SDG-related work	(3,195)	0	(3,195)	(3,195)	(0)	0	(0)
J00120	Fisheries, Aquaculture and Marine Ecosystems – Oceanic Fisheries Programme	1/1/18	Methylmercury PCCOS Pilot – Innov.Funds	257,610	(248,104)	9,505	9,505	0	0	0
J00121	Fisheries, Aquaculture and Marine Ecosystems – Oceanic Fisheries – Stock Assessment and Modelling	1/1/18	Acoustic FAD – Innov.Funds	130,694	(47,254)	83,441	83,441	0	0	0
J00122	Fisheries, Aquaculture and Marine Ecosystems – Oceanic Fisheries – Data Management	1/1/18	Blockchain fisheries traceability – Innov.Funds	29,792	(7,043)	22,749	22,749	0	0	0
J00004	Land Resources Division – Sustainable Agriculture	1/3/18	SPC – Pacific Seeds for Life	124,879	0	124,879	124,879	(0)	0	(0)
Project Revaluation				0	0	0	0	44,213	44,213	0
TOTALS				37,484,018	59,461,996	96,946,014	60,493,966	36,496,261	39,522,767	(3,026,506)

Provident Fund
Financial Statements
and Audit Report for
the year ended
31 December 2019



Independent Auditors' Report



Independent Auditors' Report

To the Governing Body of the Pacific Community Provident Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Pacific Community Provident Fund (Fund), which comprise the Statement of Financial Position as at 31 December 2019, 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 2019, 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 the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements and 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.

Those charged with governance are responsible for overseeing the Fund'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

To the Governing Body of the Pacific Community Provident Fund

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 the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 the 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 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.

7 July , 2020
Suva, Fiji

KPMG
KPMG
Chartered Accountants

Pacific Community Provident Fund

Financial Statements for the year ended 31 December 2019

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

	Note	2019 EUR	2018 EUR
¹ Cash and cash equivalents	4	961,509	118,369
¹ Invested term securities	5	6,789,472	7,190,709
² Loans to members		180,412	164,466
¹ Loans to SPC		25,245	57,993
¹ Interest receivable & other		42,023	61,623
Total assets		7,998,661	7,593,160
¹ Other creditors		-	259,377
Total liabilities		-	259,377
Net Assets		7,998,661	7,333,783
Members' capital accounts – Noumea		5,005,604	4,681,977
Members' capital accounts – Suva		2,993,057	2,651,806
Total Members' Capital		7,998,661	7,333,783

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

For the Pacific Community Provident Fund



Dr Stuart Minchin
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 48 to 50.

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 2019.

Pacific Community Provident Fund

Financial Statements for the year ended 31 December 2019

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 EUR	2018 EUR
Interest received	165,209	162,710
Bank charges	(1,404)	(1,261)
Total net revenue transferred to appropriation account	163,805	161,449

Appropriation account for the year

6 months ended 30 June	78,149	79,753
6 months ended 31 December	85,656	81,696
Total interest distributed to members' accounts	163,805	161,449

MOVEMENT IN MEMBERS' ACCOUNTS

	2019 EUR	2018 EUR
Members' contributions and interest	3,743,200	4,001,637
SPC contributions	3,590,583	3,718,433
Opening balance 1 January	7,333,783	7,720,070
Members' contributions	1,098,240	1,016,666
SPC contributions	1,017,941	932,393
	2,116,181	1,949,059
Net revenue transferred to appropriate account	163,805	161,449
Exchange adjustment – Suva	(26,596)	9,261
Total additions	2,253,390	2,119,769
Total members' balances before investments paid out	9,587,173	9,839,839
Payouts upon termination and withdrawals	(1,588,512)	(2,506,056)
Closing balance 31 December	7,998,661	7,333,783
Members' contributions	4,083,955	3,743,200
SPC contributions	3,914,706	3,590,583
Closing balance 31 December	7,998,661	7,333,783

This statement is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 48 to 50.

Pacific Community Provident Fund

Notes to the financial statements for year ended 31 December 2019

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 2019 to 31 December 2019.
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 2019 of FJD 1.00 = EUR 0.412811.
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 2019 (which is 1.5% higher than the weighted average rate of interest earned on Provident Fund investments).
6. 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.

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; and
- 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 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 relates 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

	2019 EUR	2018 EUR
Cash held in bank accounts	961,509	118,369

Note 5

	2019 EUR	2018 EUR
Invested term securities	6,789,472	7,190,709
Ageing analysis of invested term securities		
< than 3 months	670,400	1,005,600
3 to 6 months	-	1,679,163
6 to 12 months	6,119,072	4,505,946
Total invested term securities	6,789,472	7,190,709

The Noumea Fund has invested in Term Securities with Banque calédonienne d'investissement (BCI), of EUR 4,106,200. The interest rates range from 1.1% to 1.60%, with maturity of EUR 670,400 being less than 3 months and EUR 3,435,800 between 6 and 12 months.

The Suva Fund has invested in Term Securities with Australia & New Zealand Banking Group Ltd (ANZ) of EUR 825,622 and BRED Bank of EUR 1,857,650. The interest rate ranges from is 4% to 4.5%, 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.

	2019 EUR	2018 EUR
(a) Amount owed to SPC Provident Fund		
Loan to SPC	25,245	57,993
(b) Transaction with SPC Provident Fund		
Loan repayment from SPC	32,748	31,733
Superannuation contribution	2,116,181	1,949,059

Produced by the Pacific Community (SPC)

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ISBN 978-982-00-1294-3



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