




**OCEANIA CUSTOMS ORGANISATION**

**“A UNITED PACIFIC WORKING TOWARDS  
A COMMON SOLUTION”**

**ANNUAL REPORT**  
JULY 2018 - JUNE 2019



Strengthening  
regional connections  
to support a safe and  
prosperous Pacific

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## Head of Secretariat Message



This year the OCO saw two of its members Tuvalu and Cook Islands accede to the Revised Kyoto Convention and assisted nine nations in implementing the Harmonised Commodity Classification system under the Pacer Plus arrangements, this included developing nine regional experts from amongst its membership on the Rules of Origin. The Pacer Plus project has proved to be a highly successful project in which a standardized platform of trade classification exists across the Pacific’s smaller islands to bring them in line with larger memberships. That project also engaged business leaders and private sector communities in its reach.

Those that adopted the Harmonised Classification system are now well placed to engage Free Trade Agreements and integrate broadly with international trade standardization, it is hoped that the members that have not yet introduced the HS system will do so in the next year to ensure the Pacific becomes fully integrated in trade.

There has been some great collaboration with regional partners this year with two MOU’s being signed, this collaboration will continue into the next year as engagements with the WCO, WHO, PFTAC, USPTO, NZ Customs and ABF, PICP and PIDC continue to evolve through engagement with the Boe Declarations that will see coordinated border enforcement evolve as a key focus.

The Saipan conference was a great success and we thank the Head of CNMI Customs Mr. Jose Mafnas for organizing the conference, the presentations certainly highlighted the changing face of trade in the Pacific and reflected the Boe declaration with Climate Security, Human Security and Humanitarian Assistance, Environmental and Resource Security, Transnational Crime, Cybercrime and Cyber enabled crime being key pillars of which Customs in the Pacific will impact. We also farewelled the interim HOS Roy Lagolago who provided fantastic stewardship during his time and we thank him for stepping in to assist.

Looking forward the OCO has a challenging 2020 with a lot of work being planned for Border Enforcement and Trade Facilitation concepts, including the Asycuda program being introduced into a number of islands, the OCO will work collaboratively with PIFS and UNCTAD to ensure this occurs efficiently.

Thank you,

Richard Brennan  
Head of Secretariat

## Understanding the Oceania Customs Organisation

The Oceania Customs Organisation (OCO) was established in 1986 originally with six member Customs organisations under the Customs Head of Administration Regional Meeting (CHARM) and progressively expanded until in 2011, Timor Leste became the most recent member. The OCO comprises of twenty-three nations and territories that are independent Customs jurisdictions in the Pacific.

### Mission

OCO's mission is to facilitate and where appropriate help administrations to align with customs international standards and best practice leading to greater economic prosperity and increased border security within the Oceania region.

### Vision

To be recognised as a world class regional Customs Organisation that collaborates with regional and global partners to deliver high quality services and sustainable solutions to Member Administrations

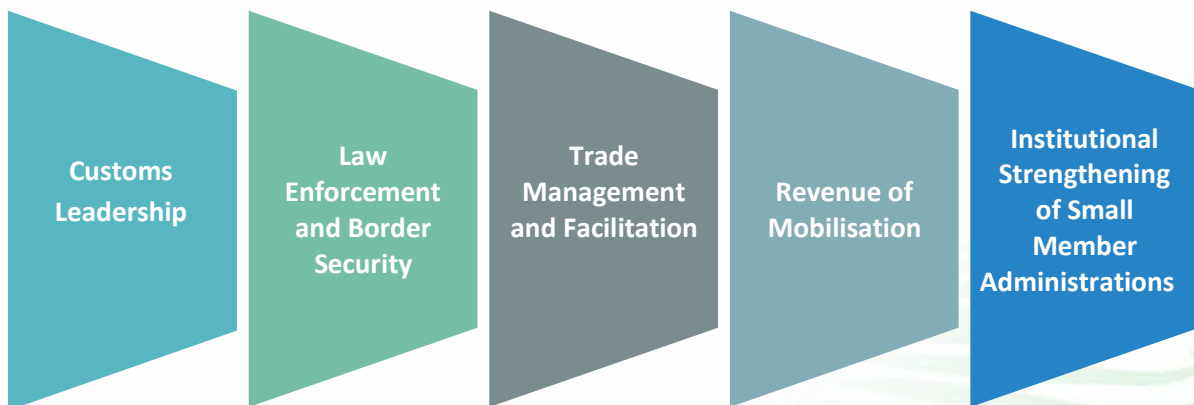
### Values

We value our members and are committed to providing targeted assistance and lasting solutions to meet their priority needs

We value our development partners and stakeholders and are committed to transparent dialogue and working closely together to serve regional, global and national interests.

We value governance and credible and inspirational leadership

### Our Strategic Priorities Areas



### Our Staff Profile

As at 30 June 2019, seven full-time staff, representing three OCO Member countries were employed by the OCO Secretariat.

## CNMI hosts the 21st Annual Conference

The 21st Oceania Customs Organisation (OCO) annual conference commenced on 13th May, 2019 in Saipan, Commonwealth of the Northern Mariana Islands (CNMI), hosted by the CNMI Customs division with the theme “A united Pacific working towards a common solution”.



The Conference brought together over 90 delegates from 21 member customs administration and key partners including the WCO, ROCB Asia Pacific, Korea Customs, IMF Pacific Financial and Technical Assistance Center (PFTAC), Pacific Immigration Development Community (PIDC), Pacific Islands Forum Secretariat (PIFS), Pacific Transnational Crime Coordination Centre (PTCCC), Pacific Islands Chief of Police (PICP), Pacific Community (SPC), United Nations Conference for Trade and Development (UNCTAD), United Nations International Narcotics Control Board, United Nations office on Drugs and Crime (UNODC), United States Patent Office, World Bank group, World Health Organisation, United States Coast Guard, United States Secret Service and JIATF West and CNMI agencies and private sector stakeholders.

## Key Outcomes

The OCO members on the opening day witnessed three milestone achievements which was the accession of two non-WCO members, Tuvalu and Cook Islands to the International Convention on the Simplification and Harmonization of Customs Procedures (Revised Kyoto Convention) and signing of a Memorandum of Understanding between the UNCTAD and the OCO.



**Official signing ceremony of the Memorandum of Understanding between OCO and UNCTAD**



The OCO and the United Nations Conference on Trade and Development signed a Memorandum of Understanding to provide a general framework of cooperation between the parties, and to facilitate and strengthen collaboration in areas of common interest.



# SNAPSHOT of PERFORMANCE 2018-2019



**8** Regional Workshops conducted  
**2** Sub-regional Workshops conducted



Assisted **9** Countries to Implement Harmonised System 2017



Assist **2** countries to accede to the Revised Kyoto Convention



**8** Collaborative Activity with Stakeholders & Partners

*WCO, WHO, PFTAC, UNEP, US Patent Office, NZ Police, ABF, MSG*



**155** Customs Officers Trained  
**69%** Male  
**31%** Female



**123** Customs Stakeholders Trained

**9** PACER Plus Rules of Origin Trainers Accredited

**4** National workshops

*Fiji, Kiribati, Cook Islands, RMI*

**17** Countries benefitted from Capacity Building Activities

*American Samoa, Fiji, Cook Island, Guam, CNMI, FSM, RMI, Kiribati, Nauru, Niue, Palau, PNG, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu*





**2** Memorandum of Understanding and  
**1** Declaration of Partnership signed

*MSG Secretariat, US Patent Office,  
Pacific Immigration Development  
Community, PICP*

Over **80%** Work Plan  
Implemented

**56%** of Budget  
implemented



**9** Engagement and Representation at  
different forums

*WCO, WTO Trade Facilitation Meeting, WCO  
Capacity Building Meeting, APEC Subcommittee on  
Customs, Pacific Sector Dialogue, PICP, PFTAC,  
PASSO*

# TIMELINE

Timeline of Activity from July 2018 to JUNE 2019

## July 2018

### Forum Trade Officials Meeting & PACER Plus Signatory Trade Officials

The OCO was represented at the Forum Trade Officials Meeting and PACER Plus Signatories Meeting, Apia, Samoa on the 11th of July, 2018.



### PACER Plus Rules of Origin Train-the-Trainers Program Phase 1

The OCO in partnership with Centre for Customs and Excise Studies, Charles Sturt University and through the PACER Plus Funding held the PACER Plus Rules of Origin (ROO) Train-the-Trainers Program which will be based on a blended learning format consisting of four phases.



### Sub-Regional Workshop on the Revenue Package with the focus on HS 2017

The Workshop in collaboration with the New Zealand Customs Service was undertaken to assist members to implement HS 2017. The 5 members targeted in this action (FSM, RMI, Palau, Guam and CNMI) are currently using different versions of HS and two countries do not have HS infrastructure in place. Three countries have adopted HS 2017 following the Workshop.



## August 2018

### Private Sector Dialogue Preparatory Meeting

The 2018 Private Sector Dialogue Preparatory Meeting was convened on 6 & 7 August 2018 in Auckland, New Zealand. The OCO was represented and made presentation on PACER Plus element of trade facilitation and Customs matters.



**APEC Sub-Committee on Customs Procedures**

The APEC SCCP meeting was held on 10-12 in PNG and attended by delegates from 16 APEC Member economies and representatives from the WCO and OCO participated as observers. OCO made presentations on “Trade Facilitation in the Oceania Region” and “Narrowing the Development Gaps in the OCO Region”.



**Pacific Islands Chiefs of Police Conference**

The OCO was represented at the PICP Conference in Nauru from the 11-17 August, 2018.



**September 2018**

**Pacific Aviation Security Forum**

The OCO was represented at the Pacific Aviation Security Forum in Niue from the 24-28 September, 2018.



**Network and Thematic Meeting of Pacific Islands Countries Ozone**

The first Thematic Meeting on the Implementation of the Initial Obligations for Countries that have ratified the Montreal Protocol’s Kigali Amendment was held on 27 September 2018 in Bangkok, Thailand as part of the Pacific Islands Countries’ National Ozone Officers Network and Thematic Meeting held from 27-29 September.



**October 2018**

**WHO Workshop on Tracking and Tracing to Prevent the Illicit Trade of Tobacco Products in the Pacific**

The OCO in collaboration with the WHO held a Workshop on tracking and tracing to prevent illicit trade of tobacco products in the Pacific held in Nadi, Fiji from 23-25th October, 2018.



### PACER Plus ROO TTT Program - Phase 3

The final face to face workshop for Train the Trainers was conducted in Canberra from 8-12 October and saw 19 pre-accredited trainers graduate from the Charles Sturt University in Canberra.



### November 2018

#### MSG Sub-Regional Workshop on Regional Integration and WTO Trade Facilitation Agreement Implementation

Through its partnership with the MSG Secretariat and partnerships with Pacific Islands Forum Secretariat, Pacific Community, OCO convened the Sub-Regional Workshop on the Regional Integration & WTO TFA Implementation. This workshop targeted the strengthening of cooperation amongst members to implement trade facilitation measures that can help drive regional integration.



### December 2018

#### National Workshops on Financial Crime in Cook Islands

The OCO in collaboration with key law enforcement partners conducted a five-day workshop on National Training in Illicit Financial Flow and Trade Enforcement in the Cook Islands from the 3-7 December, 2018. A total of 14 customs officials took part in the workshop.



#### Pacific Regional Vessel Search Course

The Regional Vessel Search Course under the International Border Cooperation Program (IBCP) was organized by the Australian Department of Home Affairs. A total of 9 customs officials took part in the workshop held in Sydney.



### WCO Sub-Regional Workshop on Customs Valuation

Through its partnership with the WCO, five members of the OCO participated in the WCO Sub-Regional Workshop on Customs Valuation for the Pacific. The objectives of the workshop were to provide understanding of the WTO Valuation Agreement and more importantly undertake practical exercises of valuation cases which participants have encountered and/or become aware in the course of their duty and regarded as difficult/unique to the valuation determination for the purpose of plenary



### Sub Regional [Polynesian] Financial Crime & Trade Enforcement Training

The OCO in partnership with NZ Customs, PICP, NZ Police, APG, JIATF West and Strategika Group conducted a 5-day Sub-Regional training on Financial Crime and Trade Enforcement at the NZ Customs Training Center in Auckland, New Zealand. The Training saw 11 Customs officers from Polynesian countries attend the week long training.



### January 2019

#### Building Capacity in Transposition of PACER Plus Schedule of Commitments on Tariff and Product Specific Rules

The Workshop was conducted by OCO Consultants and Secretariat and in partnership with the Tonga Ministry of Revenue and Customs. 36 Trade and Customs Officials from the 11 PACER Plus Parties took part in the four-day workshop from 21-24 January, 2019



### February 2019

#### National Workshops on Financial Crime in Kiribati

The OCO in collaboration with key law enforcement partners conducted a five-day workshop on National Training in Illicit Financial Flow and Trade Enforcement in Kiribati from the 18-22 February, 2019. A total of 10 customs officials took part in the workshop.



### WTO Customs Valuation Workshop

The OCO was represented in Geneva and presented a paper at the WTO Customs Valuation workshop from the 12-14 February 2019.

### APEC Plenary Meeting – Sub Committee on Customs Procedures

The OCO presented a paper on OCO regional priorities, direction and challenges. The meeting was held in Chile from the 26-27 February, 2019.



### March 2019

### Changing the dynamics of transitional organised crime modality in the Pacific

The OCO in collaboration with NZ Police conducted a two-day workshop on changing the dynamics of transitional organised crime modality in the Pacific in Suva, Fiji from the 18-19 March 2019. A total of 14 law enforcement officers took part in the workshop.



### April 2019

### Asia Regional Workshop on Enforcement Against Trade in Counterfeit Food, Beverages, Cosmetics, and Fast Moving Consumer Goods

The OCO in partnership with the USPTO had 4 of its members attend an Asia Regional Workshop on Enforcement Against Trade in Counterfeit Food, Beverages, Cosmetics, and Fast Moving Consumer Goods, which was held on April 2-5, 2019, in Ho Chi Minh City, Vietnam.



### WCO Capacity Building Committee

The OCO was represented at the WCO Capacity Building Committee Meeting held in Brussels from the 8-10 April, 2019. The OCO was part of a panel dedicated to Small Islands Economies and presented the OCO view on the theme “Connecting Small Island States to Global Economies through Capacity Building”



### **PSR Transposition Work**

The Workshop was attended by 13 Officials representing ten of the PACER Plus signatory parties aimed at to provide technical assistance and guidance to participants to undertake actual transposition of the PACER Plus Product Specific Rule (PSR) Schedule and Tariff Schedule Commitment from HS 2012 and HS 2017.





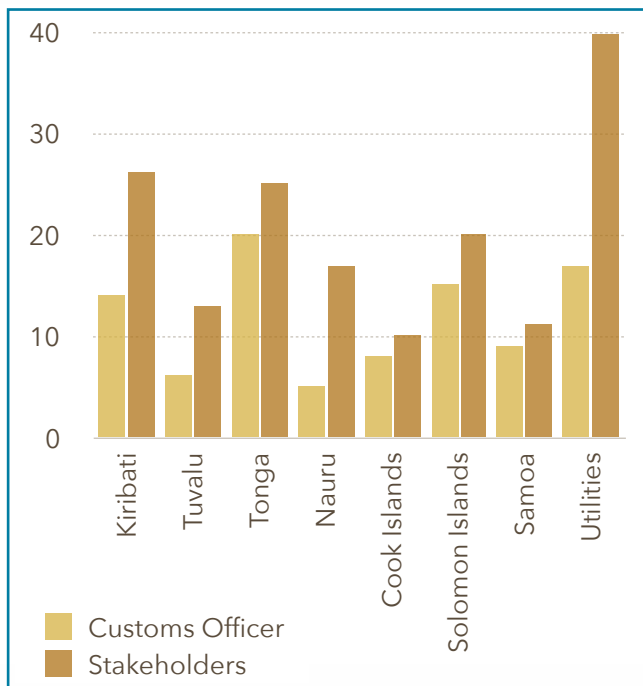
# PACER Plus Activities | 2018-2019

## 1. Support FICs customs administrations to implement HS 2017 and to prepare them to progress to implementing HS 2022

The OCO has completed the in-country work to assist members with the transposition work from the current HS to the HS 2017. Seven of the countries have adopted HS 2017 and with two countries, Kiribati and Samoa undertaking internal processes to adopt HS 2017.

This activity has also included training of Customs and Stakeholders in HS 2017 training a total of 110 customs Officers and 162 Stakeholders/Customs Brokers.

Fig. 1 National Training on Harmonised System



## 2. HS Tools to assist Users of the HS

The OCO purchased the WCO HS 2017 Legal text for the nine signatory members to assist them with the transposition to HS 2017 and subscriptions to the online Harmonized System Database.

## 3. Transposition of Tariff Schedule and Product Specific Rules from HS 2012 (or earlier) to HS 2017

Two Guidelines; Guidelines for Transposing Tariff Reduction Schedules and Product Specific Rules were developed to provide information for undertaking HS transposition.

The OCO facilitated the Regional Workshop on Transposition of PACER Plus Tariff Schedules and Products Specific Rules (PSR) from HS 2012-HS which was held at the Tanoa International Dateline Hotel, Tonga on 21-24 January, 2019. The Workshop was attended by 36 Trade and Customs Officials representing eleven of the PACER Plus signatory parties.

The OCO convened the 2nd Transposition Workshop in Nadi on 1-5 April, 2019. The participants were trained on how to undertake the transposition themselves. At the end of the Workshop, all of the participants indicated that with the knowledge gained from the Workshop they are able to undertake the remaining transposition work on their own at the national level with technical advice from OCO, Australia, and New Zealand when needed through email communication.

The Parties are undertaking their own transposition in-country with draft schedules expected to be circulated amongst parties in June 2019.

## 4. Development of Training Modules and Training of the Trainers on PACER Plus Rules of Origin

This program was coordinated and facilitated by Centre for Customs and Excise Studies (CCES) and included the Core Train the Trainers Course, online Certificate IV Rules of Origin Training and the Specialized PACER Plus ROO TTT Course.

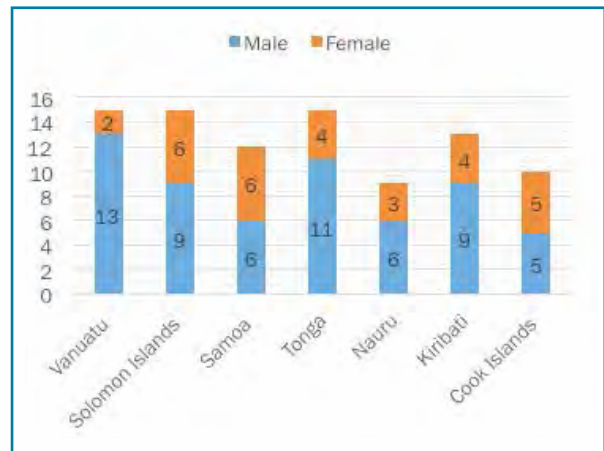
A total of 18 Customs Officials underwent the ROO TTT Program.

### 5. PACER Plus ROO In-Country Training and Stakeholder Awareness

The PACER Plus ROO Training is two-fold at the national level; (i) training is conducted for Customs Officials and (ii) for the stakeholders/private sector on the utilization of the PSR.

The first phase of training for Customs Officials commenced in November, 2018 with seven countries completed. The training was conducted by the OCO Trainers that were part of the PACER Plus ROO TTT Program. Fig 2 shows the Training Statistics by country. A total of 89 Customs Officers have been trained with 34% Female Officers.

Fig. 2 PACER Plus ROO Training for Customs Officials

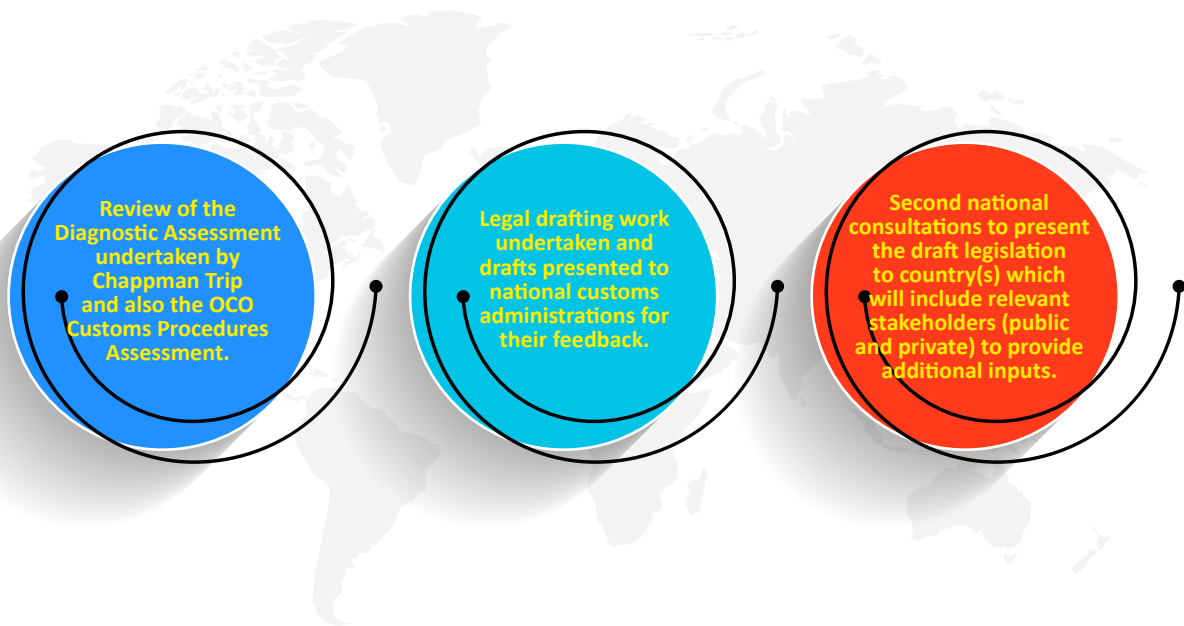


### 6. Customs Officers Capacity Building on PACER Plus and Customs Matters

The general capacity building is an ongoing work at the national level with both in-country support and technical advice.

### 7. Strengthening Legislative Capacity

The legal consultants began their work in November 2018. The general approach undertaken by both Consultants is shown in Figure below.



Legal work has been completed for three countries, Kiribati, Nauru and Tonga. The remaining work is ongoing.

### **7. High Level Representation**

In the OCO bid to strengthen engagements with members, the Head of Secretariat undertook 2 visits to PACER Plus Parties, Samoa and Cook Islands. The country visits was critical to consolidate support for customs modernisation and implementation of key deliverables of the PACER Plus project and as part of the OCO communication and engagement strategy.

## Trade Facilitation in customs Cooperation (TFCC) project

The end-of-project audit of the TFCC has been finalised and final TFCC project balance of €9,249,04 was reimbursed to the European Commission (EC) in November 2018. The EC was requested to close the project in their financial system. The final treatment for the project has been factored into the 2019-22 budget approved by the 2019 Annual Conference.

The current cash balance of the TFCC project, after settlement of all outstanding project liabilities in November 2018, is FJ\$220,824.79, and belongs to the OCO. This cash balance was treated as current year income in June as part of the TFCC project closure process. This amount does not appear on OCO's books, and the expected treatment of the amount would be to close the project bank account and transfer the funds to OCO's operating bank account.

## Financial Results

The OCO Financial Statements and Audit Report for the year ended 30 June 2019 have been prepared in accordance with International Public Sector Accounting Standards, and are annexed to this Annual Report. They show total expenditure for the year of FJ\$3.7m (2017/18 FJ\$3.1m), a surplus for the year of FJ\$0.369m (2017/18 FJ\$1.7m), total assets of FJ\$3.9m (2017/18 FJ\$2.9million), and accumulated surpluses at 30 June 2019 of FJ\$2.9m (2017/18 FJ\$2.5million). The financial results for the 30 June 2019 fiscal year are compared against results for the year ended 30 June 2018.

## OCO Partners and Supporters

The OCO would like to acknowledge the valuable contribution and on-going support of the following organisations to the work of the organisation.

1. Asian Development Bank
2. European Union through the European Union Delegation for the Pacific
3. Government of Australia through the Department of Foreign Affairs and Trade
4. Government of New Zealand through the Ministry of Foreign Affairs and Trade
5. Government of Republic of Fiji through the Ministry of Foreign Affairs and International Cooperation
6. Government of Japan through Japan Customs and Tariff Bureau
7. Government of Korea through Korea Customs Service
8. Melanesian Spearhead Group Secretariat
9. New Zealand Statistics
10. Pacific Financial and Technical Assistance Centre
11. Pacific Immigration Development Community
12. Pacific Islands Chiefs of Police
13. Pacific Islands Forum Secretariat
14. Pacific Islands Law Officers Network
15. Pacific Transnational Crime Coordination Centre
16. Secretariat of the Pacific Community
17. United Nations Conference for Trade and Development
18. United Nations Economic & Social Commission for the Asia Pacific
19. United Nations Office on Drugs and Crime
20. World Bank
21. World Customs Organisation (WCO)
22. World Health Organization (WHO)
23. WCO Regional Office for Capacity Building for Asia Pacific
24. WCO Regional Intelligence Liaison Office for Asia Pacific
25. World Trade Organisation

## Acronyms

ABF	Australian Border Force
APG	Asia Pacific Group on Money Laundering
AUSTRAC	Australian Transaction Reports and Analysis Centre
CENComm	Customs Enforcement Network Communications
CIAT	Center for Tropical Agriculture
CNMI	Commonwealth of the Northern Mariana Islands
DEPA	Document Examination Principles and Application
ESCAP	United Nations Economic and Social Commission for Asia and the Pacific
FRCS	Fiji Revenue & Customs Service
FSM	Federated States of Micronesia
Guam CQA	Guam Customs and Quarantine Agency
HS	Harmonised System
IMF	International Monetary Fund
IOTA	Distributed ledger to record and execute transactions between machines in the Internet of Things (IoT) ecosystem
ISORA	International Survey on Revenue Administration
ISOCA	International Survey on Customs Administration
JIATF	Joint Interagency Task Force
LMD	Leadership and Management Development
MFAT	Ministry of Foreign Affairs and Trade
MOU	Memorandum of Understanding
MSG	Melanesian Spearhead Group
NZCS	New Zealand Customs Service
NZP	New Zealand Police
OCO	Oceania Customs Organisation
OECD	Organisation for Economic Co-operation and Development
PACER	The Pacific Agreement on Closer Economic Relations
PACHS	Pacific Harmonised Commodity Description and Coding System
PCA	Post Clearance Audit
PFTAC	Pacific Financial Technical Assistance Centre
PICP	Pacific Islands Chiefs of Police
PICS	Pacific Island Countries

PICTA	Pacific Island Countries Trade Agreement
PIDC	Pacific Immigration Development Community
PIFS	Pacific Islands Forum Secretariat
PITAA	Pacific Islands Tax Administrators Association
PMDP	Pacific Management Development Program
PNG	Papua New Guinea
PTCCC	Pacific Transnational Crime Coordination Center
RA-FIT	Revenue Administration's Fiscal Information Tool
RMI	Republic of Marshall Islands
ROCB AP	WCO Regional Office on Capacity Building, Asia Pacific
RILO APWCO	Regional Intelligence and Liaison Office, Asia Pacific
RKC	Revised Kyoto Convention
SMA	Small Member Administration
SPC	Secretariat of the Pacific Community
TA	Trade Agreement
TFA	Trade Facilitation Agreement
TFCC	Trade Facilitation in Customs Cooperation
UNCTAD	United Nations Conference for Trade and Development
UNODC	United Nations Office on Drugs and Crime
US ICE	United States Immigration and Customs Enforcement
VAT	Value Added Tax
WCO	World Customs Organisation
WHO	World Health Organisation
WTO	World Trade Organization



## Annex I

### OCEANIA CUSTOMS ORGANISATION SECRETARIAT

### FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2019

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OCEANIA CUSTOMS ORGANISATION SECRETARIAT  
STATEMENT BY THE HEAD OF SECRETARIAT  
FOR THE YEAR ENDED 30 JUNE 2019

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As the Head of Oceania Customs Organisation Secretariat ("the Secretariat"), I hereby declare that:

- a) the accompanying statement of financial position of the Secretariat is drawn up so as to give a true and fair view of the state of affairs of the Secretariat at 30 June 2019;
- b) the accompanying statement of comprehensive income is drawn up so as to give a true and fair view of the results of the Secretariat for the year ended 30 June 2019;
- c) the accompanying statement of cash flows is drawn up so to give a true and fair view of the cash flows of the Secretariat for the year ended 30 June 2019;
- d) at the date of this statement there are reasonable grounds to believe the Secretariat will be able to pay its debts as and when they fall due; and
- e) all related party transactions have been adequately recorded in the books of the Secretariat.

For and on behalf of the Secretariat.

Dated this 8th day of October 2019.



.....  
Richard Brennan  
Head of Secretariat



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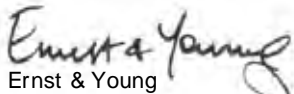
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**Auditor's Independence Declaration to the Head of Oceania Customs Organisation Secretariat**

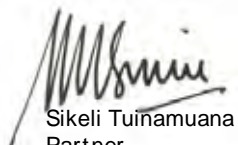
As lead auditor for the audit of Oceania Customs Organisation Secretariat for the financial year ended 30 June 2019, I declare to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Oceania Customs Organisation Secretariat during the financial year.



Ernst & Young  
Chartered Accountants



Sikeli Tuinamuana  
Partner  
Suva, Fiji

8 October 2019



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## INDEPENDENT AUDITOR'S REPORT

To the members of Oceania Customs Organisation Secretariat

### Opinion

We have audited the accompanying financial statements of Oceania Customs Organisation Secretariat ("Organisation"), which comprise the Statement of Financial Position as at 30 June 2019, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies.

In our opinion, the accompanying Financial Statements give a true and fair view of the financial position of the Organisation as at 30 June 2019, and of its financial performance, cash flows, and financial performance against budget 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 ("ISA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organisation in accordance with the International Ethics Standards Board for Accountant's Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the Financial Statements in Fiji 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 the Steering Committee and Management for the Financial Statements

The Steering Committee and management are responsible for the preparation and fair presentation of the Financial Statements in accordance with IPSAS, and for such internal control as the Steering Committee and Management determine 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 Steering Committee and management are responsible for assessing the Organisation'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 Steering Committee and management either intend to liquidate the Organisation or to cease operations, or have no realistic alternative but to do so.

The Steering Committee and management are responsible for overseeing the Organisation's financial reporting process.

### Auditor's 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 auditor's 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 ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud and 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 the Financial Statements.

As part of an audit in accordance with ISA, we exercise professional judgement 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.



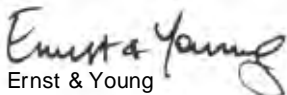
INDEPENDENT AUDITOR'S REPORT continued

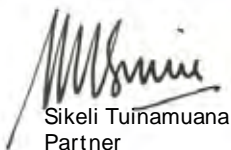
Auditor's Responsibilities for the Audit of the Financial Statements continued

- 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 Organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Steering Committee and management.
- Conclude on the appropriateness of the Steering Committee and 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 the organisation's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Organisation 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 the Steering Committee and management 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.

We also provide the Steering Committee and management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

  
Ernst & Young  
Chartered Accountants

  
Sikeli Tuinamuana  
Partner  
Suva, Fiji

8 October 2019

OCEANIA CUSTOMS ORGANISATION SECRETARIAT  
STATEMENT OF COMPREHENSIVE INCOME AND RETAINED EARNINGS  
FOR THE YEAR ENDED 30 JUNE 2019

	Notes	2019 \$	2018 \$
<b>Revenue from non-exchange transactions</b>			
Australia grant - core		917,993	928,218
New Zealand grant income - core		830,000	830,000
Members' contribution		506,108	520,128
		<u>2,254,101</u>	<u>2,278,346</u>
<b>Revenue from exchange transactions</b>			
Australia grant income - project funding		957,293	1,303,495
New Zealand grant income - project funding		427,459	1,139,701
Other income	3	517,094	118,595
		<u>1,901,846</u>	<u>2,561,791</u>
<b>Total income</b>		<u>4,155,947</u>	<u>4,840,137</u>
<b>Expenditure</b>			
Operating expenses	4	3,702,054	3,023,794
Depreciation		61,394	58,342
Doubtful debts		22,521	27,568
<b>Total expenditure</b>		<u>3,785,969</u>	<u>3,109,704</u>
<b>Surplus of income over expenditure</b>		369,978	1,730,433
<b>Total comprehensive income for the period</b>		<u>369,978</u>	<u>1,730,433</u>
<b>Accumulated surplus at 1 July</b>		2,537,710	807,277
<b>Accumulated surplus at 30 June</b>		<u>2,907,688</u>	<u>2,537,710</u>

The accompanying notes form an integral part of this Statement of Comprehensive Income.

OCEANIA CUSTOMS ORGANISATION SECRETARIAT  
STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2019

	Notes	2019 \$	2018 \$
<b>Current assets</b>			
Cash and cash equivalents	11	2,583,987	1,861,172
Receivables and prepayments	5	659,067	324,523
<b>Total current assets</b>		<b>3,243,054</b>	<b>2,185,695</b>
<b>Non-current assets</b>			
Furniture and equipment	6	21,667	62,701
Intangible assets	7	61,333	53,627
Held-to-maturity investments	12	605,736	613,104
<b>Total non-current assets</b>		<b>688,736</b>	<b>729,432</b>
<b>Total assets</b>		<b>3,931,790</b>	<b>2,915,127</b>
<b>Current liabilities</b>			
Creditors and other payables	8	118,385	153,092
Employee benefit liability	9	72,250	76,134
Owing to related party	10	-	148,191
<b>Total current liabilities</b>		<b>190,635</b>	<b>377,417</b>
<b>Non current liabilities</b>			
Deferred income		833,467	-
<b>Total non-current liabilities</b>		<b>833,467</b>	<b>-</b>
<b>Total liabilities</b>		<b>1,024,102</b>	<b>377,417</b>
<b>Net assets</b>		<b>2,907,688</b>	<b>2,537,710</b>
<b>Represented by:</b>			
<b>Accumulated Funds</b>			
General reserve fund		2,204,369	1,355,672
PACER plus specified fund		703,319	1,182,038
		<b>2,907,688</b>	<b>2,537,710</b>
<b>Total accumulated surplus</b>		<b>2,907,688</b>	<b>2,537,710</b>

The accompanying notes form an integral part of this Statement of Financial Position.

OCEANIA CUSTOMS ORGANISATION SECRETARIAT  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
<b>Operating activities</b>			
Receipts from donors		4,120,736	4,275,333
Receipts from members		363,422	259,851
Payments to suppliers and employees		(3,740,646)	(2,910,679)
Interest and other receipts		-	19,512
Net cash provided by operating activities		<u>743,512</u>	<u>1,644,017</u>
<b>Investing activities</b>			
Acquisition of fixed assets		(28,065)	(57,457)
Placement of term deposits		7,368	(613,104)
Net cash flow used in investing activities		<u>(20,697)</u>	<u>(670,561)</u>
Net increase in cash and cash equivalents		722,815	973,456
Cash and cash equivalents at 1 July		1,861,172	887,716
Cash and cash equivalents at 30 June	11	<u><u>2,583,987</u></u>	<u><u>1,861,172</u></u>

The accompanying notes forms an integral part of this Statement of Cash Flows.



OCEANIA CUSTOMS ORGANISATION SECRETARIAT  
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS  
FOR THE YEAR ENDED 30 JUNE 2019

	Final Budgeted	Actual	Performance
	2019	Comparable	Difference
	\$	Basis	(under)/over
		2019	2019
		\$	\$
Income			
Australia	1,890,000	1,875,285	(14,715)
New Zealand	1,427,000	1,257,459	(169,541)
Member Subscriptions	680,000	506,108	(173,892)
Contribution in kind	78,487	78,487	-
Other Income	37,913	438,608	400,695
<b>Total income</b>	<b>4,113,400</b>	<b>4,155,947</b>	<b>42,547</b>
Expenses			
Salaries and benefits	1,750,110	1,413,927	(336,183)
Travel costs	54,000	101,310	47,310
Meeting costs	240,100	218,143	(21,957)
Occupancy costs	91,600	80,176	(11,424)
Computer & Office equipment	12,000	11,139	(861)
Communications	63,300	28,599	(34,701)
Publicity	20,400	4,118	(16,282)
Professional fees	47,000	28,488	(18,512)
Finance charges	9,600	68,688	59,088
General and administration	64,800	46,215	(18,585)
Depreciation	21,100	61,394	40,294
Work program	1,984,100	1,723,772	(260,328)
<b>Total expenses</b>	<b>4,358,110</b>	<b>3,785,969</b>	<b>(572,141)</b>
<b>Surplus of income over expenditure</b>	<b>(244,710)</b>	<b>369,978</b>	<b>614,689</b>

\* Final budget was approved at the Oceania Customs Organisation Annual Conference in June 2018.

OCEANIA CUSTOMS ORGANISATION SECRETARIAT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30 JUNE 2019

1. GENERAL INFORMATION

The financial statements of the Oceania Customs Organisation Secretariat ("OCOS" or "the Organisation") for the year ended 30 June 2019 were authorized for issue by the Head of Secretariat on 8 October 2019. The OCOS was established in Fiji under a Memorandum of Understanding between OCOS and the Government of Fiji on 15 March 2006. The principal activities of the Secretariat are detailed in note 14.

2.1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The financial statements have been prepared primarily on the basis of historical costs, unless specifically stated otherwise, do not take into account current valuations of non-current assets. The financial statements are presented in Fijian dollars except when otherwise indicated.

Statement of compliance

The financial statements of the Organisation have been prepared in accordance with and comply with the International Public Sector Accounting Standards ("IPSAS") issued by the International Public Sector Accounting Standards Board ("IPSASB").

Going concern

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

2.2. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

Judgements

In the process of applying the Organisation's accounting policies, management has made the following judgements, apart from those involving estimations, which has the most significant effect on the amounts recognised in the Financial Statements.

Estimations and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the statement of financial position date, that have a significant task of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Provision for doubtful debts

The Organisation maintains a provision for estimated losses expected to arise from members and other debtors being unable to make required payments. In assessing the provision, factors such as past collection history, the age of receivable balances, the level of activity in the member accounts, are taken into account.

2.3. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies adopted by the Organisation is set out in this note. The policies adopted are in accordance with accounting principles generally accepted in Fiji and, unless stated otherwise, are consistent with those applied in the prior year. All amounts are stated in Fijian currency.

(a) Revenue recognition

Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Organisation and can be measured reliably.

OCEANIA CUSTOMS ORGANISATION SECRETARIAT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30 JUNE 2019

2.3. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

(a) Revenue recognition continued

Assessed contributions

Contributions from member countries are recognised on an accrual basis and made from reference to assessed computations approved at annual conferences.

Revenue from exchange transactions

Extra-budgetary funds

Funds received from governments and aid agencies under extra-budgetary work programmes are usually for specified purposes. These funds are separately identified in the accounting system and expenditure recorded against each fund. Revenue is generally recognized at the time of receipt of funds to comply with the fund reporting required by the donor.

Contribution in kind

Contribution in kind is recognized as income in the year of receipt. Contribution in kind provided by the Fiji Revenue & Customs Service represents the Fiji Government contribution towards the Secretariat. The grant includes the provision of office space and essential utilities free of charge.

(b) Income tax

The Secretariat is exempted from income tax under the Fiji Diplomatic Privileges and Immunities Act.

(c) Furniture and equipment

Items of furniture and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The following annual rates are used for the depreciation of property, plant and equipment:

<u>Asset depreciation</u>	<u>Rate</u>
Furniture and fittings	20%
IT equipment	40%
Office equipment	20%
Motor vehicle	20%

If there is an indication that there has been a significant change in the depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

(d) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the Statement of Comprehensive Income in the year in which the expenditure is incurred.

(e) Impairment of assets

At each reporting date, furniture and equipment, and intangible assets are reviewed to determine whether there is any indication that those assets have suffered impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognized immediately in the Statement of Comprehensive Income.

OCEANIA CUSTOMS ORGANISATION SECRETARIAT  
 NOTES TO THE FINANCIAL STATEMENTS continued  
 FOR THE YEAR ENDED 30 JUNE 2019

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2.3. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

(f) Employee entitlements

Employee entitlements relating to wages, salaries and annual leave represent the amount which the Secretariat has a present obligation to pay resulting from the employees' services provided up to balance date.

Wages and salaries and annual leave

Liabilities for wages, salaries and annual leave are recognized, and are measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date.

(g) Trade payables

Trade payables are obligations on the basis of normal credit terms and do not bear interest. Trade payables denominated in the foreign currency are translated into Fijian dollars using the exchange rate at the reporting date. Foreign exchange gains or losses are included in other income or other expenses.

(h) Bank overdrafts

Interest expense is recognized on the basis of the effective interest method and is included in finance costs.

(i) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

(j) Held-to-maturity

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held-to-maturity when the company has the positive intention and ability to hold it to maturity. After initial measurement, held-to-maturity investments are measured at amortised cost using the effective interest method (EIR), less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Comprehensive Income. The losses arising from impairment are recognised in the Statement of Comprehensive Income in finance costs.

(k) Deferred income

Grants received for specific end purpose is recognised as revenue when the conditions attached to the grants have been met. Until those conditions are met, receipt of grant funds in advance is accounted for as deferred income and recognised as a liability.

(l) Comparatives

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

(m) Reserves

The general reserve fund contains balances of membership subscriptions and recurrent donor funding received for operation of the OCO, and Specified Funds, which include specific project funds. The PACER plus specified fund contains the balance of funding received from Australia and New Zealand for implementation of the Capacity Development project for Forum Island Countries for the implementation of Harmonised System 2017.

OCEANIA CUSTOMS ORGANISATION SECRETARIAT  
 NOTES TO THE FINANCIAL STATEMENTS continued  
 FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
<b>3. OTHER INCOME</b>		
Contribution in kind (FRCS)	78,487	78,487
Interest income	23,924	19,512
Other donors	414,683	-
Other income	-	387
Realised exchange gain	-	20,209
	<u>517,094</u>	<u>118,595</u>
<b>4. OPERATING EXPENSES</b>		
Advertisement	185	325
Auditor's remuneration	10,015	10,015
Annual conference	218,144	48,226
Assets - not capitalised	2,943	2,690
Bank charges and interest	8,671	8,367
Bad debts	-	7,670
Occupancy costs	79,988	82,947
Entertainment	1,930	3,652
Insurance (motor vehicle and general)	7,879	8,987
Legal fees	-	545
Motor vehicle expenses	3,877	8,077
Other administrative expenses	195	-
Office equipment expenses	617	3,437
Other professional fees	18,473	35,283
Postage and stationery	2,723	4,654
Publicity and public relation	4,118	18,175
Realised exchange loss	29,071	-
Repair and maintenance	1,434	3,815
Salaries and other benefits	1,413,925	1,343,394
Software maintenance	9,274	6,817
Staff amenities	3,964	5,419
Telecommunication and facsimile	28,599	43,379
Travel and accommodation	101,311	29,488
Unrealized exchange loss	30,946	59,613
Work program	1,723,772	1,288,819
	<u>3,702,054</u>	<u>3,023,794</u>
<b>5. RECEIVABLES AND PREPAYMENTS</b>		
Members' contributions	415,775	353,609
Prepayments	15,940	9,616
Other receivables	273,351	151,027
Less: provision for doubtful debts	(45,999)	(189,729)
	<u>659,067</u>	<u>324,523</u>

OCEANIA CUSTOMS ORGANISATION SECRETARIAT  
 NOTES TO THE FINANCIAL STATEMENTS continued  
 FOR THE YEAR ENDED 30 JUNE 2019

6. FURNITURE AND EQUIPMENT

	Furniture and fittings	Office Equipment	IT Equipment	Motor vehicles	Total
Cost	\$	\$	\$	\$	\$
At 1 July 2018	20,191	27,280	253,280	127,387	428,138
Transfers from project	7,975	76,147	24,488	73,620	182,230
At 30 June 2018	28,166	103,427	277,768	201,007	610,368
Additions	-	-	3,467	-	3,467
At 30 June 2019	28,166	103,427	281,235	201,007	613,835
Depreciation					
At 1 July 2018	8,905	6,507	168,126	127,387	310,925
Depreciation charge for the year	2,752	4,716	47,044	-	54,512
Transfers from project	7,975	76,147	24,488	73,620	182,230
At 30 June 2018	19,632	87,370	239,658	201,007	547,667
Depreciation charge for the year	2,751	4,716	37,034	-	44,501
At 30 June 2019	22,383	92,086	276,692	201,007	592,168
Net book value:					
At 30 June 2019	5,783	11,341	4,543	-	21,667
At 30 June 2018	8,534	16,057	38,110	-	62,701

OCEANIA CUSTOMS ORGANISATION SECRETARIAT  
 NOTES TO THE FINANCIAL STATEMENTS continued  
 FOR THE YEAR ENDED 30 JUNE 2019

7. INTANGIBLE ASSETS	2019	2018
<u>Software costs</u>	\$	\$
Cost:		
At 1 July	57,457	-
Additions	24,598	57,457
At 30 June	<u>82,055</u>	<u>57,457</u>
Amortisation and impairment:		
At 1 July	3,830	-
Amortisation	16,892	3,830
At 30 June	<u>20,722</u>	<u>3,830</u>
Net book value as at 30 June	<u>61,333</u>	<u>53,627</u>
8. TRADE CREDITORS AND OTHER PAYABLES	\$	\$
Trade creditors	104,305	141,295
Accruals	14,080	11,797
	<u>118,385</u>	<u>153,092</u>
9. EMPLOYEE ENTITLEMENTS	\$	\$
Annual leave entitlements	<u>72,250</u>	<u>76,134</u>
10. OWING TO RELATED PARTY	\$	\$
<u>Net amounts owing to related party</u>		
Expenses for Core paid by project	-	148,191
	<u>-</u>	<u>148,191</u>
11. CASH AND CASH EQUIVALENTS	\$	\$
Cash on hand	300	300
Cash at bank	1,806,506	1,073,726
Short-term deposits	777,181	787,146
	<u>2,583,987</u>	<u>1,861,172</u>

OCEANIA CUSTOMS ORGANISATION SECRETARIAT  
 NOTES TO THE FINANCIAL STATEMENTS continued  
 FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
12. HELD TO MATURITY INVESTMENTS	\$	\$
Term deposits- ANZ	<u>605,736</u>	<u>613,104</u>

The term of the investment is 6 months at an interest rate of 1.77%

13. COMMITMENTS AND CONTINGENT LIABILITIES

- a) Capital expenditure commitments at balance date amounted to \$Nil (2018: \$Nil).
- b) Contingent liabilities at balance date amounted to \$Nil (2018: \$189,154).

14. PRINCIPAL ACTIVITY

The OCOS facilitates and where appropriate helps member customs administrations align with customs international standards and best practice leading to greater economic prosperity and increased border security within the Oceania region.

15. SECRETARIAT DETAILS

Registered office

84 Harris Road

Suva

Fiji

Number of employees

As at balance date, 7 full time employees were employed by the Secretariat (2018: 7 employees).

16. SUBSEQUENT EVENTS

There has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely not already considered in these Financial Statements, in the opinion of the Head of Secretariat, to affect significantly the operations of the Secretariat, the results of those operations or the state of affairs of the Secretariat in the subsequent financial period.

APPROVAL OF FINANCIAL STATEMENTS

The Financial Statements of Oceania Customs Organisation Secretariat for the year ended 30 June 2019 were authorized for issue by the Head of Secretariat on 8 October 2019.



OCEANIA CUSTOMS ORGANISATION SECRETARIAT  
DISCLAIMER ON ADDITIONAL FINANCIAL INFORMATION  
FOR THE YEAR ENDED 30 JUNE 2019

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Disclaimer on additional Financial Information

The additional financial information, being the attached Detailed Income Statement has been compiled by the management of Oceania Customs Organisation Secretariat.

To the extent permitted by law, Ernst & Young do not accept liability for any loss or damage which any person, other than Oceania Customs Organisation Secretariat may suffer arising from any negligence on our part. No person should rely on the additional financial information without having an audit or review conducted.

OCEANIA CUSTOMS ORGANISATION SECRETARIAT  
 DETAILED INCOME STATEMENT  
 FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$	2018 \$
<b>Income</b>		
Australia grant income	1,875,286	2,231,713
Contribution in kind (FRCS)	78,487	78,487
Interest income	23,924	19,512
Membership fee	506,108	520,128
New Zealand grant income	1,257,459	1,969,701
Other donors	414,683	-
Other income	-	387
Realized exchange gain	-	20,209
<b>Total income</b>	<b>4,155,947</b>	<b>4,840,137</b>
<b>Expenditure</b>		
Audit fee	10,015	10,015
Assets - not capitalised	2,943	2,690
Advertisement	185	325
Annual conference	218,144	48,226
Bank and finance charges	8,671	8,367
Bad debts	-	7,670
Depreciation	61,394	58,342
Doubtful debts	22,521	27,568
Entertainment	1,930	3,652
Insurance (motor vehicle and general)	7,879	8,987
Legal fees	-	545
Motor vehicle expenses	3,877	8,077
Occupancy costs	79,988	82,947
Office equipment expenses	617	3,437
Other administrative expenses	195	-
Other professional fees	18,473	35,283
Postage and stationery	2,723	4,654
Publicity and public relation	4,118	18,175
Realised exchange loss	29,071	-
Repair and maintenance	1,434	3,815
Staff amenities	3,964	5,419
Software maintenance	9,274	6,817
Salaries and other benefits	1,413,925	1,343,394
Telecommunication	28,599	43,379
Travel and accommodation	101,311	29,488
Unrealized exchange loss	30,946	59,613
Work program	1,723,772	1,288,819
<b>Total expenditure</b>	<b>3,785,969</b>	<b>3,109,704</b>
<b>Surplus for the year</b>	<b>369,978</b>	<b>1,730,433</b>

The Detailed Comprehensive Income Statement is to be read in conjunction with the disclaimer on page 17.



