

## INDEPENDENT AUDITOR'S REPORT

To the members of Tuvalu's Parliament and the Ulu Aliko of Nukufetau,

### **Report on the Financial Statements of Nukufetau Kaupule**

We have audited the accompanying financial statements of the Nukufetau Kaupule, which comprise Statement of Revenue, Statement of Expenditure and Analysis of Surpluses and Deficit for the year ended 31 March 2000 and the Bank Statement of Ledger Balances as at 31 March 2000.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation of these financial statements in accordance with section 71 of the Falekaupule Act and accompanying financial instructions, 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.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. This responsibility arises from section 74 of the Falekaupule Act. We conducted our audit in accordance with the International Organisation of Supreme Audit Institution's (INTOSAI) Auditing Standards, which incorporate the International Auditing Standards.

Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

#### *Basis for Disclaimer of Opinion*

The Nukufetau Kaupule closing cash balance reported in the accounts was not able to be reconciled to the bank account balance. The cash on hand balance reported in the financial statements compared to the bank account balance was overstated by \$51,340. This variance occurred due to all bank accounts and all their transactions not being included in the financial statements. This affects the completeness of the Statement of Revenue and the Statement of Expenditure, as well as the Analysis of Surpluses, Deficit and Balances. This is a material effect on the financial statements which is considered to be pervasive.

#### *Disclaimer of Audit Opinion*

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

#### *Independence*

When carrying out the audit we followed the independence requirements of the Office of the Auditor General Tuvalu, which incorporate the independence requirements of the International Standards of Auditing and the International Organisation of Supreme Audit Institutions.

Other than the audit, we have no relationship with or interests in the entity.



Eli Lopati  
Acting Auditor General of Tuvalu  
27 January 2014  
Vaiaku, Funafuti, Tuvalu

Kaupule Nukufetau  
April 1999 to 2000

Year Ending 31th March 2000

Balance as at 1st April 1999				\$	21,905
Add Revenue Collected				\$	114,511
Less Expenditure Incurred				\$	49,297
Balance as at 31st March 2000				\$	87,119

Statement of Ledger Balances

Particulars	Debit	Credit	Balance as per bank statement	Variance
Surplus Account 31 March 2000		\$ 87,119		
IBD Council (693983-40)	\$ 4,198		\$ 4,209	\$ 11
IBD School (691638-30)	\$ 2,773		\$ 2,141	\$ (632)
Cash at bank (693983-30)	\$ 178		\$ 469	\$ 291
Cash at Fusi	\$ 14,383		\$ 14,383	\$ (0)
Technical Fund (691611-30)	\$ 65,227		\$ 10,036	\$ (55,191)
Nukufetau Foundation Fund (691582-30)	\$ -		\$ 2,865	\$ 2,865
Nukufetau Island Court (280046-30)	\$ -		\$ 1,316	\$ 1,316
Cash on hand	\$ 359		\$ 359	\$ 0
<b>Total</b>	<b>\$ 87,119</b>	<b>\$ 87,119</b>	<b>\$ 35,779</b>	<b>\$ (51,340)</b>

Analysis of Surpluses, Deficit and Balances

Population					751
Actual Revenue				\$	114,511
Actual Expenses				\$	49,297
Surpluses/Deficit				\$	65,213
Opening Balance 01:04:1999				\$	21,905
Closing Balance 31:03:2000				\$	87,119
Closing Balance per Head (\$)				\$	116

1999 to 2000  
Statement of revenues

Head & Sub Heads	Particulars	Approved Estimates	Actual Revenue	Variance to estimates	% of revenue	Amount per head
<b>A</b>						
2	Head Tax	\$ 2,000	\$ 1,771	\$ (229)	2%	\$ 2
3	Licence	\$ 3,000	\$ 1,257	\$ (1,743)	1%	\$ 2
4	House Rent	\$ 500	\$ 1,063	\$ 563	1%	\$ 1
5	Guest House Rent	\$ 2,000	\$ 746	\$ (1,254)	1%	\$ 1
6	Boat Hire	\$ 50	\$ 70	\$ 20	0%	\$ 0
8	Hire of Kaupule Properties	\$ 500	\$ 465	\$ (35)	0%	\$ 1
9	Investment Interest	\$ 150	\$ 2,910	\$ 2,760	3%	\$ 4
10	Miscellaneous	\$ 500	\$ (4,075)	\$ (4,575)	-4%	\$ (5)
11	Pig sales	\$ 150	\$ 490	\$ 340	0%	\$ 1
12	Sales of Fuel	\$ 8,925	\$ 7,541	\$ (1,384)	7%	\$ 10
15	Generator Hire	\$ -	\$ 8	\$ 8	0%	\$ 0
	<b>Total</b>	<b>\$ 17,775</b>	<b>\$ 12,245</b>	<b>\$ (5,530)</b>	<b>11%</b>	<b>\$ 16</b>
<b>Expenditure</b>						
1	Tuvalu Day	\$ 1,000	\$ 9,250	\$ 8,250	8%	\$ 12
2	Support Grant	\$ 10,000	\$ 12,500	\$ 2,500	11%	\$ 17
4	Telecom Expenses	\$ 2,120	\$ 2,824	\$ 704	2%	\$ 4
5	Office Equipment Maintenance	\$ 120	\$ 120	\$ -	0%	\$ 0
6	Office Supplies	\$ 270	\$ 270	\$ -	0%	\$ 0
7	Classroom Maintenance	\$ 520	\$ 1,040	\$ 520	1%	\$ 1
8	Dispensary Maintenance	\$ 520	\$ 1,040	\$ 520	1%	\$ 1
9	Technical Fund	\$ 3,000	\$ 70,457	\$ 67,457	62%	\$ 94
10	Land Subsidy	\$ -	\$ 4,764	\$ 4,764	4%	\$ 6
1114	Communication Provision	\$ -	\$ -	\$ -	0%	\$ -
	<b>Total</b>	<b>\$ 17,550</b>	<b>\$ 102,265</b>	<b>\$ 84,715</b>	<b>89%</b>	<b>\$ 136</b>
	<b>Grand Total</b>	<b>\$ 35,325</b>	<b>\$ 114,511</b>	<b>\$ 79,186</b>	<b>100%</b>	<b>\$ 152</b>

1999 to 2000  
Statement of Expenditure

Head & Sub Heads	Particulars	Approved	Actual		Variance	% of expenses	Amount per head
		Estimates	Expenditure				
<b>A</b>							
1	Registry Clerk	\$ 3,056	\$ (972)	\$ 4,028		-2%	\$ (1)
2	Typist	\$ 1,349	\$ 1,444	\$ (95)		3%	\$ 2
3	Leading Hand Carpenter	\$ 1,625	\$ 1,686	\$ (61)		3%	\$ 2
4	Carpenter 1	\$ 1,045	\$ 1,162	\$ (117)		2%	\$ 2
5	Carpenter 2	\$ 1,045	\$ 1,162	\$ (117)		2%	\$ 2
6	Leading Hand Mechanic	\$ 1,625	\$ 1,430	\$ 195		3%	\$ 2
7	Driver	\$ 1,201	\$ 1,285	\$ (84)		3%	\$ 2
8	Coxswain	\$ 1,141	\$ 1,227	\$ (86)		2%	\$ 2
9	Casual Labour	\$ 3,000	\$ 3,467	\$ (467)		7%	\$ 5
10	TPF Contribution	\$ 813	\$ 883	\$ (70)		2%	\$ 1
11	Councilors Allowances	\$ 8,600	\$ 5,717	\$ 2,883		12%	\$ 8
12	School Committee Allowance	\$ 1,440	\$ 1,490	\$ (50)		3%	\$ 2
13	PHCC Allowances	\$ 720	\$ 605	\$ 115		1%	\$ 1
14	Overtime	\$ 600	\$ 338	\$ 262		1%	\$ 0
15	IDRF Allowances	\$ 540	\$ 420	\$ 120		1%	\$ 1
16	Approved Teachers	\$ 1,045	\$ 259	\$ 786		1%	\$ 0
17	MCH Aide	\$ 1,045	\$ 803	\$ 242		2%	\$ 1
18	Orderly	\$ 1,045	\$ 1,162	\$ (117)		2%	\$ 2
19	IDC Committee Allowances	\$ 1,080	\$ 447	\$ 633		1%	\$ 1
20	Fisheries & Agriculture Allow.	\$ 720	\$ 575	\$ 145		1%	\$ 1
21	Carpenter 3	\$ 1,045	\$ 364	\$ 681		1%	\$ 0
22	Budget & Appropriation Comm	\$ 720	\$ 225	\$ 495		0%	\$ 0
23	Travel & Subsistence	\$ 3,600	\$ 835	\$ 2,765		2%	\$ 1
	<b>Total</b>	<b>\$ 38,100</b>	<b>\$ 26,011</b>	<b>\$ 12,089</b>		<b>53%</b>	<b>\$ 35</b>
1	Properties Maintenance	\$ 5,542	\$ 4,004	\$ 1,538		8%	\$ 5
2	Land Rent/Trees Compensation	\$ 1,000	\$ 392	\$ 608		1%	\$ 1
3	Audit Fee	\$ 330	\$ 19	\$ 312		0%	\$ 0
5	Boat Fuel	\$ 300	\$ 125	\$ 175		0%	\$ 0
6	Kaupule Entertainment	\$ 500	\$ 71	\$ 429		0%	\$ 0
7	Tuvalu day	\$ 1,000	\$ 8,999	\$ (7,999)		18%	\$ 12
8	Telecom Expenses	\$ 2,983	\$ 1,000	\$ 1,983		2%	\$ 1
10	Office Supplies	\$ 2,000	\$ 1,195	\$ 805		2%	\$ 2
11	Classroom Maintenance	\$ 500	\$ 304	\$ 196		1%	\$ 0
12	Dispensary Maintenance	\$ 1,000	\$ 265	\$ 735		1%	\$ 0
13	Fuel Expenses	\$ 8,500	\$ 6,724	\$ 1,776		14%	\$ 9
14	Falekaupule Entertainment	\$ 500	\$ 188	\$ 312		0%	\$ 0
	<b>Total</b>	<b>\$ 24,155</b>	<b>\$ 23,286</b>	<b>\$ 869</b>		<b>47%</b>	<b>\$ 31</b>
	<b>Total Grand</b>	<b>\$ 62,255</b>	<b>\$ 49,297</b>	<b>\$ 12,958</b>		<b>100%</b>	<b>\$ 66</b>

## INDEPENDENT AUDITOR'S REPORT

To the members of Tuvalu's Parliament and the Ulu Aliko of Nukufetau,

### **Report on the Financial Statements of Nukufetau Kaupule**

We have audited the accompanying financial statements of the Nukufetau Kaupule, which comprise Statement of Revenue, Statement of Expenditure and Analysis of Surpluses and Deficit for the year ended 31 March 2001 and the Bank Statement of Ledger Balances as at 31 March 2001.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation of these financial statements in accordance with section 71 of the Falekaupule Act and accompanying financial instructions, 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.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. This responsibility arises from section 74 of the Falekaupule Act. We conducted our audit in accordance with the International Organisation of Supreme Audit Institution's (INTOSAI) Auditing Standards, which incorporate the International Auditing Standards.

Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

#### *Basis for Disclaimer of Opinion*

The Nukufetau Kaupule closing cash balance reported in the accounts was not able to be reconciled to the bank account balance. The cash on hand balance reported in the financial statements compared to the bank account balance was understated by \$48,252. This variance occurred due to all bank accounts and all their transactions not being included in the financial statements. This affects the completeness of the Statement of Revenue and the Statement of Expenditure, as well as the Analysis of Surpluses, Deficit and Balances. This is a material effect on the financial statements which is considered to be pervasive.

#### *Disclaimer of Audit Opinion*

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

#### *Independence*

When carrying out the audit we followed the independence requirements of the Office of the Auditor General Tuvalu, which incorporate the independence requirements of the International Standards of Auditing and the International Organisation of Supreme Audit Institutions.

Other than the audit, we have no relationship with or interests in the entity.



Eli Lopati  
Acting Auditor General of Tuvalu  
27 January 2014  
Vaiaku, Funafuti, Tuvalu

Kaupule Nukufetau  
April 2000 to 2001

**Year Ending 31st March 2001**

Balance as at 1st April 2000				\$	87,119
Add Revenue Collected				\$	136,780
Less Expenditure Incurred				\$	159,674
Balance as at 31st March 2001				\$	64,225

**Statement of Ledger Balances**

Particulars	Debit	Credit	Balance as per bank statement	Variance
Surplus Account 31 March 2001		\$ 64,225		
IBD Council	\$ 4,219		\$ 15,025	\$ 10,806
IBD School	\$ 2,820		\$ 2,184	\$ (636)
Cash at bank	\$ 77		\$ 16	\$ (60)
Cash at Fusi	\$ 946		\$ 946	\$ -
Nukufetau Island Council (691611-40)	\$ -		\$ 4,346	\$ 4,346
Nukufetau Foundation Fund (691582-30)	\$ -		\$ 2,721	\$ 2,721
Nukufetau Island Court (280046-30)	\$ -		\$ 3,324	\$ 3,324
Technical Fund	\$ 55,967		\$ 4,478	\$ (51,490)
Nukufetau FTF Proceed	\$ -		\$ 79,436	\$ 79,436
Cash on hand	\$ 196		\$ -	\$ (196)
<b>Total</b>	<b>\$ 64,225</b>	<b>\$ 64,225</b>	<b>\$ 112,477</b>	<b>\$ 48,252</b>

**Analysis of Surpluses, Deficit and Balances**

Population					751
Actual Revenue				\$	136,780
Actual Expenses				\$	159,674
Surpluses/Deficit				\$	(22,893)
Opening Balance 01:04:2000				\$	87,119
Closing Balance 31:03:2001				\$	64,225
Closing Balance per Head (\$)				\$	85.52

**2000 to 2001**

**Statement of revenues**

Head & Sub Heads	Particulars	Approved Estimates	Actual Revenue	Variance to estimates	% of revenue	Amount per head
A						
2	Head Tax	\$ 2,000	\$ 1,468	\$ (532)	1%	\$ 2
3	Licence	\$ 1,500	\$ 3,528	\$ 2,028	3%	\$ 5
4	House Rent	\$ 2,000	\$ 1,960	\$ (40)	1%	\$ 3
5	Guest House Rent	\$ 1,000	\$ 600	\$ (400)	0%	\$ 1
6	Boat Hire	\$ 240	\$ 10	\$ (230)	0%	\$ 0
7	Tractor Hire	\$ 600	\$ 1,297	\$ 697	1%	\$ 2
8	Hire of Kaupule Properties	\$ 500	\$ 144	\$ (356)	0%	\$ 0
9	Investment Interest	\$ 500	\$ 668	\$ 168	0%	\$ 1
10	Miscellaneous	\$ 750	\$ 124	\$ (626)	0%	\$ 0
11	Pig Sales	\$ 300	\$ 248	\$ (52)	0%	\$ 0
12	Sales of Fuel	\$ 10,710	\$ 219	\$ (10,491)	0%	\$ 0
15	Generator Hire	\$ -	\$ 8	\$ 8	0%	\$ 0
16	Search /Certificate/Court Fee	\$ 100	\$ 214	\$ 114	0%	\$ 0
17	Court Fine	\$ 1,000	\$ 683	\$ (317)	0%	\$ 1
Expenses 1	Tuvalu Day	\$ 2,000	\$ 2,000	\$ -	1%	\$ 3
2	Support Grant	\$ 10,000	\$ 2,500	\$ (7,500)	2%	\$ 3
4	Telecom Expenses	\$ 2,020	\$ 1,078	\$ (942)	1%	\$ 1
9	Technical Fund	\$ 24,500	\$ 24,650	\$ 150	18%	\$ 33
10	Subsidy of Land Rental	\$ 6,692	\$ (4,619)	\$ (11,311)	-3%	\$ (6)
12	Falekaupule Renovation	\$ 100,000	\$ 100,000	\$ -	73%	\$ 133
	<b>Grand Total</b>	<b>\$ 166,412</b>	<b>\$ 136,780</b>	<b>\$ (29,632)</b>	<b>100%</b>	<b>\$ 182</b>

2000 to 2001  
Statement of Expenditure

Head & Sub Heads	Particulars	Approved	Actual	Variance	% of expenses	Amount per head
		Estimates	Expenditure			
<b>A</b>						
1	Salary	\$ 21,010	\$ 15,047	\$ 5,963	9%	\$ 20
2	Provident Fund	\$ 2,101	\$ 1,525	\$ 576	1%	\$ 2
3	Committee Allowances	\$ 19,450	\$ 11,674	\$ 7,776	7%	\$ 16
4	Travel and Subsistence Allowance	\$ 2,000	\$ 739	\$ 1,261	0%	\$ 1
5	Casual Labours	\$ 6,000	\$ 91	\$ 5,909	0%	\$ 0
6	Overtime	\$ 600	\$ 502	\$ 98	0%	\$ 1
	<b>Total</b>	<b>\$ 51,161</b>	<b>\$ 29,578</b>	<b>\$ 21,583</b>	<b>19%</b>	<b>\$ 39</b>
<b>II</b>						
1	Properties Maintenance	\$ 7,530	\$ 3,984	\$ 3,546	2%	\$ 5
2	Trees Compensation	\$ 1,000	\$ 105	\$ 895	0%	\$ 0
4	Fuel Expenses	\$ 10,500	\$ 4,371	\$ 6,129	3%	\$ 6
5	Kaupule Entertainment	\$ 700	\$ 72	\$ 628	0%	\$ 0
6	Furniture	\$ 2,020	\$ 900	\$ 1,120	1%	\$ 1
7	Tuvalu Day	\$ 1,000	\$ 1,696	\$ (696)	1%	\$ 2
8	Telecom Expenses	\$ 2,020	\$ 1,906	\$ 114	1%	\$ 3
9	Office Equipment Maintenance	\$ 520	\$ 371	\$ 150	0%	\$ 0
10	Office Supplies/Stationeries	\$ 2,000	\$ 1,551	\$ 449	1%	\$ 2
11	Classroom Maintenance	\$ 520	\$ 518	\$ 2	0%	\$ 1
13	Falekaupule Entertainment	\$ 500	\$ 132	\$ 368	0%	\$ 0
14	Falekaupule Renovation	\$ 100,000	\$ 55,370	\$ 44,630	35%	\$ 74
15	Transport Hire	\$ -	\$ 40	\$ (40)	0%	\$ 0
	<b>Total</b>	<b>\$ 128,310</b>	<b>\$ 71,016</b>	<b>\$ 57,294</b>	<b>44%</b>	<b>\$ 95</b>
<b>III</b>						
1	Water Cistern	\$ 40,000	\$ 30,982	\$ 9,018	19%	\$ 41
2	Putoko House	\$ 16,000	\$ 14,946	\$ 1,054	9%	\$ 20
4	Kaupule Staff Houses	\$ 40,501	\$ 13,151	\$ 27,350	8%	\$ 18
	<b>Total</b>	<b>\$ 96,501</b>	<b>\$ 59,079</b>	<b>\$ 37,422</b>	<b>37%</b>	<b>\$ 79</b>
	<b>Total Grand</b>	<b>\$ 275,972</b>	<b>\$ 159,674</b>	<b>\$ 116,298</b>	<b>100%</b>	<b>\$ 213</b>

## INDEPENDENT AUDITOR'S REPORT

To the members of Tuvalu's Parliament and the Ulu Aliko of Nukufetau,

### **Report on the Financial Statements of Nukufetau Kaupule**

We have audited the accompanying financial statements of the Nukufetau Kaupule, which comprise Statement of Revenue, Statement of Expenditure and Analysis of Surpluses and Deficit for the year ended 31 March 2002 and the Bank Statement of Ledger Balances as at 31 March 2002.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation of these financial statements in accordance with section 71 of the Falekaupule Act and accompanying financial instructions, 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.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. This responsibility arises from section 74 of the Falekaupule Act. We conducted our audit in accordance with the International Organisation of Supreme Audit Institution's (INTOSAI) Auditing Standards, which incorporate the International Auditing Standards.

Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

#### *Basis for Disclaimer of Opinion*

The Nukufetau Kaupule closing cash balance reported in the accounts was not able to be reconciled to the bank account balance. The cash on hand balance reported in the financial statements compared to the bank account balance was overstated by \$93,417. This variance occurred due to all bank accounts and all their transactions not being included in the financial statements. This affects the completeness of the Statement of Revenue and the Statement of Expenditure, as well as the Analysis of Surpluses, Deficit and Balances. This is a material effect on the financial statements which is considered to be pervasive.

#### *Disclaimer of Audit Opinion*

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

#### *Independence*

When carrying out the audit we followed the independence requirements of the Office of the Auditor General Tuvalu, which incorporate the independence requirements of the International Standards of Auditing and the International Organisation of Supreme Audit Institutions.

Other than the audit, we have no relationship with or interests in the entity.



Eli Lopati  
Acting Auditor General of Tuvalu  
27 January 2014  
Vaiaku, Funafuti, Tuvalu

Kaupule Nukufetau  
April 2001 to 2002

**Year Ending 31st March 2002**

Balance as at 1st April 2001				\$	64,225
Add Revenue Collected				\$	203,903
Less Expenditure Incurred				\$	116,977
Balance as at 31st March 2002				\$	151,152

**Statement of Ledger Balances**

Particulars	Debit	Credit	Balance as per bank statement	Variance
Surplus Account 31 March 2002		\$ 151,152		
IBD Council	\$ 4,219		\$ -	\$ (4,219)
IBD School	\$ 2,820		\$ 2,228	\$ (592)
Cash at bank	\$ 10,000		\$ 113	\$ (9,887)
Cash at Fusi	\$ 1,681		\$ 1,681	\$ -
Tutasi Primary School (640881-30)	\$ -		\$ 27,613	\$ 27,613
Nukufetau Island Council (691611-40)	\$ -		\$ 4,478	\$ 4,478
Nukufetau Foundation Fund (691582-30)	\$ -		\$ 2,219	\$ 2,219
Nukufetau Island Court (280046-30)	\$ -		\$ 4,405	\$ 4,405
Technical Fund	\$ 132,430		\$ 14,489	\$ (117,941)
Nukufetau FTF Proceed	\$ -		\$ 506	\$ 506
Cash on hand	\$ 2		\$ 2	\$ 0
<b>Total</b>	<b>\$ 151,152</b>	<b>\$ 151,152</b>	<b>\$ 57,734</b>	<b>\$ (93,418)</b>

**Analysis of Surpluses, Deficit and Balances**

Population					751
Actual Revenue				\$	203,903
Actual Expenses				\$	116,977
Surpluses/Deficit				\$	86,926
Opening Balance 01:04:2001				\$	64,225
Closing Balance 31:03:2002				\$	151,152
Closing Balance per Head (\$)				\$	201

**2001 to 2002**

**Statement of revenues**

Head & Sub	Particulars	Approved	Actual	Variance to estimates	% of revenue	Amount per head
Heads		Estimates	Revenue			
<b>A</b>						
1	Head Tax	\$ 2,000	\$ 1,840	\$ (160)	1%	\$ 2
2	License	\$ 2,000	\$ 2,148	\$ 148	1%	\$ 3
3	House Rent	\$ 3,000	\$ 1,765	\$ (1,235)	1%	\$ 2
4	Guest House Rent	\$ 1,000	\$ 2,945	\$ 1,945	1%	\$ 4
6	Tractor Hire	\$ 2,000	\$ 1,711	\$ (289)	1%	\$ 2
7	Hire of Kaupule Properties	\$ 500	\$ 118	\$ (382)	0%	\$ 0
8	Investment Interest	\$ 1,500	\$ 3,365	\$ 1,865	2%	\$ 4
9	Miscellaneous	\$ 1,000	\$ 4,604	\$ 3,604	2%	\$ 6
10	Pig Sales	\$ 1,000	\$ 366	\$ (634)	0%	\$ 0
13	Generator Hire	\$ -	\$ 300	\$ 300	0%	\$ 0
14	Search/Certificate/Court Fees	\$ 200	\$ 155	\$ (46)	0%	\$ 0
15	Court Fine	\$ 500	\$ 319	\$ (181)	0%	\$ 0
	<b>Total</b>	<b>\$ 14,700</b>	<b>\$ 19,635</b>	<b>\$ 4,935</b>	<b>10%</b>	<b>\$ 26</b>
1	Tuvalu Day	\$ 1,000	\$ 0	\$ (1,000)	0%	\$ 0
9	Land Rental	\$ 16,894	\$ 8,418	\$ (8,476)	4%	\$ 11
10	FTF Interim Grant	\$ 25,000	\$ 138,940	\$ 113,940	68%	\$ 185
12	Block Grant	\$ 36,910	\$ 36,910	\$ -	18%	\$ 49
	<b>Total</b>	<b>\$ 79,804</b>	<b>\$ 184,268</b>	<b>\$ 104,464</b>	<b>90%</b>	<b>\$ 245</b>
	<b>Grand Total</b>	<b>\$ 94,504</b>	<b>\$ 203,903</b>	<b>\$ 109,399</b>	<b>100%</b>	<b>\$ 272</b>



2001 to 2002  
Statement of Expenditure

Head & Sub Heads	Particulars	Approved Estimates	Actual Expenditure	Variance	% of expenses	Amount per head
<b>A</b>						
1	Salary	\$ 18,055	\$ 18,791	\$ (736)	16%	\$ 25
2	Provident Fund	\$ 2,106	\$ 2,465	\$ (359)	2%	\$ 3
3	Allowances	\$ 1,600	\$ 717	\$ 883	1%	\$ 1
4	Kaupule Allowances	\$ 6,984	\$ 5,870	\$ 1,114	5%	\$ 8
5	Committee Allowances	\$ 9,120	\$ 5,951	\$ 3,169	5%	\$ 8
7	Casual Labours	\$ 500	\$ 2,902	\$ (2,402)	0%	\$ 4
8	Overtime	\$ 600	\$ (2,655)	\$ 3,255	-2%	\$ (4)
	<b>Total</b>	<b>\$ 38,965</b>	<b>\$ 34,041</b>	<b>\$ 4,924</b>	<b>29%</b>	<b>\$ 45</b>
<b>II</b>						
2	Land Rental	\$ 17,552	\$ 14,719	\$ 2,833	13%	\$ 20
3	Kaupule Entertainment	\$ 200	\$ 157	\$ 43	0%	\$ 0
4	Falekaupule Entertainment	\$ 300	\$ 298	\$ 2	0%	\$ 0
5	Telecom Expenses	\$ 2,020	\$ 1,054	\$ 966	1%	\$ 1
6	Office Supplies	\$ 1,000	\$ 446	\$ 554	0%	\$ 1
8	Properties Maintenance	\$ 1,500	\$ 1,040	\$ 460	1%	\$ 1
9	Classroom Maintenance	\$ 520	\$ 337	\$ 183	0%	\$ 0
10	Dispensary	\$ 520	\$ 15	\$ 505	0%	\$ 0
11	Fuel Expenses	\$ 1,000	\$ 151	\$ 849	0%	\$ 0
12	Pig Compensation	\$ -	\$ 224	\$ (224)	0%	\$ 0
13	Trees Compensation	\$ 1,000	\$ (175)	\$ 1,175	0%	\$ (0)
15	Miscellaneous	\$ 50	\$ 455	\$ (405)	0%	\$ 1
16	Bank Fees & Charges	\$ 100	\$ 37	\$ 63	0%	\$ 0
18	Falekaupule Renovation	\$ -	\$ 26,059	\$ (26,059)	22%	\$ 35
22	Electricity	\$ 1,000	\$ 192	\$ 808	0%	\$ 0
	<b>Total</b>	<b>\$ 26,762</b>	<b>\$ 45,009</b>	<b>\$ (18,247)</b>	<b>38%</b>	<b>\$ 60</b>
<b>III</b>						
2	Putoko House	\$ -	\$ 2,188	\$ (2,188)	2%	\$ 3
4	Kaupule Staff Houses	\$ 24,130	\$ 22,067	\$ 2,063	19%	\$ 29
5	Toe Tokiga Funaota	\$ 3,000	\$ 2,019	\$ 981	2%	\$ 3
6	Pui o Maneapa	\$ -	\$ 3,362	\$ (3,362)	3%	\$ 4
7	Paamu Iti	\$ -	\$ 4	\$ (4)	0%	\$ 0
8	Fale Sinu	\$ -	\$ 8,287	\$ (8,287)	7%	\$ 11
	<b>Total</b>	<b>\$ 27,130</b>	<b>\$ 37,927</b>	<b>\$ (10,797)</b>	<b>32%</b>	<b>\$ 51</b>
	<b>Total Grand</b>	<b>\$ 92,857</b>	<b>\$ 116,977</b>	<b>\$ (24,120)</b>	<b>100%</b>	<b>\$ 156</b>

## INDEPENDENT AUDITOR'S REPORT

To the members of Tuvalu's Parliament and the Ulu Aliko of Nukufetau,

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the Nukufetau Kaupule, which comprise Statement of Revenue, Statement of Expenditure and Analysis of Surpluses and Deficit for the year ended 31 March 2003 and the Bank Statement of Ledger Balances as at 31 March 2003.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation of these financial statements in accordance with section 71 of the Falekaupule Act and accompanying financial instructions, 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.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. This responsibility arises from section 74 of the Falekaupule Act.

We conducted our audit in accordance with the International Organisation of Supreme Audit Institution's (INTOSAI) Auditing Standards, which incorporate the International Auditing Standards. These standards require that we comply with ethical requirements and, plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

#### *Basis for Qualified Opinion*

The Nukufetau Kaupule closing cash balances in the financial statements were not able to be reconciled to the bank statement balances. The cash on hand balance reported in the financial statements compared to the bank account balance was understated by \$6,477. This variance occurred due to all bank accounts and all their transactions not being included in the financial statements. We were unable to obtain sufficient appropriate audit evidence surrounding the completeness of the Statement of Revenue and the Statement of Expenditure, as well as the Analysis of Surpluses, Deficit and Balances. This is a material effect on the financial statements.

#### *Qualified Opinion*

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements of Nukufetau Kaupule for the year ended 31 March 2003 are prepared, in all material respects, in accordance with the Falekaupule Act.

#### *Independence*

When carrying out the audit we followed the independence requirements of the Office of the Auditor General, which incorporate the independence requirements of the International Standards of Auditing and the International Organisation of Supreme Audit Institutions.

Other than the audit, we have no relationship with or interests in the entity.



Eli Lopati  
Acting Auditor General of Tuvalu  
27 January 2014  
Vaiaku, Funafuti, Tuvalu

Kaupule Nukufetau  
April 2002 to 2003

Year Ending 31st March 2003

Balance as at 1st April 2002			\$	151,152
Add Revenue Collected			\$	98,371
Less Expenditure Incurred			\$	187,467
Balance as at 31st March 2003			\$	62,056

Statement of Ledger Balances

Particulars	Debit	Credit	Balance as per bank statement	Variance
Surplus Account 31 March 2003		\$ 62,056		
IBD Council	\$ 4,851		\$ -	\$ (4,851)
IBD School	\$ 3,064		\$ 2,272	\$ (792)
Cash at bank	\$ 7,310		\$ 1,875	\$ (5,435)
Cash at Fusi	\$ 2,401		\$ 2,401	\$ -
Tutasi Primary School (640881-30)	\$ -		\$ 8,566	\$ 8,566
Nukufetau Island Council (691611-40)	\$ -		\$ 4,614	\$ 4,614
Nukufetau Foundation Fund (691582-30)	\$ -		\$ 2,265	\$ 2,265
Nukufetau Island Court (280046-30)	\$ -		\$ 5,220	\$ 5,220
Technical Fund	\$ 43,818		\$ 13,791	\$ (30,027)
Nukufetau FTF Proceed	\$ -		\$ 26,917	\$ 26,917
Cash on hand	\$ 613		\$ 613	\$ 0
<b>Total</b>	\$ 62,056	\$ 62,056	\$ 68,534	\$ 6,477

Analysis of Surpluses, Deficit and Balances

Population				586
Actual Revenue			\$	98,371
Actual Expenses			\$	187,467
Surpluses/Deficit			\$	(89,096)
Opening Balance 01:04:2002			\$	151,152
Closing Balance 31:03:2003			\$	62,056
Closing Balance per Head (\$)			\$	106

2002 to 2003

Statement of revenues

Head & Sub	Particulars	Approved	Actual	Variance to estimates	% of revenue	Amount per head
Heads		Estimates	Revenue			
<b>A</b>						
A-01	Head Tax	\$ 2,000	\$ 1,612	\$ (388)	2%	\$ 3
A-02	License	\$ 2,000	\$ 2,277	\$ 277	2%	\$ 4
A-03	House Rents	\$ 3,000	\$ 2,173	\$ (828)	2%	\$ 4
A-04	Guest House Rents	\$ 1,000	\$ 1,705	\$ 705	2%	\$ 3
A-06	Tractor Hire	\$ 2,000	\$ 2,890	\$ 890	3%	\$ 5
A-07	Hire of Council Properties	\$ 500	\$ 259	\$ (241)	0%	\$ 0
A-08	Investments Interests	\$ 1,500	\$ 1,162	\$ (338)	1%	\$ 2
A-09	Miscellaneous	\$ 1,000	\$ 2,385	\$ 1,385	2%	\$ 4
A-10	Pig Sales	\$ 1,000	\$ 243	\$ (758)	0%	\$ 0
A-12	Telecom Rental	\$ 360	\$ 180	\$ (180)	0%	\$ 0
A-14	Search/Cert/Court Fee	\$ 200	\$ 151	\$ (49)	0%	\$ 0
A-15	Court Fine	\$ 500	\$ 389	\$ (111)	0%	\$ 1
	<b>Total</b>	\$ 15,060	\$ 15,425	\$ 365	16%	\$ 26
<b>B</b>						
B-01	Tuvalu Day	\$ 2,000	\$ 2,000	\$ -	2%	\$ 3
B-07	Tied Grant	\$ 16,893	\$ 17,934	\$ 1,041	18%	\$ 31
B-10	FTF Interim Grant	\$ -	\$ 24,690	\$ 24,690	25%	\$ 42
B-11	Pre-School (Gov't Contribution)	\$ 10,000	\$ 10,000	\$ -	10%	\$ 17
B-12	Block Grant	\$ 36,910	\$ 12,220	\$ (24,690)	12%	\$ 21
	<b>Total</b>	\$ 65,803	\$ 66,844	\$ 1,041	68%	\$ 114
<b>C</b>						
C-03	Pre-School (Canada Contribution)	\$ 13,000	\$ 13,000	\$ -	13%	\$ 22
H-03	Kaupule Staff Houses	\$ 24,130	\$ 4	\$ (24,126)	0%	\$ 0
H-11	Fale Simu	\$ 10,000	\$ 701	\$ (9,299)	1%	\$ 1
I-02	Provident Fund	\$ 2,106	\$ 2,397	\$ 291	2%	\$ 4
	<b>Total</b>	\$ 49,236	\$ 16,103	\$ (33,133)	16%	\$ 27
	<b>Grand Total</b>	\$ 130,099	\$ 98,371	\$ (31,728)	100%	\$ 168

2002 to 2003  
Statement of Expenditure

Head & Sub Heads	Particulars	Approved	Actual	Variance	% of expenses	Amount per head
		Estimates	Expenditure			
<b>A</b>						
I-01	Salary	\$ 18,055	\$ 19,424	\$ (1,369)	10%	\$ 33
I-02	Provident Fund	\$ 2,106	\$ 5,272	\$ (3,166)	3%	\$ 9
I-03	Allowances	\$ 1,600	\$ 1,198	\$ 402	1%	\$ 2
I-04	Kaupule Allowances	\$ 6,984	\$ 5,240	\$ 1,744	3%	\$ 9
I-05	Committee Allowances	\$ 9,120	\$ 4,660	\$ 4,460	2%	\$ 8
I-07	Casual Labours	\$ 500	\$ 137	\$ 363	0%	\$ 0
I-08	Overtime	\$ 600	\$ 803	\$ (203)	0%	\$ 1
II-01	Audit Fees	\$ 330	\$ 500	\$ (170)	0%	\$ 1
II-02	Land Rental	\$ 17,552	\$ 15,698	\$ 1,854	8%	\$ 27
II-03	Kaupule Entertainment	\$ 200	\$ 1,168	\$ (968)	1%	\$ 2
II-04	Falekaupule Entertainment	\$ 300	\$ 8	\$ 292	0%	\$ 0
II-05	Telecom Expenses	\$ 2,020	\$ 2,652	\$ (632)	1%	\$ 5
II-06	Office Supplies	\$ 1,000	\$ 1,183	\$ (183)	1%	\$ 2
II-07	Office Equipment Maintenance	\$ 100	\$ 77	\$ 23	0%	\$ 0
II-08	Properties Maintenance	\$ 1,500	\$ 1,453	\$ 47	1%	\$ 2
II-09	Classroom Maintenance	\$ 520	\$ 495	\$ 25	0%	\$ 1
II-10	Dispensary	\$ 520	\$ 251	\$ 269	0%	\$ 0
II-11	Fuel Expenses	\$ 1,000	\$ 1,119	\$ (119)	1%	\$ 2
II-12	Pig Compensation	\$ 1,000	\$ 225	\$ 775	0%	\$ 0
II-13	Trees Compensation	\$ 1,000	\$ 278	\$ 722	0%	\$ 0
II-15	Miscellaneous	\$ 50	\$ 542	\$ (492)	0%	\$ 1
II-16	Bank Fees & Charges	\$ 50	\$ 21	\$ 29	0%	\$ 0
II-19	Furnitures	\$ 2,000	\$ 32	\$ 1,968	0%	\$ 0
II-22	Electricity	\$ 1,000	\$ 2,889	\$ (1,889)	2%	\$ 5
III-03	Kaupule Staff Houses	\$ 24,130	\$ 27,959	\$ (3,829)	15%	\$ 48
III-05	Replanting Funaota	\$ 3,000	\$ 2,723	\$ 278	1%	\$ 5
III-07	Pre-School Building	\$ 33,000	\$ 23,659	\$ 9,341	13%	\$ 40
III-08	Storage Building	\$ 33,850	\$ 23,321	\$ 10,529	12%	\$ 40
III-09	Office Equipment	\$ 5,000	\$ 2,713	\$ 2,287	1%	\$ 5
III-10	FTF Contribution	\$ 35,000	\$ 35,000	\$ -	19%	\$ 60
III-11	Fale Sinu	\$ 10,000	\$ 2,173	\$ 7,827	1%	\$ 4
A-07	Hire of Council Properties	\$ 500	\$ 150	\$ 350	0%	\$ 0
A-09	Miscellaneous	\$ 1,000	\$ 875	\$ 125	0%	\$ 1
A-10	Pig Sales	\$ 1,000	\$ 140	\$ 860	0%	\$ 0
B-01	Tuvalu Day	\$ -	\$ 2,000	\$ (2,000)	1%	\$ 3
III-02	Putoko House	\$ -	\$ 333	\$ (333)	0%	\$ 1
III-06	Pui o Maneapa	\$ -	\$ 1,096	\$ (1,096)	1%	\$ 2
	<b>Shortage found</b>	\$ -	\$ 2	\$ (2)	0%	\$ 0
	<b>Grand Total</b>	<b>\$ 215,587</b>	<b>\$ 187,467</b>	<b>\$ 28,120</b>	<b>100%</b>	<b>\$ 320</b>

Advances and Shortages given	Amount	Year
Shortage found during this period	\$ 2	2003

## INDEPENDENT AUDITOR'S REPORT

To the members of Tuvalu's Parliament and the Ulu Aliko of Nukufetau,

### **Report on the Financial Statements of Nukufetau Kaupule**

We have audited the accompanying financial statements of the Nukufetau Kaupule, which comprise Statement of Revenue, Statement of Expenditure and Analysis of Surpluses and Deficit for the year ended 31 March 2004 and the Bank Statement of Ledger Balances as at 31 March 2004.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation of these financial statements in accordance with section 71 of the Falekaupule Act and accompanying financial instructions, 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.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. This responsibility arises from section 74 of the Falekaupule Act. We conducted our audit in accordance with the International Organisation of Supreme Audit Institution's (INTOSAI) Auditing Standards, which incorporate the International Auditing Standards.

Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

#### *Basis for Disclaimer of Opinion*

The Nukufetau Kaupule closing cash balance reported in the accounts was not able to be reconciled to the bank account balance. The cash on hand balance reported in the financial statements compared to the bank account balance was understated by \$80,297. This variance occurred due to all bank accounts and all their transactions not being included in the financial statements. This affects the completeness of the Statement of Revenue and the Statement of Expenditure, as well as the Analysis of Surpluses, Deficit and Balances. This is a material effect on the financial statements which is considered to be pervasive.

#### *Disclaimer of Audit Opinion*

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

#### *Independence*

When carrying out the audit we followed the independence requirements of the Office of the Auditor General Tuvalu, which incorporate the independence requirements of the International Standards of Auditing and the International Organisation of Supreme Audit Institutions.

Other than the audit, we have no relationship with or interests in the entity.



Eli Lopati  
Acting Auditor General of Tuvalu  
27 January 2014  
Vaiaku, Funafuti, Tuvalu

Kaupule Nukufetau  
April 2003 to 2004

Year Ending 31st March 2004

Balance as at 1st April 2003				\$	62,056
Add Revenue Collected				\$	105,314
Less Expenditure Incurred				\$	121,600
Balance as at 31st March 2004				\$	45,771

Statement of Ledger Balances

Particulars	Debit	Credit	Balance as per bank statement	Variance
Surplus Account 31 March 2004		\$ 45,770.5		
IBD Council	\$ 4,862.2		\$ 5,448.0	\$ 585.9
IBD School	\$ 3,063.9		\$ 2,328.9	\$ (735.0)
Cash at bank	\$ 2,459.6		\$ 72,546.9	\$ 70,087.3
Cash at Fusi	\$ 3,186.3		\$ 3,186.3	\$ -
Tutasi Primary School (640881-30)	\$ -		\$ 9,935.1	\$ 9,935.1
Nukufetau Island Council (691611-40)	\$ -		\$ 4,762.9	\$ 4,762.9
Nukufetau Foundation Fund (691582-30)	\$ -		\$ 2,552.2	\$ 2,552.2
Nukufetau Island Court (280046-30)	\$ -		\$ 4,654.3	\$ 4,654.3
Technical Fund	\$ 7,196.2		\$ 8,935.7	\$ 1,739.5
Nukufetau FTF Proceed	\$ 25,000.0		\$ 11,715.0	\$ (13,285.0)
Cash on hand	\$ 2.5		\$ 2.5	\$ -
<b>Total</b>	\$ 45,770.7	\$ 45,770.5	\$ 126,067.8	\$ 80,297.1

Analysis of Surpluses, Deficit and Balances

Population					586
Actual Revenue				\$	105,314
Actual Expenses				\$	121,600
Surpluses/Deficit				\$	(16,286)
Opening Balance 01:04:2003				\$	62,056
Closing Balance 31:03:2004				\$	45,771
Closing Balance per Head (\$)				\$	78

2003 to 2004

Statement of revenues

Head & Sub	Particulars	Approved	Actual	Variance to estimates	% of revenue	Amount per head
Heads		Estimates	Revenue			
<b>A</b>						
A-01	Court Fine	\$ 510	\$ 291	\$ (219)	0%	\$ 0
A-02	Guest House Rental	\$ 1,000	\$ 2,565	\$ 1,565	2%	\$ 4
A-03	Head Tax	\$ 1,610	\$ 1,898	\$ 288	2%	\$ 3
A-04	Hire of Kaupule Properties	\$ 600	\$ 539	\$ (61)	1%	\$ 1
A-05	House Rental	\$ 3,000	\$ 2,370	\$ (630)	2%	\$ 4
A-06	Inspection Search Fee	\$ 200	\$ 116	\$ (85)	0%	\$ 0
A-07	Investment Interest	\$ 1,200	\$ 11	\$ (1,189)	0%	\$ 0
A-08	Miscellaneous	\$ 150	\$ 9,932	\$ 9,782	9%	\$ 17
A-09	Licence & Permits	\$ 2,300	\$ 1,782	\$ (519)	2%	\$ 3
A-10	Sales of Pigs	\$ 500	\$ 166	\$ (334)	0%	\$ 0
A-11	Staff PF & KPN Contributions 20%	\$ 2,168	\$ 1,946	\$ (222)	2%	\$ 3
A-12	Stamp Bonus Fusi	\$ 1,000	\$ 945	\$ (55)		\$ 2
A-13	Tractor & Crane Truck Hires	\$ 3,400	\$ 1,935	\$ (1,466)		\$ 3
A-14	Telecom Office Rental	\$ 1,200	\$ 30	\$ (1,170)		\$ 0
A-15	Oil Sale	\$ 1,600	\$ 2,294	\$ 694		\$ 4
A-16	Transaction on Behalf of Kaupule	\$ 50,000	\$ 18	\$ (49,982)	0%	\$ 0
	<b>Total</b>	\$ 70,438	\$ 26,837	\$ (43,601)	25%	\$ 46
<b>B</b>						
B-01	Block Grant	\$ 36,910	\$ 61,910	\$ 25,000	59%	\$ 106
B-02	Land Lease Subsidy	\$ 16,250	\$ 14,094	\$ (2,156)	13%	\$ 24
B-04	Tuvalu Day	\$ 2,000	\$ 2,000	\$ -	2%	\$ 3
	<b>Total</b>	\$ 55,160	\$ 78,004	\$ 22,844	74%	\$ 133
<b>Expenditure</b>						
C-05	Committee Allowances	\$ 6,000	\$ 105	\$ (5,895)	0%	\$ 0
C-09	Kaupule Allowances	\$ 6,984	\$ 195	\$ (6,789)	0%	\$ 0
C-16	Overtimes & Casual KPN	\$ 1,000	\$ 11	\$ (989)	0%	\$ 0
	<b>Total</b>	\$ 13,984	\$ 311	\$ (13,673)	0%	\$ 1
	<b>Surplus found</b>	\$ -	\$ 162	\$ 162	0%	\$ 0
	<b>Grand Total</b>	\$ 139,582	\$ 105,314	\$ (34,268)	100%	\$ 180

2003 to 2004  
Statement of Expenditure

Head & Sub Heads	Particulars	Approved	Actual	Variance	% of expenses	Amount per head
		Estimates	Expenditure			
<b>C</b>						
C-01	Audit Fee	\$ 770	\$ 500	\$ 270	0%	\$ 1
C-03	Bank Services	\$ 100	\$ 35	\$ 65	0%	\$ 0
C-04	Casual Labours Foreman	\$ 3,216	\$ 2,214	\$ 1,002	2%	\$ 4
C-05	Committee Allowances	\$ 6,000	\$ 6,415	\$ (415)	5%	\$ 11
C-07	Fuel and Oil Expenses	\$ 1,400	\$ 124	\$ 1,276	0%	\$ 0
C-08	Furnitures and Fittings	\$ 1,000	\$ 133	\$ 867	0%	\$ 0
C-09	Kaupule Allowances	\$ 6,984	\$ 6,989	\$ (5)	6%	\$ 12
C-10	KP and FKP Entertainment	\$ 1,200	\$ 189	\$ 1,011	0%	\$ 0
C-11	KPN Properties Maintenance	\$ 1,000	\$ 4,578	\$ (3,578)	4%	\$ 8
C-12	KPN Land Lease Rental	\$ 780	\$ 726	\$ 54	1%	\$ 1
C-13	Miscellaneous	\$ 50	\$ 10,736	\$ (10,686)	9%	\$ 18
C-14	Office Equipments Maintenance	\$ 120	\$ 430	\$ (310)	0%	\$ 1
C-15	Office Supplies	\$ 1,270	\$ 1,806	\$ (536)	1%	\$ 3
C-17	PF Clearing Account - 20%	\$ 4,336	\$ 3,778	\$ 558	3%	\$ 6
C-18	Power Bill KP & FKP	\$ 3,200	\$ 1,556	\$ 1,644	1%	\$ 3
C-19	Salaries and Wages	\$ 21,681	\$ 19,290	\$ 2,391	16%	\$ 33
C-20	Telephone and Fax	\$ 2,020	\$ 1,377	\$ 643	1%	\$ 2
C-23	Trees Compensation	\$ 1,000	\$ 70	\$ 930	0%	\$ 0
C-24	Oil Mill Expenses	\$ 6,763	\$ 6,637	\$ 126	5%	\$ 11
	<b>Total</b>	<b>\$ 62,890</b>	<b>\$ 67,584</b>	<b>\$ (4,694)</b>	<b>56%</b>	<b>\$ 115</b>
<b>D</b>						
D-02	Classroom Maintenance	\$ 520	\$ 304	\$ 216	0%	\$ 1
D-03	Dispensary Maintenance	\$ 520	\$ 120	\$ 400	0%	\$ 0
D-04	Hospital New Ward 1	\$ 20,000	\$ 18,220	\$ 1,780	15%	\$ 31
D-05	KPN Staff House No: 1	\$ 20,000	\$ 5,054	\$ 14,946	4%	\$ 9
D-06	Photocopier and Accessories	\$ 4,500	\$ 4,296	\$ 204	4%	\$ 7
D-08	Pre-School Building	\$ 1,000	\$ 10,901	\$ (9,901)	9%	\$ 19
D-09	Replanting Funaota	\$ 1,000	\$ 335	\$ 665	0%	\$ 1
D-14	Land Lease Rental Subsidy	\$ 16,250	\$ 12,374	\$ 3,876	10%	\$ 21
D-16	Tuvalu Day	\$ 2,000	\$ 1,995	\$ 5	2%	\$ 3
	<b>Total</b>	<b>\$ 65,790</b>	<b>\$ 53,599</b>	<b>\$ 12,191</b>	<b>44%</b>	<b>\$ 91</b>
<b>Revenue</b>						
A-01	Court Fine	\$ -	\$ 17	\$ (17)	0%	\$ 0
A-04	Hire of Council Properties	\$ -	\$ 280	\$ (280)	0%	\$ 0
A-10	Sales of Pigs	\$ -	\$ 120	\$ (120)	0%	\$ 0
	<b>Total</b>	<b>\$ -</b>	<b>\$ 417</b>	<b>\$ (417)</b>	<b>0%</b>	<b>\$ 1</b>
	<b>Grand Total</b>	<b>\$ 128,680</b>	<b>\$ 121,600</b>	<b>\$ 7,080</b>	<b>100%</b>	<b>\$ 208</b>

Advances and Shortages given	Amount	Year
Accumulated cash Shortage found	\$ 2	2003
Surplus was found during this period	\$ 162	2004

## INDEPENDENT AUDITOR'S REPORT

To the members of Tuvalu's Parliament and the Ulu Aliko of Nukufetau,

### **Report on the Financial Statements of Nukufetau Kaupule**

We have audited the accompanying financial statements of the Nukufetau Kaupule, which comprise Statement of Revenue, Statement of Expenditure and Analysis of Surpluses and Deficit for the year ended 31 March 2005 and the Bank Statement of Ledger Balances as at 31 March 2005.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation of these financial statements in accordance with section 71 of the Falekaupule Act and accompanying financial instructions, 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.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. This responsibility arises from section 74 of the Falekaupule Act. We conducted our audit in accordance with the International Organisation of Supreme Audit Institution's (INTOSAI) Auditing Standards, which incorporate the International Auditing Standards.

Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

#### *Basis for Disclaimer of Opinion*

The Nukufetau Kaupule closing cash balance reported in the accounts was not able to be reconciled to the bank account balance. The cash on hand balance reported in the financial statements compared to the bank account balance was understated by \$229,707. This variance occurred due to all bank accounts and all their transactions not being included in the financial statements. This affects the completeness of the Statement of Revenue and the Statement of Expenditure, as well as the Analysis of Surpluses, Deficit and Balances. This is a material effect on the financial statements which is considered to be pervasive.

#### *Disclaimer of Audit Opinion*

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

#### *Independence*

When carrying out the audit we followed the independence requirements of the Office of the Auditor General Tuvalu, which incorporate the independence requirements of the International Standards of Auditing and the International Organisation of Supreme Audit Institutions.

Other than the audit, we have no relationship with or interests in the entity.



Eli Lopati  
Acting Auditor General of Tuvalu  
27 January 2014  
Vaiaku, Funafuti, Tuvalu



Kaupule Nukufetau  
April 2004 to 2005

Year Ending 31st March 2005

Balance as at 1st April 2004				\$ 45,771
Add Revenue Collected				\$ 77,964
Less Expenditure Incurred				\$ 102,593
Balance as at 31st March 2005				\$ 21,141

Statement of Ledger Balances

Particulars	Debit	Credit	Balance as per bank statement	Variance
Surplus Account 31 March 2005		\$ 21,141		
IBD Council	\$ 4,862		\$ 139,394	\$ 134,532
IBD School	\$ 3,064		\$ 2,387	\$ (677)
Cash at bank	\$ 762		\$ 68,660	\$ 67,899
Cash at Fusi	\$ 3,721		\$ 3,721	\$ -
Tutasi Primary School (640881-30)	\$ -		\$ 8,806	\$ 8,806
Nukufetau Island Council (691611-40)	\$ -		\$ 4,957	\$ 4,957
Nukufetau Foundation Fund (691582-30)	\$ -		\$ 1,892	\$ 1,892
Nukufetau Island Court (280046-30)	\$ -		\$ 1,790	\$ 1,790
Technical Fund	\$ 4,492		\$ 13,099	\$ 8,606
Nukufetau FTF Proceed	\$ 4,233		\$ 6,135	\$ 1,902
Cash on hand	\$ 7		\$ 7	\$ 0
<b>Total</b>	\$ 21,141	\$ 21,141	\$ 250,848	\$ 229,707

Analysis of Surpluses, Deficit and Balances

Population				586
Actual Revenue				\$ 77,964
Actual Expenses				\$ 102,593
Surpluses/Deficit				\$ (24,629)
Opening Balance 01:04:2004				\$ 45,771
Closing Balance 31:03:2005				\$ 21,141
Closing Balance per Head (\$)				\$ 36

2004 to 2005

Statement of revenues

Head & Sub	Particulars	Approved	Actual	Variance to estimates	% of revenue	Amount per head
Heads		Estimates	Revenue			
<b>A</b>						
A-01	Court Fine	\$ 500	\$ 118	\$ (382)	0%	\$ 0
A-02	Guest House Rental	\$ 300	\$ 9,917	\$ 9,617	13%	\$ 17
A-03	Head Tax	\$ 1,610	\$ 1,508	\$ (102)	2%	\$ 3
A-04	Hire of Kaupule Properties	\$ 600	\$ 431	\$ (169)	1%	\$ 1
A-05	House Rental	\$ 3,000	\$ 1,273	\$ (1,728)	2%	\$ 2
A-06	Inspection/Search Fees	\$ 150	\$ 296	\$ 146	0%	\$ 1
A-07	Investment Interest	\$ 600	\$ 2,262	\$ 1,662	3%	\$ 4
A-08	Miscellaneous	\$ 200	\$ 8,899	\$ 8,699	11%	\$ 15
A-09	Licence and Permits	\$ 2,000	\$ 1,450	\$ (550)	2%	\$ 2
A-10	Sales of Pigs	\$ -	\$ 402	\$ 402	1%	\$ 1
A-11	Staff PF % KPN Contribution 20%	\$ 500	\$ 1,432	\$ 932	2%	\$ 2
A-12	Stamp Bonus Fusi	\$ -	\$ 535	\$ 535	0%	\$ 1
A-13	Tractor and Crane Truck	\$ 1,000	\$ 664	\$ (336)	0%	\$ 1
A-14	Telecom Office Rental	\$ 23,000	\$ 690	\$ (22,310)	0%	\$ 1
A-15	Oil Sales	\$ 1,200	\$ 1,625	\$ 425	0%	\$ 3
	<b>Total</b>	\$ 34,660	\$ 31,501	\$ (3,159)	40%	\$ 54
<b>B</b>						
B-01	Block Grant	\$ 24,500	\$ 28,261	\$ 3,761	36%	\$ 48
B-02	Land Lease Subsidy	\$ 10,000	\$ 15,696	\$ 5,696	20%	\$ 27
B-04	Tuvalu Day	\$ 120	\$ 2,000	\$ 1,880	3%	\$ 3
	<b>Total</b>	\$ 34,620	\$ 45,957	\$ 11,337	59%	\$ 78
<b>Expenditure</b>						
C-05	Committee Allowances	\$ -	\$ 40	\$ 40	0%	\$ 0
C-09	Kaupule Allowances	\$ -	\$ 321	\$ 321	0%	\$ 1
	<b>Total</b>	\$ -	\$ 361	\$ 361	0%	\$ 1
	<b>Surplus found</b>	\$ -	\$ 120	\$ 120	0%	\$ 0
	<b>Grand Total</b>	\$ 69,280	\$ 77,939	\$ 8,659	100%	\$ 133

2004 to 2005  
Statement of Expenditure

Head & Sub Heads	Particulars	Approved Estimates	Actual Expenditure	Variance	% of expenses	Amount per head
<b>C</b>						
C-03	Bank Services	\$ 100	\$ 44	\$ 56	0%	\$ 0
C-04	Casual Labours Foreman	\$ 300	\$ 32	\$ 268	0%	\$ 0
C-05	Committee Allowances	\$ 6,480	\$ 5,918	\$ 562	6%	\$ 10
C-06	Disaster Committee	\$ 1,800	\$ 264	\$ 1,536	0%	\$ 0
C-07	Fuel and Oil Expenses	\$ 1,110	\$ 557	\$ 553	1%	\$ 1
C-08	Furnitures & Fittings	\$ 1,000	\$ 2,306	\$ (1,306)	2%	\$ 4
C-09	Kaupule Allowances	\$ 600	\$ 6,319	\$ (5,719)	6%	\$ 11
C-10	KP & FKP Entertainment	\$ 5,778	\$ 1,132	\$ 4,646	1%	\$ 2
C-11	KPN Properties Maintenance	\$ 1,200	\$ 2,409	\$ (1,209)	2%	\$ 4
C-12	KPN Land Lease Rental	\$ 1,000	\$ 524	\$ 476	1%	\$ 1
C-13	Miscellaneous	\$ 500	\$ 575	\$ (75)	1%	\$ 1
C-14	Office Equipments Maintenance	\$ 780	\$ 3,156	\$ (2,376)	3%	\$ 5
C-15	Office Supplies	\$ 50	\$ 37	\$ 13	0%	\$ 0
C-16	Overtimes & Casual KPN	\$ 200	\$ 1,341	\$ (1,141)	1%	\$ 2
C-17	PF Clearing Account 20%	\$ 2,000	\$ 1,765	\$ 235	2%	\$ 3
C-18	Power Bill KP & FKP	\$ 600	\$ 4,133	\$ (3,533)	4%	\$ 7
C-19	Salaries & Wages	\$ 1,883	\$ 11,355	\$ (9,472)	11%	\$ 19
C-20	Telephone & Fax	\$ 2,500	\$ 12,174	\$ (9,674)	12%	\$ 21
C-21	Travelling Allowance	\$ 17,529	\$ 23	\$ 17,506	0%	\$ 0
C-23	Trees Compensation	\$ 2,020	\$ 500	\$ 1,520	0%	\$ 1
C-24	Oil Mill Expenses	\$ 600	\$ 5,838	\$ (5,238)	6%	\$ 10
	<b>Total</b>	<b>\$ 48,030</b>	<b>\$ 60,403</b>	<b>\$ (12,373)</b>	<b>59%</b>	<b>\$ 103</b>
<b>D</b>						
D-02	Classroom Maintenance	\$ 520	\$ 731	\$ (211)	1%	\$ 1
D-03	Dispensary Maintenance	\$ 520	\$ 2,323	\$ (1,803)	2%	\$ 4
D-04	Hospital New Ward 1	\$ 10,000	\$ 13,971	\$ (3,971)	14%	\$ 24
D-06	Photocopier and Accessories	\$ -	\$ 3,771	\$ (3,771)	4%	\$ 6
D-07	Tiles Maneapa Kilogafou	\$ -	\$ 3,771	\$ (3,771)	4%	\$ 6
D-08	Pre-School Building	\$ -	\$ 100	\$ (100)	0%	\$ 0
D-09	Replanting Funatoa	\$ -	\$ 32	\$ (32)	0%	\$ 0
D-12	Tusaga ote Art Festival	\$ 500	\$ 500	\$ -	0%	\$ 1
D-16	Tuvalu Day	\$ -	\$ 15,696	\$ (15,696)	15%	\$ 27
	Solar	\$ -	\$ 50	\$ (50)	0%	\$ 0
	MDA	\$ -	\$ 325	\$ (325)	0%	\$ 1
	<b>Total</b>	<b>\$ 11,540</b>	<b>\$ 41,270</b>	<b>\$ (29,730)</b>	<b>40%</b>	<b>\$ 70</b>
<b>Revenue</b>						
A-02	Guest House Rental	\$ -	\$ 150	\$ (150)	0%	\$ 0
A-04	Hire of Kaupule Properties	\$ -	\$ 70	\$ (70)	0%	\$ 0
A-08	Miscellaneous	\$ -	\$ 675	\$ (675)	1%	\$ 1
	<b>Total</b>	<b>\$ -</b>	<b>\$ 895</b>	<b>\$ (895)</b>	<b>1%</b>	<b>\$ 2</b>
	<b>Grand Total</b>	<b>\$ 59,570</b>	<b>\$ 102,568</b>	<b>\$ (42,998)</b>	<b>100%</b>	<b>\$ 175</b>

Advances and Shortages given	Amount	Year
Accumulated cash Shortage found	\$ 2	2003
Accumulated cash surplus	\$ 162	2004
Surplus was found during this period	\$ 120	2005

## INDEPENDENT AUDITOR'S REPORT

To the members of Tuvalu's Parliament and the Ulu Aliko of Nukufetau,

### **Report on the Financial Statements of Nukufetau Kaupule**

We have audited the accompanying financial statements of the Nukufetau Kaupule, which comprise Statement of Revenue, Statement of Expenditure and Analysis of Surpluses and Deficit for the year ended 31 March 2006 and the Bank Statement of Ledger Balances as at 31 March 2006.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation of these financial statements in accordance with section 71 of the Falekaupule Act and accompanying financial instructions, 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.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. This responsibility arises from section 74 of the Falekaupule Act. We conducted our audit in accordance with the International Organisation of Supreme Audit Institution's (INTOSAI) Auditing Standards, which incorporate the International Auditing Standards.

Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

#### *Basis for Disclaimer of Opinion*

The Nukufetau Kaupule closing cash balance reported in the accounts was not able to be reconciled to the bank account balance. The cash on hand balance reported in the financial statements compared to the bank account balance was understated by \$309,086. This variance occurred due to all bank accounts and all their transactions not being included in the financial statements. This affects the completeness of the Statement of Revenue and the Statement of Expenditure, as well as the Analysis of Surpluses, Deficit and Balances. This is a material effect on the financial statements which is considered to be pervasive.

#### *Disclaimer of Audit Opinion*

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

#### *Independence*

When carrying out the audit we followed the independence requirements of the Office of the Auditor General Tuvalu, which incorporate the independence requirements of the International Standards of Auditing and the International Organisation of Supreme Audit Institutions.

Other than the audit, we have no relationship with or interests in the entity.



Eli Lopati  
Acting Auditor General of Tuvalu  
27 January 2014  
Vaiaku, Funafuti, Tuvalu

Kaupule Nukufetau  
April 2005 to 2006

**Year Ending 31st March 2006**

Balance as at 1st April 2005				\$	21,141
Add Revenue Collected				\$	85,284
Less Expenditure Incurred				\$	78,170
Balance as at 31st March 2006				\$	28,255

**Statement of Ledger Balances**

Particulars	Debit	Credit	Balance as per bank statement	Variance
Surplus Account 31 March 2006		\$ 28,255		
IBD Council	\$ 5,160		\$ 114,478	\$ 109,318
IBD School	\$ 3,256		\$ 2,447	\$ (810)
Cash at bank	\$ 3,597		\$ 20,888	\$ 17,292
Cash at Fusi	\$ 3,945		\$ 3,945	\$ 0
Tutasi Primary School (640881-30)	\$ -		\$ 8,254	\$ 8,254
Nukufetau Island Council (691611-40)	\$ -		\$ 5,159	\$ 5,159
Nukufetau Foundation Fund (691582-30)	\$ -		\$ 10,931	\$ 10,931
Nukufetau Island Court (280046-30)	\$ -		\$ 1,880	\$ 1,880
Technical Fund	\$ 9,025		\$ 25,659	\$ 16,634
Nukufetau FTF Proceed	\$ 3,233		\$ 143,660	\$ 140,427
Cash on hand	\$ 40		\$ 40	\$ (0)
<b>Total</b>	\$ 28,255	\$ 28,255	\$ 337,341	\$ 309,086

**Analysis of Surpluses, Deficit and Balances**

Population					586
Actual Revenue				\$	85,284
Actual Expenses				\$	78,170
Surpluses/Deficit				\$	7,114
Opening Balance 01:04:2005				\$	21,141
Closing Balance 31:03:2006				\$	28,255
Closing Balance per Head (\$)				\$	48

**2005 to 2006**

**Statement of revenues**

Head & Sub	Particulars	Approved	Actual	Variance to estimates	% of revenue	Amount per head
Heads		Estimates	Revenue			
<b>A</b>						
A1	Court Fine	\$ 500	\$ 235	\$ (265)	0%	\$ 0
A2	Guest House Rent	\$ 300	\$ 4,884	\$ 4,584	6%	\$ 8
A2b	Guest House Meals	\$ 1,610	\$ 895	\$ (715)	1%	\$ 2
A3	Head Tax	\$ 600	\$ 1,745	\$ 1,145	2%	\$ 3
A4	Hire of Council Properties	\$ 3,000	\$ 249	\$ (2,752)	0%	\$ 0
A5	House Rent	\$ 150	\$ 2,762	\$ 2,612	3%	\$ 5
A6	Inspection & Search Fee	\$ 600	\$ 169	\$ (431)	0%	\$ 0
A7	Investment Interest	\$ 200	\$ 490	\$ 290	1%	\$ 1
A8	Miscellaneous	\$ 2,000	\$ 563	\$ (1,438)	1%	\$ 1
A9	License & Permit	\$ -	\$ 2,148	\$ 2,148	3%	\$ 4
A10	Sales of Pigs	\$ 500	\$ 424	\$ (76)	0%	\$ 1
A11	Staff PF & KPN Contribution 10%	\$ -	\$ 11,289	\$ 11,289	13%	\$ 19
A12	Stamp & Bonus Fusi	\$ 1,000	\$ 144	\$ (856)	0%	\$ 0
A13	Tractor & Crane Truck Hire	\$ 23,000	\$ 832	\$ (22,169)	1%	\$ 1
A14	Telecom Office Rental	\$ 1,200	\$ -	\$ (1,200)	0%	\$ -
A15	Mills & Oil	\$ -	\$ 1,554	\$ 1,554	2%	\$ 3
	<b>Total</b>	\$ 34,660	\$ 28,382	\$ (6,278)	33%	\$ 48
<b>B</b>						
TG1	Tied Grant & Land Lease Subsidy	\$ 24,500	\$ 14,106	\$ (10,394)	17%	\$ 24
TG2	Tuvalu Independence Day	\$ 10,000	\$ -	\$ (10,000)	0%	\$ -
B1	Block Grant	\$ 120	\$ 36,910	\$ 36,790	43%	\$ 63
	<b>Total</b>	\$ 34,620	\$ 51,016	\$ 16,396	60%	\$ 87
<b>Expenditure</b>						
C7	Kaupule Allowances	\$ -	\$ 479	\$ 479	1%	\$ 1
C22	Tree Compensation	\$ -	\$ 550	\$ 550	1%	\$ 1
I4	Kaupule Sitting Allowance	\$ -	\$ 321	\$ 321	0%	\$ 1
	Conservation area (TANGO)	\$ -	\$ 2,335	\$ 2,335	0%	\$ 4
	Disaster	\$ -	\$ 2,200	\$ 2,200	0%	\$ 4
	<b>Total</b>	\$ -	\$ 5,885	\$ 5,885	7%	\$ 10
	<b>Surplus found</b>	\$ -	\$ 1	\$ 1	0%	\$ 0
	<b>Grand Total</b>	\$ 69,280	\$ 85,284	\$ 16,004	100%	\$ 146

2005 to 2006

Statement of Expenditure

Head & Sub	Particulars	Approved	Actual	Variance	% of expenses	Amount per head
Heads		Estimates	Expenditure			
C						
C1	Audit Fee	\$ 100	\$ 300	\$ (200)	0%	\$ 1
C2	Bank Services	\$ 300	\$ 30	\$ 270	0%	\$ 0
C3	Committee Allowances	\$ 6,480	\$ 6,188	\$ 292	8%	\$ 11
C4	Emergencies Disaster Committee	\$ 1,800	\$ -	\$ 1,800	0%	\$ -
C5	Fuel & Oil Expenses	\$ 1,110	\$ 427	\$ 683	1%	\$ 1
C6	Furnitures & Fittings	\$ 1,000	\$ -	\$ 1,000	0%	\$ -
C7	Kaupule Allowances	\$ 600	\$ 7,314	\$ (6,714)	9%	\$ 12
C8	KPN & Falekaupule Entertainment	\$ 5,778	\$ 490	\$ 5,288	1%	\$ 1
C9	KPN Properties Maintenance	\$ 1,200	\$ 401	\$ 799	1%	\$ 1
C10	Kaupule House Maintenance	\$ 1,000	\$ 1,506	\$ (506)	2%	\$ 3
C11	KP Land Lease Rental	\$ 500	\$ 14,685	\$ (14,185)	19%	\$ 25
C12	Miscellaneous	\$ 780	\$ -	\$ 780	0%	\$ -
C13	Office Equipment Maintenance	\$ 50	\$ 1,126	\$ (1,076)	1%	\$ 2
C14	Office Supplies	\$ 200	\$ 1,475	\$ (1,275)	2%	\$ 3
C15	PF Clearing	\$ 2,000	\$ 6,391	\$ (4,391)	8%	\$ 11
C16	Abnormal/Acting Allowance	\$ 600	\$ 1,607	\$ (1,007)	2%	\$ 3
C17	Overtime	\$ 1,883	\$ 408	\$ 1,475	1%	\$ 1
C18	Salaries	\$ 2,500	\$ 20,276	\$ (17,776)	26%	\$ 35
C19	Power Bill Kaupule	\$ 17,529	\$ 3,075	\$ 14,454	4%	\$ 5
C20	Travel & Subsistence Allowance	\$ 2,020	\$ 1,582	\$ 438	2%	\$ 3
C21	Telephone & Faxes	\$ 600	\$ 267	\$ 333	0%	\$ 0
C22	Tree Compensation	\$ -	\$ 895	\$ (895)	1%	\$ 2
C23	Mills & Oil	\$ -	\$ 671	\$ (671)	1%	\$ 1
C24	Classroom Maintenance	\$ 520	\$ 99	\$ 421	0%	\$ 0
C25	Dispensary Maintenance	\$ 520	\$ 280	\$ 240	0%	\$ 0
	<b>Total</b>	<b>\$ 49,070</b>	<b>\$ 69,491</b>	<b>\$ (20,421)</b>	<b>89%</b>	<b>\$ 119</b>
	Tutasi Primary School Donation (FTF)	\$ -	\$ 1,000	\$ (1,000)	1%	\$ 2
I4	Kaupule Sitting Allowance	\$ -	\$ -	\$ -	0%	\$ -
	Conservation area (TANGO)	\$ -	\$ -	\$ -	0%	\$ -
	Disaster	\$ -	\$ 1,999	\$ (1,999)	3%	\$ 3
	<b>Total</b>	<b>\$ -</b>	<b>\$ 2,999</b>	<b>\$ (2,999)</b>	<b>4%</b>	<b>\$ 5</b>
<b>Revenue</b>						
A2	Guest House Rent	\$ -	\$ 3,909	\$ (3,909)	5%	\$ 7
A2b	Guest House Meals	\$ -	\$ 1,770	\$ (1,770)	2%	\$ 3
	<b>Total</b>	<b>\$ -</b>	<b>\$ 5,679</b>	<b>\$ (5,679)</b>	<b>7%</b>	<b>\$ 10</b>
	<b>Grand Total</b>	<b>\$ 49,070</b>	<b>\$ 78,170</b>	<b>\$ (29,100)</b>	<b>100%</b>	<b>\$ 133</b>

Accumulated Cash Shortage/Surplus	Amount	Year
Accumulated cash shortage	\$ 2	2003
Accumulated cash surplus	\$ 162	2004
Accumulated cash surplus	\$ 120	2005
Surplus found during this year	\$ 1	2006

## INDEPENDENT AUDITOR'S REPORT

To the members of Tuvalu's Parliament and the Ulu Aliko of Nukufetau,

### **Report on the Financial Statements of Nukufetau Kaupule**

We have audited the accompanying financial statements of the Nukufetau Kaupule, which comprise Statement of Revenue, Statement of Expenditure and Analysis of Surpluses and Deficit for the year ended 31 March 2007 and the Bank Statement of Ledger Balances as at 31 March 2007.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation of these financial statements in accordance with section 71 of the Falekaupule Act and accompanying financial instructions, 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.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. This responsibility arises from section 74 of the Falekaupule Act. We conducted our audit in accordance with the International Organisation of Supreme Audit Institution's (INTOSAI) Auditing Standards, which incorporate the International Auditing Standards.

Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

#### *Basis for Disclaimer of Opinion*

The Nukufetau Kaupule closing cash balance reported in the accounts was not able to be reconciled to the bank account balance. The cash on hand balance reported in the financial statements compared to the bank account balance was understated by \$192,740. This variance occurred due to all bank accounts and all their transactions not being included in the financial statements. This affects the completeness of the Statement of Revenue and the Statement of Expenditure, as well as the Analysis of Surpluses, Deficit and Balances. This is a material effect on the financial statements which is considered to be pervasive.

#### *Disclaimer of Audit Opinion*

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

#### *Independence*

When carrying out the audit we followed the independence requirements of the Office of the Auditor General Tuvalu, which incorporate the independence requirements of the International Standards of Auditing and the International Organisation of Supreme Audit Institutions.

Other than the audit, we have no relationship with or interests in the entity.



Eli Lopati  
Acting Auditor General of Tuvalu  
27 January 2014  
Vaiaku, Funafuti, Tuvalu

Kaupule Nukufetau  
April 2006 to 2007

Year Ending 31st March 2007

Balance as at 1st April 2006				\$	28,255
Add Revenue Collected				\$	287,460
Less Expenditure Incurred				\$	216,373
Balance as at 31st March 2007				\$	99,342

Statement of Ledger Balances

Particulars	Debit	Credit	Balance as per bank statement	Variance
Surplus Account 31 March 2007		\$ 99,342		
IBD Council	\$ 5,350		\$ 174,028	\$ 168,677
IBD School	\$ 3,256		\$ 2,508	\$ (749)
Cash at bank	\$ 4,967		\$ 10,641	\$ 5,674
Cash at Fusi	\$ 7,993		\$ 7,993	\$ (0)
Tutasi Primary School (640881-30)	\$ -		\$ 7,840	\$ 7,840
Nukufetau Island Council (691611-40)	\$ -		\$ 5,369	\$ 5,369
Nukufetau Foundation Fund (691582-30)	\$ -		\$ 1,158	\$ 1,158
Nukufetau Island Court (280046-30)	\$ -		\$ 1,927	\$ 1,927
Technical Fund	\$ 26,404		\$ 23,233	\$ (3,171)
Nukufetau FTF Proceed	\$ 50,744		\$ 56,760	\$ 6,015
Cash on hand	\$ 627		\$ 627	\$ 0
<b>Total</b>	<b>\$ 99,342</b>	<b>\$ 99,342</b>	<b>\$ 292,083</b>	<b>\$ 192,741</b>

Analysis of Surpluses, Deficit and Balances

Population					586
Actual Revenue				\$	287,460
Actual Expenses				\$	216,373
Surpluses/Deficit				\$	71,087
Opening Balance 01:04:2006				\$	28,255
Closing Balance 31:03:2007				\$	99,342
Closing Balance per Head (\$)				\$	170

2006 to 2007

Statement of revenues

Head & Sub Heads	Particulars	Approved Estimates	Actual Revenue	Variance to estimates	% of revenue	Amount per head
<b>A</b>						
A - 1	Court Fine	\$ 400	\$ 215	\$ (185)	0%	\$ 0.37
A - 2	Guest House Rental	\$ 1,200	\$ 260	\$ (940)	0%	\$ 0.44
A - 2b	Meals	\$ -	\$ 8,225	\$ 8,225	3%	\$ 14.04
A - 3	Head Tax	\$ 2,950	\$ 2,919	\$ (31)	1%	\$ 4.98
A - 4	Hire of Council Properties	\$ 450	\$ 672	\$ 222	0%	\$ 1.15
A - 5	House Rents	\$ 2,820	\$ 1,795	\$ (1,026)	1%	\$ 3.06
A - 6	Inspection Serach Fees	\$ 250	\$ 147	\$ (104)	0%	\$ 0.25
A - 7	Investment Interest	\$ 500	\$ 1,588	\$ 1,088	1%	\$ 2.71
A - 8	Miscellaneous	\$ 300	\$ 578	\$ 278	0%	\$ 0.99
A - 9	Licence & Permits	\$ 1,900	\$ 1,757	\$ (143)	1%	\$ 3.00
A - 10	Sales of Pigs	\$ 200	\$ 278	\$ 78	0%	\$ 0.47
A - 11	PF Contributions	\$ 2,000	\$ 1,768	\$ (232)	1%	\$ 3.02
A - 12	Stamps Bonus - Fusi	\$ 300	\$ 3,805	\$ 3,505	1%	\$ 6.49
A - 13	Tractor & Crane Truck Hire	\$ 1,400	\$ 1,952	\$ 552	1%	\$ 3.33
A - 14	Telecom Office Rent	\$ 360	\$ -	\$ (360)	0%	\$ -
A - 15	NBT Office Rent	\$ 600	\$ -	\$ (600)	0%	\$ -
	<b>Total</b>	<b>\$ 15,630</b>	<b>\$ 25,959</b>	<b>\$ 10,329</b>	<b>9%</b>	<b>\$ 44.30</b>
TG - 1	Land Lease Subsidy	\$ 13,066	\$ 14,106	\$ 1,040	5%	\$ 24.07
TG - 2	Classroom Maintenance	\$ 520	\$ -	\$ (520)	0%	\$ -
TG - 3	Dispensary Maintenance	\$ 520	\$ -	\$ (520)	0%	\$ -
TG - 4	Tuvalu Day	\$ 2,000	\$ 2,000	\$ -	1%	\$ 3.41
D-3	Maternity	\$ -	\$ 12,113	\$ 12,113	4%	\$ 20.67
D-4	Maternity	\$ -	\$ 11,600	\$ 11,600	4%	\$ 19.80
	<b>Total</b>	<b>\$ 16,106</b>	<b>\$ 39,819</b>	<b>\$ 23,713</b>	<b>14%</b>	<b>\$ 67.95</b>
<b>B</b>	<b>Block Grant</b>	<b>\$ -</b>	<b>\$ 36,910</b>	<b>\$ 36,910</b>	<b>13%</b>	<b>\$ 62.99</b>
<b>Capital Revenue</b>	FTF Distribution	\$ 115,534	\$ 174,687	\$ 59,153	61%	\$ 298.10
	Tutasi Primary (Gov't Grant)	\$ 2,350	\$ -	\$ (2,350)	0%	\$ -
	Lands Court Allowance 2nd quarter	\$ 936	\$ -	\$ (936)	0%	\$ -
	<b>Total</b>	<b>\$ 118,820</b>	<b>\$ 211,597</b>	<b>\$ 92,777</b>	<b>74%</b>	<b>\$ 361.09</b>
<b>Coconut oil Rev</b>						
M - 1	Working Capital	\$ -	\$ -	\$ -	0%	\$ -
M - 2	Oil Sales	\$ 2,400	\$ 2,135	\$ (265)	1%	\$ 3.64
M - 3	Press Cake	\$ 40	\$ 11	\$ (30)	0%	\$ 0.02
M - 4	Granting of nuts (Valu kae tau)	\$ 225	\$ 139	\$ (86)	0%	\$ 0.24
M - 5	PF Contributions	\$ 544	\$ 540	\$ (4)	0%	\$ 0.92
	<b>Total</b>	<b>\$ 3,209</b>	<b>\$ 2,825</b>	<b>\$ (384)</b>	<b>1%</b>	<b>\$ 4.82</b>
<b>Project</b>						
XF - 6	Water Tanks (NZAID)	\$ 5,400	\$ 5,400	\$ -	2%	\$ 9.22
	Island Court Allowance	\$ -	\$ 432	\$ 432	0%	\$ 0.74
	Lands Court Allowance	\$ -	\$ 936	\$ 936	0%	\$ 1.60
	Medical Expenses	\$ -	\$ 110	\$ 110	0%	\$ 0.19
	<b>Total</b>	<b>\$ 5,400</b>	<b>\$ 6,878</b>	<b>\$ 1,478</b>	<b>2%</b>	<b>\$ 11.74</b>
<b>Expenditure</b>						
C - 6	Furniture & Fittings	\$ -	\$ 268	\$ 268	0%	\$ 0.46
D - 3	Maternity ward project	\$ -	\$ 73	\$ 73	0%	\$ 0.12
D - 4	Maternity ward project	\$ -	\$ 41	\$ 41	0%	\$ 0.07
	<b>Total</b>	<b>\$ -</b>	<b>\$ 382</b>	<b>\$ 382</b>	<b>0%</b>	<b>\$ 0.65</b>
<b>Grand Total</b>		<b>\$ 159,165</b>	<b>\$ 287,460</b>	<b>\$ 128,295</b>	<b>100%</b>	<b>\$ 491</b>

2006 to 2007  
Statement of Expenditure

Head & Sub Heads	Particulars	Approved	Actual	Variance	% of expenses	Amount per head
		Estimates	Expenditure			
<b>C</b>						
C - 1	Audit Fee	\$ 1,000	\$ -	\$ 1,000	0%	\$ -
C - 2	Bank Services Charges	\$ 60	\$ 70	\$ (10)	0%	\$ 0
C - 3	Committee Allowances	\$ 7,875	\$ 5,909	\$ 1,967	3%	\$ 10
C - 4	Hire of Council Properties	\$ -	\$ -	\$ -	0%	\$ -
C - 5	Fuel & Oil	\$ 900	\$ 759	\$ 141	0%	\$ 1
C - 6	Furniture & Fittings	\$ 600	\$ 388	\$ 213	0%	\$ 1
C - 7	Kaupule Allowances	\$ 5,136	\$ 6,697	\$ (1,561)	3%	\$ 11
C - 8	Kaupule Entertainment	\$ 500	\$ 384	\$ 116	0%	\$ 1
C - 9	Properties Maintenance	\$ 3,000	\$ 5,540	\$ (2,540)	3%	\$ 9
C - 10	Kaupule House Maintenance	\$ 2,500	\$ 48	\$ 2,452	0%	\$ 0
C - 11	Land Lease Rental	\$ 660	\$ 558	\$ 102	0%	\$ 1
C - 12	Office Equipments Maintenance	\$ 600	\$ 558	\$ 42	0%	\$ 1
C - 13	Office Supplies	\$ 1,300	\$ 1,376	\$ (76)	1%	\$ 2
C - 14	PF Employer's Contribution	\$ 1,950	\$ 3,103	\$ (1,153)	1%	\$ 5
C - 15	Abnormal Allowances	\$ 800	\$ 736	\$ 64	0%	\$ 1
C - 16	Overtime	\$ 500	\$ 357	\$ 143	0%	\$ 1
C - 17	Salaries & Wages	\$ 18,500	\$ 16,063	\$ 2,437	7%	\$ 27
C - 18	Power Bills	\$ 3,800	\$ 4,396	\$ (596)	2%	\$ 8
C - 19	Travelling & Subsistence Allow	\$ 200	\$ -	\$ 200	0%	\$ -
C - 20	Telephone & Fax	\$ 2,020	\$ 1,139	\$ 881	1%	\$ 2
C - 21	Tress Compensation	\$ 450	\$ 500	\$ (50)	0%	\$ 1
	<b>Total</b>	<b>\$ 52,351</b>	<b>\$ 48,581</b>	<b>\$ 3,770</b>	<b>22%</b>	<b>\$ 83</b>
<b>TGs</b>						
TG - 1	Land Rent Subsidy	\$ 13,066	\$ 11,674	\$ 1,392	5%	\$ 20
TG - 2	Classroom Maintenance	\$ 520	\$ 5,756	\$ (5,236)	3%	\$ 10
TG - 3	Dispensary Maintenance	\$ 520	\$ 410	\$ 110	0%	\$ 1
TG - 4	Tuvalu Day	\$ 2,000	\$ 2,000	\$ -	1%	\$ 3
	<b>Total</b>	<b>\$ 16,106</b>	<b>\$ 19,840</b>	<b>\$ (3,734)</b>	<b>9%</b>	<b>\$ 34</b>
<b>Coconut oil Exp</b>						
N - 1	Salaries	\$ 5,216	\$ 5,015	\$ 201	2%	\$ 9
N - 2	Overtime	\$ -	\$ -	\$ -	0%	\$ -
N - 3	Abnormal Allowances	\$ 300	\$ 376	\$ (76)	0%	\$ 1
N - 4	PF Contributions	\$ 800	\$ 855	\$ (55)	0%	\$ 1
T - 1	Brown Nuts	\$ 1,000	\$ 692	\$ 308	0%	\$ 1
T - 2	Oil & Diesel	\$ 100	\$ 57	\$ 43	0%	\$ 0
	Empty Drums	\$ -	\$ 278	\$ (278)	0%	\$ 0
	<b>Total</b>	<b>\$ 7,416</b>	<b>\$ 7,273</b>	<b>\$ 143</b>	<b>3%</b>	<b>\$ 12</b>
<b>FDE</b>						
D - 3	Maternity ward project	\$ -	\$ 23,383	\$ (23,383)	11%	\$ 40
D - 4	Maternity ward project	\$ -	\$ 7,029	\$ (7,029)	3%	\$ 12
FDE - 7	Community Toilets	\$ 118,950	\$ 95,051	\$ 23,899	44%	\$ 162
FDE - 9	Falekaupule Toilet	\$ 3,050	\$ 1,980	\$ 1,070	1%	\$ 3
FDE - 9b	Falekaupule Maintenance	\$ 2,478	\$ 492	\$ 1,986	0%	\$ 1
FDE - 10	Water Pumps	\$ 5,000	\$ -	\$ 5,000	0%	\$ -
FDE - 11	Coconut Oil Pilot Project - on going	\$ 7,416	\$ -	\$ 7,416	0%	\$ -
FDE - 12	Schools Upgrading (Pre-schools)	\$ 1,764	\$ -	\$ 1,764	0%	\$ -
FDE - 13	Disaster (Purchase of 30 ltrs)	\$ 3,113	\$ 3,887	\$ (774)	2%	\$ 7
FDE - 14	Computer/Binding Machine	\$ 7,000	\$ -	\$ 7,000	0%	\$ -
FDE - 15	Welding Machine	\$ 6,000	\$ -	\$ 6,000	0%	\$ -
FDE - 16	Tractor Spare Parts	\$ 5,000	\$ -	\$ 5,000	0%	\$ -
	<b>Total</b>	<b>\$ 159,771</b>	<b>\$ 131,822</b>	<b>\$ 27,949</b>	<b>61%</b>	<b>\$ 225</b>
<b>Revenue Heads</b>						
A-2b	Meals	\$ -	\$ 6,417	\$ (6,417)	3%	\$ 11
A-10	Sales of Pigs	\$ -	\$ 20	\$ (20)	0%	\$ 0
	<b>Total</b>	<b>\$ -</b>	<b>\$ 6,437</b>	<b>\$ (6,437)</b>	<b>3%</b>	<b>\$ 11</b>
	<b>Shortage found</b>	<b>\$ -</b>	<b>\$ 2,420</b>	<b>\$ (2,420)</b>	<b>1%</b>	<b>\$ 4</b>
	<b>Grand Total</b>	<b>\$ 235,644</b>	<b>\$ 216,373</b>	<b>\$ 19,271</b>	<b>100%</b>	<b>\$ 369</b>

Accumulated Cash Shortage/Surplus	Amount	Year
Accumulated cash shortage	\$ 2	2003
Accumulated cash surplus	\$ 162	2004
Accumulated cash surplus	\$ 120	2005
Accumulated cash surplus	\$ 1	2006
Shortage found during this period	\$ 2,420	2007



## INDEPENDENT AUDITOR'S REPORT

To the members of Tuvalu's Parliament and the Ulu Aliko of Nukufetau,

### **Report on the Financial Statements of Nukufetau Kaupule**

We have audited the accompanying financial statements of the Nukufetau Kaupule, which comprise Statement of Revenue, Statement of Expenditure and Analysis of Surpluses and Deficit for the year ended 31 March 2008 and the Bank Statement of Ledger Balances as at 31 March 2008.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation of these financial statements in accordance with section 71 of the Falekaupule Act and accompanying financial instructions, 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.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. This responsibility arises from section 74 of the Falekaupule Act. We conducted our audit in accordance with the International Organisation of Supreme Audit Institution's (INTOSAI) Auditing Standards, which incorporate the International Auditing Standards.

Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

#### *Basis for Disclaimer of Opinion*

The Nukufetau Kaupule closing cash balance reported in the accounts was not able to be reconciled to the bank account balance. The cash on hand balance reported in the financial statements compared to the bank account balance was understated by \$383,852. This variance occurred due to all bank accounts and all their transactions not being included in the financial statements. This affects the completeness of the Statement of Revenue and the Statement of Expenditure, as well as the Analysis of Surpluses, Deficit and Balances. This is a material effect on the financial statements which is considered to be pervasive.

#### *Disclaimer of Audit Opinion*

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

#### *Independence*

When carrying out the audit we followed the independence requirements of the Office of the Auditor General Tuvalu, which incorporate the independence requirements of the International Standards of Auditing and the International Organisation of Supreme Audit Institutions.

Other than the audit, we have no relationship with or interests in the entity.



Eli Lopati  
Acting Auditor General of Tuvalu  
27 January 2014  
Vaiaku, Funafuti, Tuvalu

Kaupule Nukufetau  
April 2007 to 2008

Year Ending 31st March 2008

Balance as at 1st April 2007				\$	99,342
Add Revenue Collected				\$	214,749
Less Expenditure Incurred				\$	208,334
Balance as at 31st March 2008				\$	105,758

Statement of Ledger Balances

Particulars	Debit	Credit	Balance as per bank statement	Variance
Surplus Account 31 March 2008		\$ 105,758		
IBD Council	\$ 5,350		\$ 193,189	\$ 187,839
IBD School	\$ 3,256		\$ 2,570	\$ (686)
Cash at bank	\$ 10,659		\$ 91	\$ (10,568)
Cash at Fusi	\$ 11,573		\$ 11,573	\$ (0)
Tutasi Primary School (640881-30)	\$ -		\$ 8,009	\$ 8,009
Nukufetau Island Council (691611-40)	\$ -		\$ 5,588	\$ 5,588
Nukufetau Foundation Fund (691582-30)	\$ -		\$ 271	\$ 271
Nukufetau Island Court (280046-30)	\$ -		\$ 2,379	\$ 2,379
Technical Fund	\$ 8,306		\$ 78,117	\$ 69,810
Nukufetau FTF Proceed	\$ 66,595		\$ 187,805	\$ 121,210
Cash on hand	\$ 18		\$ 18	\$ (0)
<b>Total</b>	<b>\$ 105,758</b>	<b>\$ 105,758</b>	<b>\$ 489,610</b>	<b>\$ 383,852</b>

Analysis of Surpluses, Deficit and Balances

Population					586
Actual Revenue				\$	214,749
Actual Expenses				\$	208,333
Surpluses/Deficit				\$	6,416
Opening Balance 01:04:2007				\$	99,342
Closing Balance 31:03:2008				\$	105,758
Closing Balance per Head (\$)				\$	180

2007 to 2008

Statement of revenues

Head & Sub	Particulars	Approved	Actual	Variance to estimates	% of revenue	Amount per head
Heads		Estimates	Revenue			
<b>A</b>						
A - 1	Court Fine	\$ 400	\$ 621	\$ 221	0%	\$ 1
A - 2	Guest House Rental	\$ 1,200	\$ 2,360	\$ 1,160	1%	\$ 4
A - 2b	Meals	\$ -	\$ 1,490	\$ 1,490	1%	\$ 3
A - 3	Head Tax	\$ 2,950	\$ 2,428	\$ (522)	1%	\$ 4
A - 4	Hire of Council Properties	\$ 450	\$ 313	\$ (137)	0%	\$ 1
A - 5	House Rents	\$ 2,820	\$ 2,340	\$ (480)	1%	\$ 4
A - 6	Inspection Serach Fees	\$ 250	\$ 96	\$ (155)	0%	\$ 0
A - 7	Investment Interest	\$ 500	\$ 9,275	\$ 8,775	4%	\$ 16
A - 8	Miscellaneous	\$ 300	\$ 4,992	\$ 4,692	2%	\$ 9
A - 9	Licence & Permits	\$ 1,900	\$ 2,732	\$ 832	1%	\$ 5
A - 10	Sales of Pigs	\$ 200	\$ 250	\$ 50	0%	\$ 0
A - 11	PF Contributions	\$ 2,000	\$ 1,690	\$ (310)	1%	\$ 3
A - 12	Stamps Bonus - Fusi	\$ 300	\$ 3,580	\$ 3,280	2%	\$ 6
A - 13	Tractor & Crane Truck Hire	\$ 1,400	\$ 3,445	\$ 2,045	2%	\$ 6
A - 14	Telecom Office Rent	\$ 360	\$ -	\$ (360)	0%	\$ -
A - 15	NBT Office Rent	\$ 600	\$ 450	\$ (150)	0%	\$ 1
A - 16	Shares from Funafuna Sales (New)	\$ -	\$ 3,266	\$ 3,266	2%	\$ 6
	<b>Total</b>	<b>\$ 15,630</b>	<b>\$ 39,328</b>	<b>\$ 23,698</b>	<b>18%</b>	<b>\$ 67</b>
<b>B</b>	<b>Block Grant</b>	<b>\$ -</b>	<b>\$ 36,910</b>	<b>\$ 36,910</b>	<b>17%</b>	<b>\$ 63</b>
TG	TIED GRANT	\$ -	\$ -	\$ -	0%	\$ -
TG - 1	Land Lease Subsidy	\$ 13,066	\$ 14,094	\$ 1,028	7%	\$ 24
TG - 2	Classroom Maintenance	\$ 520	\$ -	\$ (520)	0%	\$ -
TG - 3	Dispensary Maintenance	\$ 520	\$ -	\$ (520)	0%	\$ -
TG - 4	Tuvalu Day	\$ 2,000	\$ 2,000	\$ -	1%	\$ 3
	<b>Total</b>	<b>\$ 16,106</b>	<b>\$ 16,094</b>	<b>\$ (12)</b>	<b>7%</b>	<b>\$ 27</b>
<b>Capital Rev</b>						
	FTF Distribution	\$ 115,534	\$ 115,534	\$ -	54%	\$ 197
	Tutasi Primary (Gov't Grant)	\$ -	\$ 2,350	\$ 2,350	1%	\$ 4
	Lands Court Allowance 2nd quater	\$ -	\$ 936	\$ 936	0%	\$ 2
	Island Court Sitting Allowance	\$ -	\$ 432	\$ 432	0%	\$ 1
	<b>Total</b>	<b>\$ 115,534</b>	<b>\$ 119,252</b>	<b>\$ 3,718</b>	<b>56%</b>	<b>\$ 204</b>
<b>Coconut Oil Rev</b>						
M - 1	Working Capital	\$ -	\$ -	\$ -	0%	\$ -
M - 2	Oil Sales	\$ 2,400	\$ 1,632	\$ (768)	1%	\$ 3
M - 3	Press Cake	\$ 40	\$ 55	\$ 15	0%	\$ 0
M - 4	Granting of nuts (Valu kae tau)	\$ 225	\$ 102	\$ (123)	0%	\$ 0
M - 5	PF Contributions	\$ 544	\$ 519	\$ (25)	0%	\$ 1
	<b>Total</b>	<b>\$ 3,209</b>	<b>\$ 2,308</b>	<b>\$ (901)</b>	<b>1%</b>	<b>\$ 4</b>
<b>Expenditure Heads</b>						
C-6	Kaupule Allowances	\$ -	\$ 857	\$ 857	0%	\$ 1
	<b>Total</b>	<b>\$ -</b>	<b>\$ 857</b>	<b>\$ 857</b>	<b>0%</b>	<b>\$ 1</b>
	<b>Grand Total</b>	<b>\$ 150,479</b>	<b>\$ 214,749</b>	<b>\$ 64,270</b>	<b>100%</b>	<b>\$ 366</b>

2007 to 2008  
Statement of Expenditure

Head & Sub Heads	Particulars	Approved	Actual	Variance	% of expenses	Amount per head
		Estimates	Expenditure			
<b>C</b>						
C - 1	Audit Fee	\$ 1,000	\$ 242	\$ 758	0%	\$ 0
C - 2	Bank Services Charges	\$ 60	\$ 21	\$ 39	0%	\$ 0
C - 3	Committee Allowances	\$ 7,875	\$ 4,670	\$ 3,205	2%	\$ 8
C - 4	Fuel & Oil	\$ 900	\$ 1,243	\$ (343)	1%	\$ 2
C - 5	Furniture & Fittings	\$ 600	\$ -	\$ 600	0%	\$ -
C - 6	Kaupule Allowances	\$ 5,136	\$ 7,869	\$ (2,733)	4%	\$ 13
C - 7	Kaupule Entertainment	\$ 500	\$ 438	\$ 62	0%	\$ 1
C - 8	Properties Maintenance	\$ 3,000	\$ 1,420	\$ 1,580	1%	\$ 2
C - 9	House Maintenance	\$ 2,500	\$ 1,304	\$ 1,196	1%	\$ 2
C - 10	Land Lease Rental	\$ 660	\$ -	\$ 660	0%	\$ -
C - 11	Office Equipments Maintenance	\$ 600	\$ 170	\$ 430	0%	\$ 0
C - 12	Office Supplies	\$ 1,300	\$ 1,239	\$ 61	1%	\$ 2
C - 13	PF Employer's Contribution	\$ 1,950	\$ 3,926	\$ (1,976)	2%	\$ 7
C - 14	Allowances	\$ 800	\$ 586	\$ 214	0%	\$ 1
C - 15	Overtime	\$ 500	\$ 356	\$ 144	0%	\$ 1
C - 16	Salaries & Wages	\$ 18,500	\$ 17,401	\$ 1,099	8%	\$ 30
C - 17	Power Bills	\$ 3,800	\$ 3,887	\$ (87)	2%	\$ 7
C - 18	Travelling & Subsistence Allow	\$ 200	\$ -	\$ 200	0%	\$ -
C - 19	Telephone & Fax	\$ 2,020	\$ 1,578	\$ 442	1%	\$ 3
C - 20	Tress Compensation	\$ 450	\$ 1,100	\$ (650)	1%	\$ 2
	<b>Total</b>	<b>\$ 52,351</b>	<b>\$ 47,449</b>	<b>\$ 4,902</b>	<b>23%</b>	<b>\$ 81</b>
<b>TGs</b>						
TG - 1	Land Rent Subsidy	\$ 13,066	\$ 12,541	\$ 525	6%	\$ 21
TG - 2	Classroom Maintenance	\$ 520	\$ 47	\$ 474	0%	\$ 0
TG - 3	Dispensary Maintenance	\$ 520	\$ 468	\$ 52	0%	\$ 1
TG - 4	Tuvalu Day	\$ 2,000	\$ 2,000	\$ -	1%	\$ 3
	<b>Total</b>	<b>\$ 16,106</b>	<b>\$ 15,055</b>	<b>\$ 1,051</b>	<b>7%</b>	<b>\$ 26</b>
<b>Coconut Oil Exp</b>						
N - 1	Salaries	\$ 5,216	\$ 5,201	\$ 15	2%	\$ 9
N - 2	Overtime	\$ -	\$ -	\$ -	0%	\$ -
N - 3	Abnormal Allowances	\$ 300	\$ 436	\$ (136)	0%	\$ 1
N - 4	PF Contributions	\$ 800	\$ 1,210	\$ (410)	1%	\$ 2
T - 1	Brown Nuts	\$ 1,000	\$ 562	\$ 438	0%	\$ 1
T - 2	Oil & Diesel	\$ 100	\$ 4	\$ 96	0%	\$ 0
	<b>Total</b>	<b>\$ 7,416</b>	<b>\$ 7,413</b>	<b>\$ 3</b>	<b>4%</b>	<b>\$ 13</b>
<b>FDE</b>						
FDE - 7	Community Toilets	\$ 118,950	\$ 95,016	\$ 23,934	46%	\$ 162
FDE - 9	Falekaupule Toilet	\$ 3,050	\$ 3,896	\$ (846)	2%	\$ 7
FDE - 9b	Falekaupule Maintenance	\$ 2,478	\$ 2,398	\$ 80	1%	\$ 4
FDE - 10	Water Pumps	\$ 5,000	\$ -	\$ 5,000	0%	\$ -
FDE - 11	Coconut Oil Pilot Project - on going	\$ 7,416	\$ -	\$ 7,416	0%	\$ -
FDE - 12	Schools Upgrading (Pre-schools)	\$ 1,764	\$ 1,760	\$ 4	1%	\$ 3
FDE - 13	Disaster (Purchase of 30 ltrs)	\$ 3,113	\$ 555	\$ 2,558	0%	\$ 1
FDE - 14	Computer/Binding Machine	\$ 7,000	\$ 3,316	\$ 3,684	2%	\$ 6
FDE - 15	Welding Machine	\$ 6,000	\$ -	\$ 6,000	0%	\$ -
FDE - 16	Tractor Spare Parts	\$ 5,000	\$ 4,141	\$ 859	2%	\$ 7
FDE - 17	Tutasi Renovation	\$ 7,000	\$ 5,581	\$ 1,419	3%	\$ 10
	Creation of Nukufetau Support Fund	\$ -	\$ 2,684	\$ (2,684)	1%	\$ 5
	<b>Total</b>	<b>\$ 166,771</b>	<b>\$ 119,346</b>	<b>\$ 47,425</b>	<b>57%</b>	<b>\$ 204</b>
<b>Revenue Heads</b>						
A - 2	Guest House Rental	\$ -	\$ 200	\$ (200)	0%	\$ 0
A - 2b	Meals	\$ -	\$ 1,335	\$ (1,335)	1%	\$ 2
A - 8	Miscellaneous	\$ -	\$ 572	\$ (572)	0%	\$ 1
A - 9	Licence & Permits	\$ -	\$ 6	\$ (6)	0%	\$ 0
A - 10	Sales of Pigs	\$ -	\$ 48	\$ (48)	0%	\$ 0
	Jetty	\$ -	\$ 16,071	\$ (16,071)	8%	\$ 27
	<b>Total</b>	<b>\$ -</b>	<b>\$ 18,232</b>	<b>\$ (18,232)</b>	<b>9%</b>	<b>\$ 31</b>
	<b>Shortage found</b>		<b>\$ 839</b>	<b>\$ (839)</b>	<b>0%</b>	<b>\$ 1</b>
	<b>Grand Total</b>	<b>\$ 242,644</b>	<b>\$ 208,334</b>	<b>\$ 34,311</b>	<b>100%</b>	<b>\$ 356</b>

Accumulated Cash Shortage/Surplus	Amount	Year
Accumulated cash shortage	\$ 2	2003
Accumulated cash surplus	\$ 162	2004
Accumulated cash surplus	\$ 120	2005
Accumulated cash surplus	\$ 1	2006
Accumulated cash shortage	\$ 2,420	2007
Shortage found during this period	\$ 839	2008

## INDEPENDENT AUDITOR'S REPORT

To the members of Tuvalu's Parliament and the Ulu Aliko of Nukufetau,

### **Report on the Financial Statements of Nukufetau Kaupule**

We have audited the accompanying financial statements of the Nukufetau Kaupule, which comprise Statement of Revenue, Statement of Expenditure and Analysis of Surpluses and Deficit for the year ended 31 March 2009 and the Bank Statement of Ledger Balances as at 31 March 2009.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation of these financial statements in accordance with section 71 of the Falekaupule Act and accompanying financial instructions, 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.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. This responsibility arises from section 74 of the Falekaupule Act. We conducted our audit in accordance with the International Organisation of Supreme Audit Institution's (INTOSAI) Auditing Standards, which incorporate the International Auditing Standards.

Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

#### *Basis for Disclaimer of Opinion*

The Nukufetau Kaupule closing cash balance reported in the accounts was not able to be reconciled to the bank account balance. The cash on hand balance reported in the financial statements compared to the bank account balance was understated by \$78,634. This variance occurred due to all bank accounts and all their transactions not being included in the financial statements. This affects the completeness of the Statement of Revenue and the Statement of Expenditure, as well as the Analysis of Surpluses, Deficit and Balances. This is a material effect on the financial statements which is considered to be pervasive.

#### *Disclaimer of Audit Opinion*

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

#### *Independence*

When carrying out the audit we followed the independence requirements of the Office of the Auditor General Tuvalu, which incorporate the independence requirements of the International Standards of Auditing and the International Organisation of Supreme Audit Institutions.

Other than the audit, we have no relationship with or interests in the entity.



Eli Lopati  
Acting Auditor General of Tuvalu  
27 January 2014  
Vaiaku, Funafuti, Tuvalu

Kaupule Nukufetau  
April 2008 to 2009

Year Ending 31st March 2009

Balance as at 1st April 2008				\$	105,758
Add Revenue Collected				\$	267,041
Less Expenditure Incurred				\$	158,955
Balance as at 31st March 2009				\$	213,844

Statement of Ledger Balances

Particulars	Debit	Credit	Balance as per bank statement	Variance
Surplus Account 31 March 2009		\$ 213,844		
IBD Council	\$ 5,350		\$ -	\$ (5,350)
IBD School	\$ 3,256		\$ 2,597	\$ (660)
Cash at bank	\$ 50,147		\$ 441	\$ (49,706)
Cash at Fusi	\$ 12,236		\$ 12,236	\$ (0)
Tutasi Primary School (640881-30)	\$ -		\$ 8,925	\$ 8,925
Nukufetau Island Council (691611-40)	\$ -		\$ 5,803	\$ 5,803
Nukufetau Foundation Fund (691582-30)	\$ -		\$ 277	\$ 277
Nukufetau Island Court (280046-30)	\$ -		\$ 10,998	\$ 10,998
Technical Fund	\$ 34,206		\$ 67,351	\$ 33,144
Nukufetau FTF Proceed	\$ 108,607		\$ 183,809	\$ 75,202
Cash on hand	\$ 41		\$ 41	\$ -
<b>Total</b>	\$ 213,844	\$ 213,844	\$ 292,477	\$ 78,633

Analysis of Surpluses, Deficit and Balances

Population					586
Actual Revenue				\$	267,041
Actual Expenses				\$	158,955
Surpluses/Deficit				\$	108,086
Opening Balance 01:04:2008				\$	105,758
Closing Balance 31:03:2009				\$	213,844
Closing Balance per Head (\$)				\$	365

2008 to 2009

Statement of revenues

Head & Sub	Particulars	Approved	Actual	Variance to estimates	% of revenue	Amount per head
Heads		Estimates	Revenue			
<b>A</b>						
A - 1	Court Fine	\$ 450	\$ 185	\$ (266)	0%	\$ 0
A - 2	Guest House Rental	\$ 1,700	\$ 500	\$ (1,200)	0%	\$ 1
A - 3	Head Tax	\$ 2,950	\$ 1,924	\$ (1,026)	1%	\$ 3
A - 4	Hire of Council Properties	\$ 450	\$ 832	\$ 382	0%	\$ 1
A - 5	House Rents	\$ 2,820	\$ 3,168	\$ 348	1%	\$ 5
A - 6	Search fee	\$ -	\$ 65	\$ 65	0%	\$ 0
A - 7	Interest Received	\$ 3,000	\$ 4,888	\$ 1,888	2%	\$ 8
A - 8	Miscellaneous	\$ 1,900	\$ 2,187	\$ 287	1%	\$ 4
A - 9	Licence & Permits	\$ 250	\$ 115	\$ (135)	0%	\$ 0
A - 10	Sales of Pigs	\$ 2,450	\$ 3,306	\$ 856	1%	\$ 6
A - 11	PF Contributions	\$ 2,000	\$ 567	\$ (1,433)	0%	\$ 1
A - 12	Stamps Bonus - Fusi	\$ 2,000	\$ 2,114	\$ 114	1%	\$ 4
A - 14	NBT Office Rent	\$ 600	\$ 1,016	\$ 416	0%	\$ 2
A - 15	Funafuna Sales (20%)	\$ 4,000	\$ 1,589	\$ (2,411)	1%	\$ 3
A-16	Fruit and Vegetable	\$ 500	\$ 1,132	\$ 632	0%	\$ 2
A - 17	Miscellaneous	\$ 700	\$ 3,183	\$ 2,483	1%	\$ 5
	<b>Total</b>	\$ 25,770	\$ 26,768	\$ 998	10%	\$ 46
<b>B</b>						
B-1	Block Grant	\$ 36,910	\$ 73,820	\$ 36,910	28%	\$ 126
B-3	Tied Grant	\$ 14,094	\$ 28,189	\$ 14,094	11%	\$ 48
B-4	Independence Celebration	\$ 2,000	\$ 2,000	\$ -	1%	\$ 3
C-1	Reimbursement from Jetty Project		\$ 12,749	\$ 12,749	5%	\$ 22
D-1	FTF Distribution	\$ 119,293	\$ 119,293	\$ -	45%	\$ 204
	<b>Total</b>	\$ 172,297	\$ 236,051	\$ 63,754	88%	\$ 403
<b>Coconut Oil Rev</b>						
E-1	Oil Sales	\$ 1,500	\$ 1,769	\$ 269	1%	\$ 3
E-2	Press Cake	\$ 60	\$ 31	\$ (30)	0%	\$ 0
E-3	Grated Nuts	\$ 120	\$ 73	\$ (47)	0%	\$ 0
E-4	PFs Mill Staff	\$ 544	\$ 592	\$ 48	0%	\$ 1
	Refund of Cash	\$ 617	\$ 250	\$ (367)	0%	\$ 0
	<b>Total</b>	\$ 2,841	\$ 2,714	\$ (127)	1%	\$ 5
<b>Expenditure</b>						
II-1	Kaupule Allowance	\$ 5,136	\$ 1,431	\$ (3,705)	1%	\$ 2
VII-19	Prison Building	\$ 4,050	\$ 46	\$ (4,004)	0%	\$ 0
	<b>Total</b>	\$ 9,186	\$ 1,477	\$ (7,709)	1%	\$ 3
	<b>Surplus found</b>	\$ -	\$ 30	\$ 30	0%	\$ 0
	<b>Grand Total</b>	\$ 210,094	\$ 267,041	\$ 56,947	100%	\$ 456

2008 to 2009

Statement of Expenditure

Head & Sub	Particulars	Approved	Actual	Variance	% of expenses	Amount per head
Heads		Estimates	Expenditure			
<b>I</b>						
I-1	Staff Salaries	\$ 23,272	\$ 24,381	\$ (1,109)	15%	\$ 42
I-2	Overtime	\$ 500	\$ 330	\$ 170	0%	\$ 1
I-3	Allowances	\$ 800	\$ 500	\$ 300	0%	\$ 1
I-4	PF Kaupule staff	\$ 800	\$ 4,314	\$ (3,514)	3%	\$ 7
I-5	Travel and Subsistence	\$ 1,200	\$ 1,151	\$ 49	1%	\$ 2
	<b>Total</b>	<b>\$ 26,572</b>	<b>\$ 30,676</b>	<b>\$ (4,104)</b>	<b>19%</b>	<b>\$ 52</b>
<b>II</b>						
II-1	Kauple Allowance	\$ 5,136	\$ 7,354	\$ (2,218)	5%	\$ 13
II-2	Health	\$ 1,560	\$ 1,435	\$ 125	1%	\$ 2
II-3	School Committee	\$ 1,860	\$ 1,850	\$ 10	1%	\$ 3
II-4	Budget Committee	\$ 1,560	\$ 495	\$ 1,065	0%	\$ 1
II-5	Bye-Law	\$ 1,560	\$ 1,330	\$ 230	1%	\$ 2
II-6	Fisheries Committee (top-up)	\$ 120	\$ 95	\$ 25	0%	\$ 0
II-7		\$ -	\$ -	\$ -	0%	\$ -
II-8	IDCC	\$ 1,860	\$ 1,660	\$ 200	1%	\$ 3
	<b>Total</b>	<b>\$ 13,656</b>	<b>\$ 14,219</b>	<b>\$ (563)</b>	<b>9%</b>	<b>\$ 24</b>
<b>III</b>						
III-2	Bank Charges	\$ 60	\$ 15	\$ 45	0%	\$ 0
III-3	Entertainment	\$ 500	\$ 315	\$ 185	0%	\$ 1
III-4	Guest House Supplies	\$ 300	\$ 20	\$ 280	0%	\$ 0
III-5	Independent Celebration	\$ 2,000	\$ 1,956	\$ 44	1%	\$ 3
III-6	Land Lease	\$ 13,726	\$ 12,541	\$ 1,185	8%	\$ 21
III-7	Trees Compensation	\$ 450	\$ 150	\$ 300	0%	\$ 0
III-8	IDCC	\$ 1,860	\$ 39	\$ 1,821	0%	\$ 0
III-9	Miscellaneous	\$ 700	\$ 3,080	\$ (2,380)	2%	\$ 5
	<b>Total</b>	<b>\$ 19,596</b>	<b>\$ 18,115</b>	<b>\$ 1,481</b>	<b>11%</b>	<b>\$ 31</b>
<b>IV</b>						
IV-1	Properties Maintenance	\$ 2,500	\$ 690	\$ 1,810	0%	\$ 1
IV-2	House Maintenance	\$ 2,500	\$ 103	\$ 2,397	0%	\$ 0
IV-4	Dispensary maintenance	\$ 520	\$ 518	\$ 2	0%	\$ 1
IV-5	Equipment maintenance	\$ 500	\$ 70	\$ 430	0%	\$ 0
IV-6	Fuel	\$ 2,000	\$ 1,074	\$ 926	1%	\$ 2
IV-7	Workshop Supplies	\$ 100	\$ 5	\$ 95	0%	\$ 0
IV-8	Telephone Calls	\$ 2,020	\$ 1,936	\$ 84	1%	\$ 3
IV-9	Power Bill	\$ 4,800	\$ 4,326	\$ 474	3%	\$ 7
IV-11	Office Supplies	\$ 800	\$ 788	\$ 12	0%	\$ 1
IV-12	Office expenses	\$ 300	\$ 261	\$ 39	0%	\$ 0
	<b>Total</b>	<b>\$ 16,040</b>	<b>\$ 9,773</b>	<b>\$ 6,267</b>	<b>6%</b>	<b>\$ 17</b>
<b>VII</b>						
VII-7	Community Toilets	\$ 23,940	\$ 3,733	\$ 20,207	2%	\$ 6
VII-9	Falekaupule Maintenance	\$ 35,000	\$ 6,825	\$ 28,175	4%	\$ 12
VII-10	Water Pump	\$ 4,200	\$ 1,944	\$ 2,256	1%	\$ 3
VII-13	Disaster	\$ 2,558	\$ -	\$ 2,558	0%	\$ -
VII-14	Computer/Binding Machine	\$ 2,684	\$ 1,100	\$ 1,584	1%	\$ 2
VII-15	Welding Machine	\$ 6,000	\$ 5,995	\$ 5	4%	\$ 10
VII-17	Primary School Renovation	\$ 2,500	\$ 533	\$ 1,967	0%	\$ 1
VII-18	Ceiling Fans	\$ 6,000	\$ 5,434	\$ 566	3%	\$ 9
VII-19	Prison Building	\$ 4,050	\$ 4,813	\$ (763)	3%	\$ 8
VII-20	Procurement of Freezers	\$ 15,000	\$ 15,000	\$ -	9%	\$ 26
VII-21	Women's Centre Renovation	\$ 1,000	\$ 1,296	\$ (296)	1%	\$ 2
VII-22	Sports Uniform	\$ 9,295	\$ 9,295	\$ -	6%	\$ 16
VII-23	D Grade House-No:6	\$ 1,000	\$ 21,750	\$ (20,750)	14%	\$ 37
	<b>Total</b>	<b>\$ 113,227</b>	<b>\$ 77,718</b>	<b>\$ 35,509</b>	<b>49%</b>	<b>\$ 133</b>
VIII-1	Salaries Mill Staff	\$ 5,600	\$ 5,973	\$ (373)	4%	\$ 10
VIII-3	Allowances	\$ 560	\$ 657	\$ (97)	0%	\$ 1
VIII-4	PF Mill Staff	\$ 560	\$ 1,044	\$ (484)	1%	\$ 2
VIII-5	Brown Nuts	\$ 1,000	\$ 670	\$ 330	0%	\$ 1
VIII-7	Power Bill Oil Mill	\$ 220	\$ 6	\$ 215	0%	\$ 0
	<b>Total</b>	<b>\$ 7,940</b>	<b>\$ 8,349</b>	<b>\$ (409)</b>	<b>5%</b>	<b>\$ 14</b>
IX-1	Salaries Approved Teacher	\$ 2,940	\$ 105	\$ 2,835	0%	\$ 0
IX-3	PF Approved Teacher	\$ 294	\$ -	\$ 294	0%	\$ -
	<b>Total</b>	<b>\$ 3,234</b>	<b>\$ 105</b>	<b>\$ 3,129</b>	<b>0%</b>	<b>\$ 0</b>
	<b>Grand Total</b>	<b>\$ 200,265</b>	<b>\$ 158,955</b>	<b>\$ 41,310</b>	<b>100%</b>	<b>\$ 271</b>

Accumulated Cash Shortage/Surplus	Amount	Year
Accumulated cash shortage	\$ 2	2003
Accumulated cash surplus	\$ 162	2004
Accumulated cash surplus	\$ 120	2005
Accumulated cash surplus	\$ 1	2006
Accumulated cash shortage	\$ 2,420	2007
Accumulated cash shortage	\$ 839	2008
Surplus found during this period	\$ 30	2009

## INDEPENDENT AUDITOR'S REPORT

To the members of Tuvalu's Parliament and the Ulu Aliko of Nukufetau,

### **Report on the Financial Statements of Nukufetau Kaupule**

We have audited the accompanying financial statements of the Nukufetau Kaupule, which comprise Statement of Revenue, Statement of Expenditure and Analysis of Surpluses and Deficit for the year ended 31 March 2010 and the Bank Statement of Ledger Balances as at 31 March 2010.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation of these financial statements in accordance with section 71 of the Falekaupule Act and accompanying financial instructions, 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.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. This responsibility arises from section 74 of the Falekaupule Act. We conducted our audit in accordance with the International Organisation of Supreme Audit Institution's (INTOSAI) Auditing Standards, which incorporate the International Auditing Standards.

Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

#### *Basis for Disclaimer of Opinion*

The Nukufetau financial statements for the year ended 31<sup>st</sup> March 2010 were unable to be compiled. This is due to 5 months of receipts and payment evidence not being able to be located. This affects the completeness of the Statement of Revenue and the Statement of Expenditure, as well as the Analysis of Surpluses, Deficit and Balances. This is a material effect on the financial statements which is considered to be pervasive.

#### *Disclaimer of Audit Opinion*

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

#### *Independence*

When carrying out the audit we followed the independence requirements of the Office of the Auditor General Tuvalu, which incorporate the independence requirements of the International Standards of Auditing and the International Organisation of Supreme Audit Institutions.

Other than the audit, we have no relationship with or interests in the entity.



Eli Lopati  
Acting Auditor General of Tuvalu  
27 January 2014  
Vaiaku, Funafuti, Tuvalu

Kaupule Nukufetau  
April 2009 to 2010

Year Ending 31st March 2010

Balance as at 1st April 2009				\$ 213,844
Add Revenue Collected				\$ 137,845
Less Expenditure Incurred				\$ 65,708
Balance as at 31st March 2010				\$ 285,981

Statement of Ledger Balances

Particulars	Debit	Credit	Balance as per bank statement	Variance
Surplus Account 31 March 2010		\$ 285,981		
IBD Council	\$ 5,815		\$ 21,547	\$ 17,668
IBD School	\$ 3,879		\$ 2,636	\$ (3,179)
Cash at bank	\$ 53,347		\$ 303,467	\$ 150,120
Cash at Fusi	\$ 12,236			\$ (12,236)
Tutasi Primary School (640881-30)			\$ 8451	\$ 8,451
Nukufetau Island Council (691611-40)			\$ 5,949	\$ 5,949
Nukufetau Foundation Fund (691582-30)			\$ 1,248	\$ 1,248
Nukufetau Island Court (280046-30)			\$ 11,332	\$ 11,332
Technical Fund	\$ 63,702		\$ 181	\$ (63,521)
Nukufetau FTF Proceed	\$ 147,002		\$ 188,275.3	\$ 41,273
Cash on hand			\$ -	\$ -
<b>Total</b>	<b>\$ 285,982</b>	<b>\$ 285,981</b>	<b>\$ 443,087</b>	<b>\$ 157,105</b>

Analysis of Surpluses, Deficit and Balances

Population				586
Actual Revenue				\$ 137,845
Actual Expenses				\$ 65,708
Surpluses/Deficit				\$ 72,138
Opening Balance 01:04:2008				\$ 105,758
Closing Balance 31:03:2009				\$ 177,896
Closing Balance per Head (\$)				\$ 304

2009-2010

Statement of Revenue

Head & Sub	Particulars	Approved	Actual	Variance to estimates	% of revenue	Amount per head
Heads		Estimates	Revenue			
A-1	Court fine	\$ -	\$ 172	\$ 172	0%	\$ 0
A-2	Guest House Rent	\$ -	\$ 100	\$ 100	0%	\$ 0
A-3	Head Tax	\$ -	\$ 15,144	\$ 15,144	11%	\$ 26
A-4	Equipment Hires	\$ -	\$ 62	\$ 62	0%	\$ 0
A-5	House Rents	\$ -	\$ 748	\$ 748	1%	\$ 1
A-6	Search Fee	\$ -	\$ 32	\$ 32	0%	\$ 0
A-7	Interest Received	\$ -	\$ 1,195	\$ 1,195	1%	\$ 2
A-8	Licences	\$ -	\$ 942	\$ 942	1%	\$ 2
A-9	Pig Sales	\$ -	\$ -	\$ -	0%	\$ -
A-10	Staff PF	\$ -	\$ 2,225	\$ 2,225	2%	\$ 4
A-11	Fusi Bonus	\$ -	\$ -	\$ -	0%	\$ -
A-12	Vehicle Hire	\$ -	\$ 507	\$ 507	0%	\$ 1
A-13	Telecom Office Rent	\$ -	\$ 600	\$ 600	0%	\$ 1
A-14	NBT Office Rent	\$ -	\$ 250	\$ 250	0%	\$ 0
A-15	Punifuna Sales	\$ -	\$ -	\$ -	0%	\$ -
A-16	Fruit & Vegetables	\$ -	\$ 271	\$ 271	0%	\$ 0
A-17	Miscellaneous	\$ -	\$ 10,826	\$ 10,826	8%	\$ 18
	RECURRENT GRANT					
B-1	Falekaupule Trust Fund	\$ -	\$ 39,910	\$ 39,910	29%	\$ 68
B-2	Tuvalu day	\$ -	\$ -	\$ -	0%	\$ -
B-3	Block grant	\$ -	\$ -	\$ -	0%	\$ -
B-4	Telecom expenses	\$ -	\$ -	\$ -	0%	\$ -
B-5	Office Equipment maint	\$ -	\$ -	\$ -	0%	\$ -
B-6	Office Supplies	\$ -	\$ -	\$ -	0%	\$ -
B-7	Classroom Maintenance	\$ -	\$ -	\$ -	0%	\$ -
B-8	Dispensary Maintenance	\$ -	\$ -	\$ -	0%	\$ -
B-9	Land rent	\$ -	\$ -	\$ -	0%	\$ -
B-10	Coconut oil project	\$ -	\$ -	\$ -	0%	\$ -
B-11		\$ -	\$ -	\$ -	0%	\$ -
B-12		\$ -	\$ -	\$ -	0%	\$ -
D-1	FTF Distribution	\$ -	\$ 63,603	\$ 63,603	46%	\$ 109
E-1	Oil Sales	\$ -	\$ 771	\$ 771	1%	\$ 1
E-2	Press Cake	\$ -	\$ 12	\$ 12	0%	\$ 0
E-3	Grated Nuts	\$ -	\$ 2	\$ 2	0%	\$ 0
E-4	PF's Mill Staff	\$ -	\$ 346	\$ 346	0%	\$ 1
E-5		\$ -	\$ -	\$ -	0%	\$ -
E-6		\$ -	\$ -	\$ -	0%	\$ -
E-11		\$ -	\$ 3	\$ 3	0%	\$ 0
	Surplus		\$ 124.63			
<b>Grand Total</b>		<b>\$ -</b>	<b>\$ 137,845</b>	<b>\$ 137,721</b>	<b>100%</b>	<b>\$ 235</b>





## INDEPENDENT AUDITOR'S REPORT

To the members of Tuvalu's Parliament and the Ulu Aliko of Nukufetau,

### **Report on the Financial Statements of Nukufetau Kaupule**

We have audited the accompanying financial statements of the Nukufetau Kaupule, which comprise Statement of Revenue, Statement of Expenditure and Analysis of Surpluses and Deficit for the year ended 31 March 2011 and the Bank Statement of Ledger Balances as at 31 March 2011.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation of these financial statements in accordance with section 71 of the Falekaupule Act and accompanying financial instructions, 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.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. This responsibility arises from section 74 of the Falekaupule Act. We conducted our audit in accordance with the International Organisation of Supreme Audit Institution's (INTOSAI) Auditing Standards, which incorporate the International Auditing Standards.

Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

#### *Basis for Disclaimer of Opinion*

The Nukufetau financial statements for the year ended 31<sup>st</sup> March 2011 were unable to be compiled. This is due to 2 months of receipts and 3 months of payment evidence not being able to be located. This affects the completeness of the Statement of Revenue and the Statement of Expenditure, as well as the Analysis of Surpluses, Deficit and Balances. This is a material effect on the financial statements which is considered to be pervasive.

#### *Disclaimer of Audit Opinion*

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

#### *Independence*

When carrying out the audit we followed the independence requirements of the Office of the Auditor General Tuvalu, which incorporate the independence requirements of the International Standards of Auditing and the International Organisation of Supreme Audit Institutions.

Other than the audit, we have no relationship with or interests in the entity.



Eli Lopati  
Acting Auditor General of Tuvalu  
27 January 2014  
Vaiaku, Funafuti, Tuvalu

Kaupule Nukufetau  
April 2010 to 2011

Year Ending 30th April 2011

Balance as at 1st April 2010	\$285,982
Add Revenue Collected	\$158,140
Less Expenditure Incurred	\$170,394
Balance as at 31st March 2010	\$273,728

Statement of Ledger Balances

Particulars	Debit	Credit	Balance as per bank statement	Variance
Surplus Account 31 March 2011		\$273,728		
IBD Council	\$6,037		\$208,612	\$202,575
IBD School	\$4,283		\$2,675	-\$1,608
Cash at bank	\$70,874		\$12,298	-\$58,576
Cash at Fusi	\$7,221		\$7,221	\$0
Tutasi Primary School (640881-30)			\$14,002	\$14,002
Nukufetau Island Council (691611-40)			\$6,100	\$6,100
Nukufetau Foundation Fund (691582-30)			\$1,267	\$1,267
Nukufetau Island Court (280046-30)			\$4,096	\$4,096
Technical Fund	\$38,900		\$31,616	-\$7,284
Nukufetau FTF Proceed	\$145,304		\$148,592	\$3,288
Cash on hand	\$1,108		\$1,108	\$0
<b>Total</b>	<b>\$273,728</b>	<b>\$273,728</b>	<b>\$437,587</b>	<b>\$163,859</b>

Analysis of Surpluses, Deficit and Balances

Population	586
Actual Revenue	\$158,139
Actual Expenses	\$170,394
Surpluses/Deficit	\$12,255
Opening Balance 01:04:2010	\$285,982
Closing Balance 31:03:2011	\$273,728
Closing Balance per Head (\$)	\$467

2010 to 2011

Statement of revenues

Head & Sub	Particulars	Approved	Actual	Variance to estimates	% of revenue	Amount per head
Heads		Estimates	Revenue			
<b>A</b>	<b>Local Revenue</b>					
A-1	Court fine		\$1,102	-\$1,102	1%	\$2
A-2	Guest House Rent		\$680	-\$680	0%	\$1
A-3	Head Tax		\$2,466	-\$2,466	2%	\$4
A-4	Equipment Hires		\$364	-\$364	0%	\$1
A-5	House Rents		\$1,720	-\$1,720	1%	\$3
A-6	Search Fee		\$36	-\$36	0%	\$0
A-7	Interest Received		\$3,614	-\$3,614	2%	\$6
A-8	Licences		\$2,750	-\$2,750	2%	\$5
A-9	Pig Sales		\$15	-\$15	0%	\$0
A-10	Staff PF		\$2,402	-\$2,402	2%	\$4
A-11	Fusi Bonus		\$205	-\$205	0%	\$0
A-12	Vehicle Hire		\$1,190	-\$1,190	1%	\$2
A-13	Telecom Office Rent		\$0	\$0	0%	\$0
A-14	NBT Office Rent		\$456	-\$456	0%	\$1
A-15	Funafuna Sales		\$212	-\$212	0%	\$0
A-16	Fruit & Vegetables		\$510	-\$510	0%	\$1
A-17	Miscellaneous		\$4,185	-\$4,185	3%	\$7
<b>B</b>	<b>Recurrent Grant</b>					
B-1	Falekaupule Trust Fund		\$36,910	-\$36,910	23%	\$63
B-2	Tuvalu day		\$0	\$0	0%	\$0
B-3	Block grant		\$24,094	-\$24,094	15%	\$41
B-4	Telecom expenses		\$0	\$0	0%	\$0
B-5	Office Equipment maint		\$0	\$0	0%	\$0
<b>C</b>						
C-4			\$3,313	-\$3,313		
C-5			\$36	-\$36		
<b>D</b>						
D-1			\$64,324	-\$64,324		
<b>E</b>						
E-1			\$1,417	-\$1,417	1%	\$2
E-2			\$15	-\$15	0%	\$0
E-3			\$6	-\$6	0%	\$0
E-4			\$5,486	-\$5,486	3%	\$9
F-1			\$182	-\$182	0%	
F-2			\$238	-\$238	0%	
	<b>Total</b>	<b>\$0</b>	<b>\$157,927</b>	<b>-\$157,927</b>	<b>100%</b>	<b>\$270</b>
<b>Expenditure Heads</b>						
III-9	Renovation of Kaupule Office/TEC Office		\$200	\$200	0%	\$0
			\$0	\$0	0%	\$0
			\$0	\$0	0%	\$0
			\$0	\$0	0%	\$0
	<b>Surplus found</b>		<b>\$12</b>	<b>\$12</b>	<b>0%</b>	
			\$0	\$0	0%	
	<b>Grand Total</b>	<b>\$0</b>	<b>\$158,139</b>	<b>-\$157,715</b>	<b>100%</b>	<b>\$270</b>

2010 to 2011  
Statement of Expenditure

Head & Sub Heads	Particulars	Approved		Variance	% of expenses	Amount per head
		Estimates				
<b>I</b>						
I-1	Island Court Clerk		19,308	-\$19,308	11%	\$33
I-2	Typist (Primary School)		-	\$0	0%	\$0
I-3	Foreman		470	-\$470	0%	\$1
I-4	Carpenter		5,091	-\$5,091	3%	\$9
I-5	Orderly No. 1		451	-\$451	0%	\$1
I-6	Orderly No. 2		1,184	-\$1,184	1%	\$2
<b>II</b>				\$0	0%	\$0
II-1	Maintenance Kaupule properties		4,819	-\$4,819	3%	\$8
II-2	Land rents		1,615	-\$1,615	1%	\$3
II-3	Audit fees		1,270	-\$1,270	1%	\$2
II-4	Tractor/Chainsaw fuel		995	-\$995	1%	\$2
II-5	Entertainment (Falekaupule & Kaupule)		860	-\$860	1%	\$1
II-6	Tree compensation		125	-\$125	0%	\$0
II-7	Travelling & Subsistence allowance		-	\$0	0%	\$0
II-8	Tuvalu Day Celebration		1,400	-\$1,400	1%	\$2
II-9	Telecom expenses		805			
				\$0	0%	\$0
<b>III</b>				\$0	0%	\$0
III-2	Youth Community centre		30	-\$30	0%	\$0
III-3	Road Maintenance		290	-\$290	0%	\$0
III-4	Coconut replanting upgrading projects		70	-\$70	0%	\$0
III-5	Beach Ramp muli demolish Project		1,996	-\$1,996	1%	\$3
III-6	Niutao Funafuti Court Repayment		-	\$0	0%	\$0
III-7	Staff House		50	-\$50	0%	\$0
III-8	Repairs of Community water cistern/tanks		187	-\$187	0%	\$0
III-9	Renovation of Kaupule Office/ TEC Office		2,780			
<b>IV</b>				\$0	0%	\$0
IV-1			2,460	-\$2,460	1%	\$4
IV-2			200	-\$200	0%	\$0
IV-3			416	-\$416	0%	\$1
IV-4			-	\$0	0%	\$0
IV-5			474	-\$474	0%	\$1
IV-6			710	-\$710	0%	\$1
IV-7			58	-\$58	0%	\$0
IV-8			2,060	-\$2,060	1%	\$4
IV-9			1,195	-\$1,195	1%	\$2
IV-10			1,149	-\$1,149	1%	\$2
IV-11			644			
IV-12			150	-\$150	0%	\$0
<b>VII</b>				\$0	0%	\$0
VII-4			-	\$0	0%	\$0
VII-3			56	-\$56	0%	\$0
VII-5			-	\$0	0%	\$0
VII-7			1,776	-\$1,776	1%	\$3
VII-13			-	\$0	0%	\$0
VII-14			1,710	-\$1,710	1%	\$3
VII-16			-	\$0	0%	\$0
VII-19			-	\$0	0%	\$0
VII-21			4,604	-\$4,604	3%	\$8
VII-23			-	\$0	0%	\$0
VII-24			483	-\$483	0%	\$1
VII-25			2,875	-\$2,875	2%	\$5
VII-27			8,379	-\$8,379	5%	\$14
<b>VIII</b>				\$0	0%	\$0
VIII-1			5,147			
VIII-3			120			
VIII-4			1,342			
VIII-5			535			
VIII-7			31			
VIII-23			-			
VIII-24			-	\$0	0%	\$0
<b>IX</b>				\$0	0%	\$0
IX-1			2,940	-\$2,940	2%	\$5
IX-2			2,590			
IX-3			1,237			
IX-4			2,565			
IX-17			1,000	-\$1,000	1%	\$2
				\$0	0%	\$0
<b>Total</b>						
<b>Revenue Heads</b>						
C-5			\$280	-\$280	0%	\$0
	Variance in the accounts due to missing payment vouchers and receipts		\$79,421			
<b>Grand Total</b>		\$0	\$170,394	-\$10,015	0.06	

Accumulated Cash Shortage/Surplus	Amount	Year
Accumulated cash shortage	\$ 2	2002
Accumulated cash surplus	\$ 162	2003
Accumulated cash surplus	\$ 120	2004
Accumulated cash surplus	\$ 1	2005
Accumulated cash shortage	\$ 2,420	2006
Accumulated cash shortage	\$ 839	2007
Accumulated cash shortage	\$ 30	2008
Variance in the accounts	\$79,421	2011