



REPUBLIC OF NAURU

WHOLE OF GOVERNMENT

DRAFT ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

V 1.0 UNAUDITED STATEMENTS FOR SUBMISSION TO AUDITOR-GENERAL

Release date: 10 March 2021

Treasury Division
Department of Finance

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FOREWORD

The 2018-19 financial statements of the Republic of Nauru have been presented in accordance with the *Public Finance (Control and Management) Act 1997* and the *Audit Act 1973* (including any subsequent amendments), with direct reference to the budget estimates of Government.

Presentation and certain disclosures have also been made consistent with the International Public Sector Accounting Standard (IPSAS): *Financial Reporting under the Cash Basis of Accounting* (IPSAS Cash) that came into effect on 1 January 2019.

As part of the Public Financial Management Reform Plan, the Government has committed to producing financial statements in accordance with International Public Sector Accounting Standards. These statements follow from the 2017-18 Financial Statements in being prepared as part of the implementation of IPSAS Cash for Nauru.

Preparation of the financial statements has been constrained by the quality of information in the central financial management information system, and the difficulty in substantiating balances as reported in prior year accounts. This reflects, in part, a failure to reconcile bank balances during the relevant financial year. A policy decision has been taken to use substantiated bank balances as the basis of preparing opening and closing balances, consistent with the approach taken for the 2017-18 financial statements, with a view to progressively improving record keeping and reconciliations for future years.

The accounts of Government have not been consolidated with the financial statements of other controlled entities.

These statements have been submitted to the Auditor-General of the Republic of Nauru for audit purposes, and may change once the audit has been completed and the financial statements finalized.

Department of Finance
March 2021

STATEMENT OF RESPONSIBILITY

In accordance with Section 10 of the *Audit Act 1973*, we are pleased to present the Financial Statements of the Government of Nauru for the year ended 30 June 2019.

BASIS OF WORK

We hereby declare that:

- We have been responsible for the preparation of these Financial Statements and the judgments made in them;
- We are responsible for establishing and maintaining a system of internal controls designed to provide reasonable assurances as to the integrity and reliability of financial reporting;
- In our opinion, these financial statements fairly reflect the financial position and operations of the Government of Nauru for the year ended 30 June 2019.

LIMITATION OF INFORMATION AND WORK

The 2018-19 Financial Statements have been prepared consistent with IPSAS Cash Basis reporting and do not include the full suite of statements required by the *Audit Act 1973*, due to them being incompatible with cash basis reporting.

There is a general limitation on prior year information, reflecting deficiencies in record keeping and the quality of the information in the financial management information system (FMIS).

Given the unreliability of prior year FMIS balances, the statements have been prepared on the basis of documented bank statements for opening and closing balances. Adjustments to the FMIS general ledger have been undertaken to better reflect financial transactions that occurred during the year, however, not all anomalies have been identified and adjusted.

Errors and omission that have not been able to be identified and adjusted have been recorded against Equity.

On 2 March 2021, the Minister for Finance authorized the financial statements to be issued to the Auditor General for necessary Audit and submission of his report as required under section 11(1) of the *Audit Act 1973*.

.....
Hon. Martin Hunt MP
Minister for Finance

.....
Novena Itsimaera
Secretary for Finance

STATEMENT OF CASH RECEIPTS AND PAYMENTS

		30 June 2019	30 June 2018
(Rounded to nearest dollar - AUD - \$)	NOTE	Actual Receipts/ (Payments)	Actual Receipts/ (Payments)
RECEIPTS			
<i>Taxation</i>			
Income Tax		17,307,077	8,657,054
Business Tax		26,151,297	18,662,944
Customs Duty	19	17,789,382	18,172,308
Other Taxes		2,161,281	1,865,505
<i>Donations, Grants and Other Aid</i>	20	16,473,251	15,422,302
<i>Capital Receipts</i>			
Proceeds from investment activities		1,746,867	1,058,711
Proceeds from loans	21	7,033,156	0
<i>Fees, fines, penalties and licenses</i>			
Fishing Licenses		71,995,303	46,363,043
Other Fees, fines, penalties and licenses	22	29,710,193	18,227,292
<i>Trading Activities</i>			
Visa Revenue	23	10,703,568	28,946,095
Receipts from Other Trading Activities	24	7,053,492	4,073,882
<i>Other Receipts</i>	25	30,569,410	28,107,265
Total Receipts		238,694,276	189,556,402
PAYMENTS			
<i>Operations</i>			
Administrative Expenses		(1,282,585)	(1,001,258)
Agricultural & Animal Supplies/Services		(13,745)	(12,149)
Awards & Social Assistances	26	(9,060,807)	(7,370,050)
Communications		(2,342,935)	(1,905,324)
Consultant & External Services	27	(33,397,269)	(31,976,883)
Drugs, Medical Supplies and Services	28	(7,628,779)	(7,294,214)
Freight Charges		(1,981,620)	(873,521)
Fuel, Oil and Lubricants for Vehicle		(1,507,662)	(1,225,208)
Insurance		(386,269)	(337,724)
Membership Fees and Subscriptions	39	(757,110)	(977,116)
Rations		(2,561,156)	(2,958,379)
Rental Expense	29	(13,742,896)	(12,412,722)
Retirement Benefits & Social Security	30	(4,144,422)	(3,199,698)
Supplies & Consumables, Printing and Photocopying Service		(1,798,782)	(1,231,981)
Travel & Local Transportation	31	(5,785,236)	(5,931,281)
Utilities		(3,717,662)	(3,743,047)
Wages, Salaries and Employee Benefits	32	(34,296,070)	(27,948,559)
50th Anniversary Independence		(4,812,997)	(2,665,564)
<i>Capital Payments</i>			
Purchase/construction of plant and equipment	33	(9,167,368)	(7,849,484)
Repair & Maintenance Expenses	34	(2,411,235)	(3,807,636)
<i>Transfers</i>			
Grants to Statutory bodies, Sports and Federations		0	(44,604)
Payment of Government Debts, Donations and Subsidies	35	(28,109,758)	(18,720,638)
Equity Purchases	36	(9,043,724)	0
Intergenerational Trust fund	37	(14,632,309)	(14,796,874)
Donor Project Expenditures	40	(8,094,920)	(9,802,325)
<i>Contingency</i>		0	(2,404)
Total Payments		(200,677,317)	(168,088,641)
Increase/(Decrease) Cash		38,016,959	21,467,761
Cash beginning of year	5, 6, 7, 8,	53,213,965	19,623,642
<i>Errors and Omissions (Cash at Bank)</i>	17	(9,489,979)	12,122,562
Cash at end of year	5, 6, 7, 8,	81,740,945	53,213,965

STATEMENT OF CASH RECEIPTS AND PAYMENTS – GFS (FUNCTION)

	30 June 2019	30 June 2018
(Rounded to nearest dollar - AUD - \$)	Actual Receipts/ (Payments)	Actual Receipts/ (Payments)
RECEIPTS		
11 Taxes	68,180,522	48,746,222
111 Taxes on income, profits, and capital gains	43,458,374	27,319,998
114 Taxes on goods and services	6,932,766	3,253,916
115 Taxes on international trade and transactions	17,789,382	18,172,308
13 Grants	23,505,657	15,422,302
131 From foreign governments	23,505,657	15,422,302
14 Other Receipts	147,008,098	125,387,877
141 Property income	72,025,783	46,704,665
142 Sales of goods and services	52,201,716	69,960,090
143 Fines, penalties, and forfeits	855,098	1,255,855
144 Other Receipts	21,925,501	7,467,268
1 Total Receipts	238,694,276	189,556,402
PAYMENTS		
21 Compensation of employees	(60,611,772)	(56,349,462)
211 Wages and salaries	(60,611,772)	(56,349,462)
22 Use of goods and services	(56,136,073)	(53,774,684)
23 Purchase of fixed assets	(13,335,841)	(13,926,831)
25 Subsidies	(22,481,366)	(3,750,921)
251 To public corporations	(22,481,366)	(3,750,921)
27 Social benefits	(11,310,397)	(8,885,770)
272 Social assistance benefits	(11,310,397)	(8,885,770)
28 Other expense	(36,801,867)	(31,400,972)
281 Property expense other than interest	(12,062,079)	(9,845,475)
282 Transfers not elsewhere classified	(24,353,519)	(21,217,774)
283 Premiums, fees, and claims related to nonlife insurance and standardized guarantee schemes	(386,269)	(337,724)
2 Total Payments	(200,677,317)	(168,088,641)

COMPARISON OF BUDGET TO ACTUAL

(Classification by function)

(Rounded to nearest dollar - AUD - \$)	Actual Amounts	Final Budget	Supplementary Budget Adjustments	Original Budget	Difference: Final Budget & Actual
CASH INFLOWS					
Income Tax	17,307,077	13,025,700	1,025,700	12,000,000	4,281,377
Business Tax	26,151,297	22,300,000	7,300,000	15,000,000	3,851,297
Customs Duty	17,789,382	16,414,307	0	16,414,307	1,375,075
Other Taxes	2,161,281	1,800,000	0	1,800,000	361,281
Donations, Grants and Other Aid	16,473,251	8,650,984	(3,532,071)	12,183,055	7,822,267
Proceeds from investment activities	1,746,867	300,000	300,000	0	1,446,867
Proceeds from loans	7,033,156	7,064,000	7,064,000	0	(30,844)
Fishing Licenses	71,995,303	67,240,514	33,961,721	33,278,793	4,754,789
Other Fees, Fines, Penalties and Licenses	29,710,193	30,469,416	12,809,958	17,659,458	(759,223)
Visa Revenue	10,703,568	18,212,000	2,400,000	15,812,000	(7,508,432)
Receipts from Other Trading Activities	7,053,492	5,799,004	0	5,799,004	1,254,488
Other Receipts	30,569,410	26,664,135	2,010,295	24,653,840	3,905,275
Total Receipts	238,694,276	217,940,060	63,339,603	154,600,457	20,754,216
<i>less: CASH OUTFLOWS</i>					
Finance	(62,742,173)	(81,230,542)	(39,454,593)	(41,775,949)	18,488,369
Education	(13,498,008)	(10,519,273)	(675,014)	(9,844,259)	(2,978,735)
Health	(15,093,998)	(15,265,373)	(2,332,674)	(12,932,699)	171,375
Chief Secretariat	(16,440,560)	(17,954,665)	(3,708,000)	(14,246,665)	1,514,105
Land Management, Survey, Land Transport	(10,376,973)	(10,674,388)	(345,617)	(10,328,771)	297,414
Ministerial	(14,483,187)	(14,454,090)	(7,097,194)	(7,356,896)	(29,097)
Multicultural Affairs	(33,026,814)	(32,455,156)	(4,896,250)	(27,558,906)	(571,658)
Public Order/Safety and Defence	(8,606,516)	(10,079,033)	(58,400)	(10,020,633)	1,472,517
Environmental Affairs	(3,910,392)	(3,197,029)	(143,000)	(3,054,029)	(713,363)
Recreational, Cultural and Religion	(6,962,638)	(5,274,226)	(983,077)	(4,291,149)	(1,688,412)
Foreign Affairs and International Trade	(4,963,088)	(5,976,422)	(1,241,854)	(4,734,568)	1,013,334
Communication and ICT	(2,882,008)	(2,993,567)	0	(2,993,567)	111,559
Other Ministries	(7,690,960)	(7,824,830)	(2,530,419)	(5,294,411)	133,870
Total Payments	(200,677,317)	(217,898,593)	(63,466,092)	(154,432,501)	17,221,277
NET CASH FLOWS	38,016,960	41,467	(126,489)	167,956	37,975,493

GOVERNMENT OF THE REPUBLIC OF NAURU
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

COMPARISON OF BUDGET TO ACTUAL – GFS (FUNCTION)

(Rounded to nearest dollar - AUD - \$)	Actual Amounts GoN	Actual Amounts Donor	Final Budget GoN	Final Budget Donor	Supplementar y Budget Adjustments	Original Budget GoN	Original Budget Donor	Difference: Final Budget & Actual
RECEIPTS								
11 Taxes	68,180,522	0	56,263,699	0	8,437,036	47,826,663	0	11,916,823
111 Taxes on income, profits, and capital gains	43,458,374	0	35,325,700	0	8,325,700	27,000,000	0	8,132,674
114 Taxes on goods and services	6,932,766	0	4,523,692	0	111,336	4,412,356	0	2,409,074
115 Taxes on international trade and transactions	17,789,382	0	16,414,307	0	0	16,414,307	0	1,375,075
13 Grants	15,262,247	8,243,410	15,714,984	0	3,531,929	12,183,055	0	7,790,673
131 From foreign governments	15,262,247	8,243,410	15,714,984	0	3,531,929	12,183,055	0	7,790,673
14 Other Receipts	147,008,098	0	145,961,377	0	51,370,638	94,590,739	0	1,046,721
141 Property income	72,025,783	0	65,941,194	0	33,670,849	32,270,345	0	6,084,589
142 Sales of goods and services	52,201,716	0	58,460,627	0	17,389,831	41,070,796	0	(6,258,911)
143 Fines, penalties, and forfeits	855,098	0	790,376	0	309,958	480,418	0	64,722
144 Other Receipts	21,925,501	0	20,769,180	0	0	20,769,180	0	1,156,321
1 Total Receipts	230,450,867	8,243,410	217,940,060	0	63,339,603	154,600,457	0	20,754,216
7 EXPENDITURE								
701 General public services	(116,919,112)	(982,390)	(137,315,966)	(1,628,897)	(49,661,839)	(87,654,127)	(1,628,897)	21,043,361
7011 Executive and legislative organs, financial and fiscal affairs, external :	(75,478,076)	(976,705)	(77,671,550)	(1,308,634)	(19,239,271)	(58,432,279)	(1,308,634)	2,525,402
7012 Foreign economic aid	0	0	0	0	0	0	0	0
7013 General services	(27,435,123)	(5,685)	(33,204,814)	(320,263)	(16,362,062)	(16,842,752)	(320,263)	6,084,269
7014 Basic research	0	0	0	0	0	0	0	0
7015 R & D General public services	0	0	0	0	0	0	0	0
7016 General public services not elsewhere classified	0	0	0	0	0	0	0	0
7017 Public debt transactions	0	0	0	0	0	0	0	0
7018 Transfers of general character between levels of government	(14,005,913)	0	(26,439,603)	0	(14,060,506)	(12,379,097)	0	12,433,690
702 Defense	(1,463,756)	(352,267)	(1,587,800)	(352,292)	0	(1,587,800)	(352,292)	124,069
7021 Military defense	0	0	0	0	0	0	0	0
7022 Civil defense	(1,463,756)	(352,267)	(1,587,800)	(352,292)	0	(1,587,800)	(352,292)	124,069
7023 Foreign military aid	0	0	0	0	0	0	0	0
7024 R & D Defense	0	0	0	0	0	0	0	0
7025 Defense not elsewhere classified	0	0	0	0	0	0	0	0
703 Public order and safety	(9,577,244)	0	(11,086,402)	(87,557)	(76,950)	(11,009,452)	(87,557)	1,596,715
7031 Police services	(3,321,037)	0	(3,897,269)	0	(58,400)	(3,838,869)	0	576,232
7032 Fire protection services	0	0	0	0	0	0	0	0
7033 Law courts	(5,335,193)	0	(6,262,756)	(87,557)	(18,550)	(6,244,206)	(87,557)	1,015,120
7034 Prisons	(841,008)	0	(852,617)	0	0	(852,617)	0	11,608
7035 R & D Public order and safety	0	0	0	0	0	0	0	0
7036 Public order and safety not elsewhere classified	(80,006)	0	(73,761)	0	0	(73,761)	0	(6,245)
704 Economic affairs	(15,466,834)	(295,038)	(16,919,620)	(1,009,033)	(3,834,517)	(13,085,103)	(1,009,033)	2,166,781
7041 General economic, commercial, and labor affairs	0	0	0	0	0	0	0	0
7042 Agriculture, forestry, fishing, and hunting	(2,405,720)	(10,461)	(2,572,996)	(128,428)	(100,000)	(2,472,996)	(128,428)	285,243
7043 Fuel and energy	(2,966,421)	0	(3,564,000)	0	(1,253,000)	(2,311,000)	0	597,579
7044 Mining, manufacturing, and construction	0	0	0	0	0	0	0	0
7045 Transport	(7,032,440)	0	(7,470,361)	0	(2,472,917)	(4,997,444)	0	437,921
7046 Communication	(2,933,858)	(58,125)	(3,135,824)	(412,371)	0	(3,135,824)	(412,371)	556,212
7047 Other industries	0	0	0	0	0	0	0	0
7048 R & D Economic affairs	0	0	0	0	0	0	0	0
7049 Economic affairs not elsewhere classified	(128,395)	(226,452)	(176,439)	(468,233)	(8,600)	(167,839)	(468,233)	289,826
705 Environmental protection	(513,578)	(905,807)	(705,758)	(1,872,933)	(34,400)	(671,358)	(1,872,933)	1,159,305
7051 Waste management	0	0	0	0	0	0	0	0
7052 Waste water management	0	0	0	0	0	0	0	0
7053 Pollution abatement	0	0	0	0	0	0	0	0
7054 Protection of biodiversity and landscape	0	0	0	0	0	0	0	0
7055 R & D Environmental protection	0	0	0	0	0	0	0	0
7056 Environmental protection not elsewhere classified	(513,578)	(905,807)	(705,758)	(1,872,933)	(34,400)	(671,358)	(1,872,933)	1,159,305
706 Housing and community amenities	(5,844,950)	0	(5,732,180)	0	0	(5,732,180)	0	(112,769)
7061 Housing development	0	0	0	0	0	0	0	0
7062 Community development	(5,844,950)	0	(5,732,180)	0	0	(5,732,180)	0	(112,769)
7063 Water supply	0	0	0	0	0	0	0	0
7064 Street lighting	0	0	0	0	0	0	0	0
7065 R & D Housing and community amenities	0	0	0	0	0	0	0	0
7066 Housing and community amenities not elsewhere classified	0	0	0	0	0	0	0	0
707 Health	(18,047,655)	(147,459)	(18,766,786)	(1,892,094)	(2,438,674)	(16,328,112)	(1,892,094)	2,463,766
7071 Medical products, appliances, and equipment	0	0	0	0	0	0	0	0
7072 Outpatient services	0	0	0	0	0	0	0	0
7073 Hospital services	0	0	0	0	0	0	0	0
7074 Public health services	0	0	0	0	0	0	0	0
7075 R & D Health	0	0	0	0	0	0	0	0
7076 Health not elsewhere classified	(18,047,655)	(147,459)	(18,766,786)	(1,892,094)	(2,438,674)	(16,328,112)	(1,892,094)	2,463,766
708 Recreation, culture and religion	(1,274,705)	(1,999,618)	(1,505,692)	(2,464,541)	(876,504)	(629,188)	(2,464,541)	695,910
7081 Recreational and sporting services	(885,884)	(1,999,618)	(983,143)	(2,464,541)	(706,504)	(276,639)	(2,464,541)	562,182
7082 Cultural services	0	0	0	0	0	0	0	0
7083 Broadcasting and publishing services	0	0	0	0	0	0	0	0
7084 Religious and other community services	(388,821)	0	(522,549)	0	(170,000)	(352,549)	0	133,727
7085 R & D Recreation, culture, and religion	0	0	0	0	0	0	0	0
7086 Recreation, culture, and religion not elsewhere classified	0	0	0	0	0	0	0	0
709 Education	(12,346,718)	(3,412,341)	(13,246,195)	(9,057,252)	(781,014)	(12,465,181)	(9,057,252)	6,544,388
7091 Pre-primary and primary education	0	0	0	0	0	0	0	0
7092 Secondary education	0	0	0	0	0	0	0	0
7093 Postsecondary nontertiary education	0	0	0	0	0	0	0	0
7094 Tertiary education	0	0	0	0	0	0	0	0
7095 Education not definable by level	0	0	0	0	0	0	0	0
7096 Subsidiary services to education	0	0	0	0	0	0	0	0
7097 R & D Education	0	0	0	0	0	0	0	0
7098 Education not elsewhere classified	(12,346,718)	(3,412,341)	(13,246,195)	(9,057,252)	(781,014)	(12,465,181)	(9,057,252)	6,544,388
710 Social protection	(11,127,844)	0	(11,032,194)	0	(5,762,194)	(5,270,000)	0	(95,650)
7101 Sickness and disability	0	0	0	0	0	0	0	0
7102 Old age	0	0	0	0	0	0	0	0
7103 Survivors	0	0	0	0	0	0	0	0
7104 Family and children	0	0	0	0	0	0	0	0
7105 Unemployment	0	0	0	0	0	0	0	0
7106 Housing	(6,983,422)	0	(6,912,194)	0	(4,912,194)	(2,000,000)	0	(71,228)
7107 Social exclusion not elsewhere classified	0	0	0	0	0	0	0	0
7108 R & D Social protection	0	0	0	0	0	0	0	0
7109 Social protection not elsewhere classified	(4,144,422)	0	(4,120,000)	0	(850,000)	(3,270,000)	0	(24,422)
	(192,582,397)	(8,094,920)	(217,898,593)	(18,364,598)	(63,466,092)	(154,432,501)	(18,364,598)	35,585,875
NET CASH FLOWS								
	37,868,470	148,490	41,467	(18,364,598)	(126,489)	167,956	(18,364,598)	56,340,091

STATEMENT OF CASH FLOWS

(Rounded to nearest dollar - AUD - \$)

		Actual Controlled by the Government 30 June 2019	Actual Controlled by the Government 30 June 2018
	NOTE		
Cash flows from operating activities			
<i>Receipts</i>			
Income Tax		17,307,077	8,657,054
Business tax		26,151,297	18,662,944
Customs Duty	19	17,789,382	18,172,308
Other taxes		2,161,281	1,865,505
Donations, Grants and Other Aid	20	16,473,251	15,422,302
Proceeds from Investment activities		1,746,867	1,058,711
Fishing Licenses		71,995,303	46,363,043
Other Fees, fines, penalties and licenses	22	29,710,193	18,227,292
Visa Revenue	23	10,703,568	28,946,095
Receipts from Other Trading Activities	24	7,053,492	4,073,882
Other receipts	25	30,569,410	28,107,265
<i>Payments</i>			
Administrative Expenses		(1,282,585)	(1,001,258)
Agricultural & Animal Supplies/Services		(13,745)	(12,149)
Awards & Social Assistances	26	(9,060,807)	(7,370,050)
Communications		(2,342,935)	(1,905,324)
Consultant & External Services	27	(33,397,269)	(31,976,883)
Donor Project Expenditures		(8,094,920)	(9,802,325)
Drugs, Medical Supplies and Services	28	(7,628,779)	(7,294,214)
Freight Charges		(1,981,620)	(873,521)
Fuel, Oil and Lubricants for Vehicle		(1,507,662)	(1,225,208)
Grants to Statutory, Sports and Federations		0	(44,604)
Insurance		(386,269)	(337,724)
Membership Fees and Subscriptions	39	(757,110)	(977,116)
Others		0	(2,404)
Rations		(2,561,156)	(2,958,379)
Rental Expense	29	(13,742,896)	(12,412,722)
Retirement Benefits & Social Security	30	(4,144,422)	(3,199,698)
Supplies & Consumables, Printing and Photocopying Service		(1,798,782)	(1,231,981)
Travel & Local Transportation	31	(5,785,236)	(5,931,281)
Utilities		(3,717,662)	(3,743,047)
Wages, Salaries and Employee Benefits	32	(34,296,070)	(27,948,559)
50th Anniversary Independence		(4,812,997)	(2,665,564)
Net Cash flows from operating activities		94,348,197	66,642,394
Cash flows from investing activities			
Investing Receipts	37	(14,632,309)	(14,796,874)
Equity Purchases	36	(9,043,724)	0
Capital Expenditure	33 / 34	(11,578,603)	(11,657,120)
Receipts from Lending & On-Lending	35	(28,109,758)	(18,720,638)
Net Cash flows from operating activities		(63,364,394)	(45,174,633)
Net cash inflows before financing		30,983,803	21,467,761
Cash flows from financing activities			
Proceeds from borrowings	21	7,033,156	-
Repayment of borrowings		-	-
Net Cash flows from financing activities		7,033,156	-

STATEMENT OF CASH FLOWS CONTD

(Rounded to nearest dollar - AUD - \$)

		Actual Controlled by the Government 30 June 2019	Actual Controlled by the Government 30 June 2018
Cash flows from financing activities (cont...)			
Net increase/(decrease) in cash and cash equivalents		38,016,959	21,467,761
Cash and cash equivalents at the beginning of the period		53,213,965	19,623,642
Transaction (Prior year adjustment) booked directly to eq	17	<u>(9,489,979)</u>	<u>12,122,562</u>
Cash and cash equivalents at the end of the period		<u>81,740,945</u>	<u>53,213,965</u>

Ministry of Finance - Treasury Department
Yaren, Nauru
Dates: _____ of the month of March 2021

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Ms. Novena Itsimaera
Secretary - Finance

STATEMENT OF ASSETS AND LIABILITIES

(Rounded to nearest dollar - AUD - \$)	NOTE	30 June 2019	30 June 2018
ASSETS - CASH & EQUIVALENT			
Current assets			
Government Bank Accounts	5	65,948,584	28,688,927
NRO Cash on Hand & RON Reserve Cash	6	2,956,755	11,372,992
Donor Partner Bank Account	7	11,686,670	11,426,894
Embassy Bank Account	8	648,935	1,225,152
Bendigo Agency Cash Holding Account	9	500,000	500,000
GON Imprest Accounts	10	250,000	250,000
Registrars Trust Account	11	131,882	35,189
Total Current Assets		82,122,826	53,499,154
Non-Current Assets			
Lending to State Owned Enterprises	12	7,033,155	0
Intergenerational Trust Fund	13	61,764,583	47,132,274
Property, Plant and Equipment	14	53,023,315	0
Total Non Current Assets		121,821,053	47,132,274
TOTAL ASSETS		203,943,880	100,631,428
LIABILITIES			
Current liabilities			
Registrars Trust Account	11	131,882	35,189
Borrowings from EXIM Bank	15	703,315	0
Total Current Liabilities		835,197	35,189
Non-current liabilities			
Borrowings from EXIM Bank	15	6,329,840	0
Domestic Debts - Bank of Nauru	16	54,967,498	59,511,850
TOTAL LIABILITIES		62,132,535	59,547,039
EQUITY	17	141,811,345	41,084,389

Ministry of Finance - Treasury Department
Yaren, Nauru
Dates: ____ of the month of March 2021

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Ms. Novena Itsimaera
Secretary - Finance

PAYMENTS BY ECONOMIC NATURE (BUDGET TO ACTUAL)

(Rounded to nearest dollar - AUD - \$)	Actual Amounts	Final Budget	Original Budget	Ratio Final Budget to Actual
Administrative Expenses	(1,282,585)	(1,410,736)	(1,158,887)	91%
Agricultural & Animal Supplies/Services	(13,745)	(28,000)	(28,000)	49%
Awards & Social Assistances	(9,060,807)	(8,964,082)	(4,111,279)	101%
Communications	(2,342,935)	(2,628,394)	(2,670,680)	89%
Consultant & External Services	(33,397,269)	(34,332,062)	(30,417,961)	97%
Drugs, Medical Supplies and Services	(7,628,779)	(7,829,269)	(4,459,702)	97%
Freight Charges	(1,981,620)	(2,000,000)	(2,000,000)	99%
Fuel, Oil and Lubricants for Vehicle	(1,507,662)	(1,576,858)	(1,118,228)	96%
Insurance	(386,269)	(445,938)	(447,590)	87%
Membership Fees and Subscriptions	(757,110)	(838,405)	(934,373)	90%
Rations	(2,561,156)	(2,670,244)	(2,013,771)	96%
Rental Expense	(13,742,896)	(13,186,022)	(14,140,623)	104%
Retirement Benefits & Social Security	(4,144,422)	(4,165,000)	(3,270,000)	100%
Supplies & Consumables, Printing and Photocopying Service	(1,798,782)	(2,062,069)	(1,944,149)	87%
Travel & local transportation	(5,785,236)	(6,592,118)	(6,200,166)	88%
Utilities	(3,717,662)	(4,147,539)	(4,097,364)	90%
Wages, salaries and employee benefits	(34,296,070)	(36,868,836)	(35,431,034)	93%
50th Anniversary Independence	(4,812,997)	(4,838,000)	(2,669,000)	99%
Purchase/construction of plant and equipment	(9,167,368)	(21,144,369)	(14,980,923)	43%
Repair & Maintenance Expenses	(2,411,235)	(2,693,261)	(2,169,824)	90%
Payment of Government Debts, Donations and Subsidies	(28,109,758)	(35,457,108)	(7,658,763)	79%
Equity Purchases	(9,043,724)	(8,900,000)	0	102%
Intergenerational Trust fund	(14,632,309)	(14,573,000)	(12,000,000)	100%
Donor Project Expenditures	(8,094,920)	0	0	-
Contingency	0	(547,283)	(510,184)	0%
TOTAL EXPENDITURE	(200,677,317)	(217,898,593)	(154,432,501)	92%

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies

Basis of Preparation

The financial statements have been prepared in anticipation of the eventual full adoption of International Public Sector Accounting Standard (IPSAS): Financial Reporting under the Cash Basis of Accounting (Cash Basis IPSAS) that came into effect on 1 January 2019.

A policy decision was taken to use bank statement and cash on hand balances as the basis of reporting, as various elements of the financial statements were unable to be adequately substantiated from information contained within the financial management information system. The resulting discrepancy in cash between Receipts less Payments and the Opening and Closing cash balances relates to these unsubstantiated amounts which has been reflected within the Change in Equity (Note 17).

Additional financial statements have been prepared pursuant to the Section 10 of the Audit Act 1973 (including any subsequent amendments) which requires the Minister responsible for the public accounts of the Republic to transmit certain statements and accounts to the Office of the Auditor General. These additional statements and accounts are reflected in the Appendices to these Financial Statement.

Reporting Entity

The financial statements are for the national government of the Republic of Nauru as represented by the Treasury Fund. The financial statements encompass all public moneys, public property, income, expenditure, assets and liabilities of the Republic received held or disbursed whether within or outside Nauru as specified in the Public Finance (Control and Management) Act 1997 (including any subsequent amendments). A listing of all government departments (Heads) that are included within the Treasury Fund are identified within the Statement of Treasury Fund - Summary.

Government activities include the provision of health, education, law & justice, social protection, housing, recreational, cultural and general public services and economic management to, and on behalf of, citizens undertaken by Government Departments including foreign diplomatic posts.

Statutory bodies such as the National Fisheries and Marine Resources Authority, Nauru Electoral Commission and the Port Authority of Nauru, are included in these financial statements.

State Owned Enterprises (SOEs) are not included in these financial statements. SOEs include Republic of Nauru Phosphate Corporation (Ronphos), Nauru Rehabilitation Corporation (NRC), Eigigu Holdings Corporation (EHC), Nauru Utilities Corporation (NUC), and Nauru Air Corporation (NAC).

Other statutory bodies that are not included in these financial statement – are the Nauru Phosphate Royalties Trust (NPRT) and the Agency of Bendigo and Adelaide Bank (with the exception of the Agent Cash Float) which, although associated with Government, are not undertaking the delivery of services as a government function.

Presentation Currency

The presentation currency is Australian dollars (AUD - \$) and all monetary values are rounded to whole dollars, unless mentioned otherwise.

Foreign currency cash flows are converted to/from Australian dollars using the exchange rate provided by the Bendigo and Adelaide Bank – Agency on the day of the transaction or when funds are transferred.

Foreign Currency exchange differences may arise due to foreign currency exchange rate changes, however, the amount of the difference or gains and losses arising cannot be ascertained.

2. Original and Final Approved Budget and Comparison of Actual and Budget Amounts

The approved budget is developed on the same accounting basis (cash basis), same classification basis, and for the same period (from 1 July 2018 to 30 June 2019) as for the financial statements. It encompasses the same entities as the consolidated financial statement – these are identified in Reporting Entity above.

The original budget was approved by the Annual Appropriation Act on 5 June 2018 and net supplementary appropriations of (\$126,488) were approved through the year by respective Supplementary Appropriation Acts as follows:

<i>Bill</i>	<i>Date</i>	<i>Change in Revenue (AUD)</i>	<i>Change in Expenditure (AUD)</i>
Supplementary 1	14 August 2018	(22,261,293)	22,224,837
Supplementary 2	4 October 2018	(6,025,700)	6,007,572
Supplementary 3	13 December 2018	(2,700,000)	2,700,000
Supplementary 4	21 March 2019	(22,042,142)	22,237,631
Supplementary 5	10 May 2019	(7,500,000)	7,496,052
Supplementary 6	14 June 2019	(2,810,469)	2,800,000
		(63,339,604)	63,466,092

The changes in original versus final budget figures reflect either supplementary appropriations or reallocation of funds within Heads through inter-sub head transfers (ISHTs). The movements were required throughout the year to accommodate Government priorities.

3. Donations, Grants and Other Aid

Cash receipts during the period included donations, grants and other aid provided by individual multilateral and bilateral donor agencies and non-governmental organisations; co-operative financing facilities established by such organisations; regional agencies (such as the Regional Fisheries Marine Organisation) and donations from charities, corporations and private individuals.

External assistance is recognized at the time of receipt. Aid funding received from donor agencies for projects in Nauru is reflected as income within the individual donor fund account, distinctly separate from the Government Treasury Single Account.

During 2018-19, the Government of Nauru received goods and services (in kind) from donors and other contributors. This assistance included goods such as office equipment, medical equipment, investment in major infrastructure projects, local staff training, travel, workshop support, capacity building and other services such as technical assistance. These grants in kind are not generally recognized in these financial statements.

The amount of donations, grants and other aid of \$16,473,251 does not include aid received during the reporting period in the form of the proceeds of loans. The proceeds of any aid received during the period in the form of loans are included in the amount of borrowings presented as a separate line item in the Statement of Cash Receipts and Payments.

4. Depreciation - Property, Plant & Equipment

All property, plant and equipment are shown at cost less accumulated depreciation. Costs include expenditure that is directly attributable to acquisition of the items. Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives using the following rates:

Buildings and Infrastructure	5%
Plant and Machinery (including Motor Vehicles)	12.5% - 25%

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

(Rounded to nearest dollar - AUD - \$)

5. Cash at Bank

Cash at Bank are funds held in bank accounts with Bendigo and Adelaide Bank based in Australia. Transacting on these accounts is undertaken either via online banking or across the counter at the Bendigo Agent on island in Nauru. The Nauru Regional Processing Centre Corporation bank account, which was previously omitted in the 2017-2018 Financial Statements, has been included in the 2017-2018 comparatives for the 2018-2019 Financial Statements.

	<i>Balance 30 June 2018</i>	<i>Movement</i>	<i>Balance 30 June 2019</i>
Treasury Operating Account	440,374	4,427,268	4,867,642
Treasury Receipting Account	19,306,714	11,686,001	30,992,715
GON TT Bank Account	168,370	(47,660)	120,710
Port Contribution Fund Account	2,042,130	3,365,155	5,407,285
Port Maintenance Fund Account	2,006,421	11,440,300	13,446,721
Finance Fiscal Cash Buffer Account	4,600,000	6,492,498	11,092,498
Nauru Regional Processing Centre Corporation	124,918	(110,776)	14,142
Exim Loan Equipment Bank Account	0	6,870	6,870
	28,688,927	37,259,657	65,948,584

6. Cash on Hand

NRO Cash on Hand

The NRO Cashier receives cash over the counter as income for the provision of government goods/ services and releases cash payments (upon presentation of Treasury cheques) to government suppliers for goods provided/ services rendered and to other beneficiaries.

RoN Reserve Cash

RoN Reserve Cash is used to maintain the Bendigo Agency Cash Float (\$500,000 daily threshold) by accepting or releasing cash to meet the threshold, as well as, to replenish the Automatic Teller Machines (ATMs) on-island. The reimbursement of cash withdrawn from the ATMs is deposited into the Treasury Operating Account held with the Bendigo and Adelaide Bank in Australia.

	<i>Balance 30 June 2018</i>	<i>Movement</i>	<i>Balance 30 June 2019</i>
NRO Cashbook	5,757,787	(5,757,787)	0
NRO Imprest	0	48,301	48,301
RoN Reserve Statement	5,615,205	(2,706,751)	2,908,454
	11,372,992	(8,416,237)	2,956,755

7. Development Partner Funds

Development Partner funds are held in bank accounts with Bendigo and Adelaide Bank based in Australia. These funds are maintained separately as Official Development Assistance (ODA) and used to reimburse Government of Nauru expenditure incurred in implementing development partner specific projects. These funds may have a restricted use for GoN.

	<i>Balance 30 June 2018</i>	<i>Movement</i>	<i>Balance 30 June 2019</i>
DFAT Australia Bank Account	8,536,022	(1,629,525)	6,906,497
MFAT New Zealand Bank Account	1,837,038	1,073,222	2,910,260
Development Fund Bank Account (Various Donor:	577,648	474,227	1,051,875
Government of Japan Non Project Grant Aid (NPG	476,186	341,852	818,038
	11,426,894	259,776	11,686,670

(Rounded to nearest dollar - AUD - \$)

8. Government of Nauru Overseas Missions

The Government of Nauru overseas missions maintain bank accounts to fund day-to-day operations abroad. Funds in these bank accounts are held in Australian dollars and/or other foreign currencies and converted to an Australian dollar (AUD) equivalent for financial statement purposes as at 30 June.

	<i>Balance 30 June 2018</i>	<i>Movement</i>	<i>Balance 30 June 2019</i>
Consulate General of Nauru to Australia (Brisbane)	838,897	(492,676)	346,221
Consulate General of Nauru - Procurement	142,440	(135,502)	6,938
High Commission of Nauru to Fiji (Suva)	20,328	55,818	76,146
Permanent Mission of Nauru to the UN (New York)	198,642	(192,007)	6,635
Embassy of Nauru in Taiwan (Taipei)	24,845	5,910	30,755
Permanent Mission of Nauru to the UNOG (Geneva)	0	182,239	182,239
	1,225,152	(576,217)	648,935

9. Bendigo and Adelaide Bank - Agency Accounts

The Government of Nauru operates an agency of the Bendigo and Adelaide Bank on island in Nauru. The Agency was established with an investment by the Government in office furnishings and equipment. The Agency maintains a daily cash float of \$500,000 to meet over the counter transactions. These funds are not available or have a restricted use for GoN.

	<i>Balance 30 June 2018</i>	<i>Movement</i>	<i>Balance 30 June 2019</i>
Bendigo Agent Cash Float Account	500,000	0	500,000
	500,000	0	500,000

10. GON Imprest Accounts

The Government of Nauru provides a cash float on an imprest basis with 'Our Travel' and procurement agents to enable them to purchase goods/services on the Government's behalf.

	<i>Balance 30 June 2018</i>	<i>Movement</i>	<i>Balance 30 June 2019</i>
Imprest Account - Our Travel	250,000	0	250,000
	250,000	0	250,000

11. Registrars Trust Account

The Republic of Nauru maintains a Trustee Bank Account managed by the Registrar of the Courts to hold funds for upcoming or pending court cases which may be paid to third parties. These funds are not available or have a restricted use for GoN.

	<i>Balance 30 June 2018</i>	<i>Movement</i>	<i>Balance 30 June 2019</i>
RON Registrars Trust Account	35,189	96,693	131,882
	35,189	96,693	131,882

12. Non-Current Loans - Lending to SOEs

The Government of Nauru provided funds to Ronphos for equipment purchases as a flow through from the EXIM Bank borrowings.

	<i>Balance 30 June 2018</i>	<i>Movement</i>	<i>Balance 30 June 2019</i>
Ronphos Corporation	0	7,033,155	7,033,155
	0	7,033,155	7,033,155

(Rounded to nearest dollar - AUD - \$)

13. Intergenerational Trust Fund

The Trust Fund was established in November 2015. A Memorandum of Understanding with the Government of Australia was finalised in December 2016. Under the terms of the MOU, Nauru contributes (on an annual basis) a percentage of Domestic Revenue based upon a Domestic Revenue Range under either a High, Medium, Low or No growth scenario. Contributions to the fund are also made by the Government of Australia and other donors. These funds are not available or have a restricted use for GoN.

	<i>Balance 30 June 2018</i>	<i>Movement</i>	<i>Balance 30 June 2019</i>
Intergenerational Trust Fund - Govt of Nauru	47,132,274	14,632,309	61,764,583
Partner Contributions - Govt of Australia	12,068,000	2,500,000	14,568,000
Asian Development Bank	2,634,000	0	2,634,000
Partner Contributions - Govt of Taiwan	10,635,000	2,803,000	13,438,000
Partner Contributions - Govt of New Zealand	1,855,000	941,000	2,796,000

14. Property, Plant and Equipment

A fixed asset register for the Government of Nauru was re-established from 1 July 2018 following a stocktake of property, plant and equipment conducted by the Asian Development Bank. Purchases during the 2018-2019 financial year have been expensed in accordance with cash basis accounting and included as Capital Payments in the Statement of Cash Receipts & Payments.

	<i>Balance 30 June 2018</i>	<i>Movement</i>	<i>Balance 30 June 2019</i>
Buildings and Infrastructure	0	89,154,308	89,154,308
Accumulated Depreciation	0	(44,665,779)	(44,665,779)
	0	44,488,530	44,488,530
Plant and Machinery	0	20,664,231	20,664,231
Accumulated Depreciation	0	(12,129,445)	(12,129,445)
	0	8,534,786	8,534,786
Property, Plant and Equipment	-	53,023,315	53,023,315

15. Borrowings - Government of Nauru

The Government of Nauru has an obligation for repayment of a loan to EXIM Bank taken to provide funds to Ronphos Corporation for equipment purchases. The repayment of the ten (10) year loan is offset against Budget Support funds received from the Republic of China (Taiwan).

	<i>Balance 30 June 2018</i>	<i>Movement</i>	<i>Balance 30 June 2019</i>
EXIM Bank	0	7,033,155	7,033,155
	0	7,033,155	7,033,155

(Rounded to nearest dollar - AUD - \$)

16. **Domestic Debt - Government of Nauru**

The Government of Nauru on an Ex-Gratia basis (following the winding up of the Bank of Nauru Liquidation in the District Court) takes the opportunity when it has the capacity to do so to pay the Net Balance of the Private Sector (mainly individuals) and the Nauru Phosphate Royalties Trust (NPRT) deposits previously held with the bankrupt Bank of Nauru (as advised in the Bank Of Nauru Liquidation - Eighteenth Report to the District Court of Nauru - prepared by Deloitte on 19 May 2014). These payments are funded from the Net Balance of \$79.54 million (per the Deloitte report) owing by the Government of Nauru to the Bank of Nauru Liquidation. As at 30 June 2019, approximately \$7.7 million had been paid by GoN to the Private Sector and NPRT account holders.

	<i>Balance 30 June 2018</i>	<i>Movement</i>	<i>Balance 30 June 2019</i>
Bank of Nauru - Private Sector Accounts	34,316,781	(1,125,423)	33,191,358
Bank of Nauru - NPRT Accounts	25,195,069	(3,418,929)	21,776,140
	59,511,850	(4,544,352)	54,967,498

17. **Changes in Equity**

As a result of it being impracticable to resolve the discrepancies existing between the General Ledger and the non-bank cash holdings and related party funds transfers/acquittals (due to there being no reconciliation during the year), the net difference has been identified as Errors and Omissions and reflected against Equity. An adjustment has been made to the prior year (2017-2018) Errors and Omissions (Cash at Bank) from \$11,997,644 to \$12,122,562 to include the bank statement balance \$124,918 for the Nauru Regional Processing Centre Corporation that had been previously omitted.

Opening Balance 1 July 2018	40,959,471
<i>Changes in equity during the year</i>	
Surplus for the year - net cash increase resulting from receipts & payments	38,016,959
Intergenerational Trust Fund	Note 13 14,632,309
Errors and Omissions (Assets & Liabilities)	57,692,585
Errors and Omissions (Cash at Bank)	(9,489,979)
Closing Balance 30 June 2019	141,811,345

18. **Contingent Liabilities**

These relate to Yen Berarer Bonds held by Firebird. They are not recognised in the balance sheet as Government Debt due to uncertainty on the valuation of the liability and the Government position on repayment. The Government, as guarantor of RONFIN, defaulted on the loans in the 1990s. Firebird holds a proportion of Series B and Series C bonds, valued at Y3,545,196,000 which is equivalent to AU\$48,259,308 plus interest accrued at a daily rate of \$3,338.

GOVERNMENT OF THE REPUBLIC OF NAURU
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

(Rounded to nearest dollar - AUD - \$)

2018 / 2019 2017 / 2018

19. Customs Duty

Import duties are taxes (normally at a percentage of the cost of the import good including freight) placed on all imports to Nauru and levied at the port of entry. Excise duties are special taxes on imported goods that the Government may wish to discourage consumption such as tobacco, alcohol and sugar.

1140 - Customs and Excise Duty - Tobacco	5,326,464	5,713,593
1145 - Customs and Excise Duty - Alcohol	1,133,629	1,995,818
1150 - Customs and Excise Duty - Sugar	842,492	739,696
1155 - Customs and Excise - Machinery/Vehicle/Equip.	1,082,876	818,079
1160 - Customs and Excise Duty - Other	2,632,243	3,606,013
1165 - Customs and Excise Duty - Petrol Sales	2,238,392	2,306,834
1170 - Customs and Excise Duty - Diesel Sales	4,323,557	2,881,130
1175 - Customs and Excise Duty - JetA1	209,729	111,143
	17,789,382	18,172,308

20. Donations, Grants and Other Aid

Direct budget support funding from donors is recognised at the time of receipt. Donor funding received for projects in Nauru is recognised as revenue within the separate donor bank account (separated from the Treasury Consolidated Fund) at the time of receipt.

1660 - General Budget Support (Taiwan)	8,229,092	7,345,061
1675 - Repayment of Business (Micro Finance) Loans (CIE)	750	0
1000 - Donor Project Income	8,243,410	8,077,241
	16,473,251	15,422,302

21. Loan Proceeds

Proceeds of Loans from external parties

1901 - External Loan Receipt	7,033,156	0
	7,033,156	0

22. Fees, Fines, Penalties and Licenses

Fees, Fines, Penalties and Licenses are charges associated with the government services provided to individuals and businesses.

1215 - Licenses-Drivers etc	80,480	104,896
1220 - Corporation Fees and Licenses	177,625	38,273
1225 - Licenses-Trading	345,104	232,952
1230 - Liquor Licensing Board	28,629	30,992
1235 - Gaming / Bingo Licenses	378,173	383,616
1240 - Licenses-Dogs etc	0	0
1290 - Motor Vehicle Inspection Fees	0	0
1295 - Motor Cycle Inspection Fees	0	0
1300 - Registration Fees-Motor Cars	67,597	83,725
1305 - Registration Fees-Motorcycles	4,965	10,965
1310 - Vehicle/Insurance Fees	180,803	181,335
1325 - Passport Fees and Photographs	315,117	215,528
1485 - Quarantine Fees	44,230	49,990
1490 - Court Fines and Fees	855,098	1,255,855
1495 - Service Fees	27,035,253	15,631,879
1550 - Canteen Fees	500	1,850
1560 - International Settlement-Comms Traffic	0	5,437
1700 - National/District Roll Sales	3,600	0
1705 - Electoral Various Fees	193,020	0
	29,710,193	18,227,292

23. Trading Activities - Visa Revenue

Visa Fees relate to the granting of visas to foreigners entering Nauru on either business or as visitors, as well as, for refugees and workers at the Regional Processing Centre (RPC)

1330 - Visa Check up	8,621	14,674
1335 - Visa Fees - Refugee Processing Centre (RPC)	840,200	1,994,431
1575 - Visa Fees (Other Business)	2,847,236	3,644,990
1580 - Visa Fees - Refugee Processing Centre (RPC) Resettlement	7,007,511	23,292,000
	10,703,568	28,946,095

GOVERNMENT OF THE REPUBLIC OF NAURU
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

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24. Trading Activities - Others

Other trading activities relate to charges associated with airport and seaport usage, as well as, sales of other goods/services.

1260 - Birth Certificate	26,410	21,960
1265 - Death Certificate	720	530
1270 - Marriage Certificate	3,050	2,390
1340 - Police Clearance	49,095	70,155
1360 - Department of Civil Aviation (D.C.A.)-Pax Levy	1,845,600	289,225
1365 - Department of Civil Aviation (D.C.A.)-Departure Taxes	1,746,500	258,800
1370 - Department of Civil Aviation (D.C.A.)-Air Navigation Fees	862,320	608,796
1375 - Department of Civil Aviation (D.C.A.)-Landing Fees	1,073,036	1,115,768
1380 - Department of Civil Aviation (D.C.A.)-Rental Fees	147,585	139,285
1400 - Port Fees	1,239,511	1,475,174
1420 - Warehouse sales	30,158	62,610
1450 - Jet A1 Sales	0	48
1480 - Bus Services	2,364	974
1500 - Sale of Maps	9,820	5,360
1520 - Food Handler Check up	6,000	4,880
1525 - PO Box Rentals	0	2,040
1530 - Philatelic Bureau Sales	0	3,049
1540 - Advertising Revenue	6,044	7,069
1555 - Spectacles, Drugs etc	880	2,655
1565 - Medical Services	4,401	3,115
	7,053,492	4,073,882

25. Other receipts

Other receipts primarily relates to reimbursables associated with the Refugee Processing Centre.

1121 - Curator fees	193,608	142,940
1475 - Miscellaneous Revenue	8,451,051	20,497,057
1577 - Department of Justice and Border Control - Operations	5,030,979	2,657,368
1578 - Department of Justice and Border Control - Reimbursable C	16,893,772	4,809,900
	30,569,410	28,107,265

26. Awards & Social Assistances

Awards and Social Assistance relates primarily to programs/projects used to support the community through housing, employment, education, welfare, logistics, etc.

2220 - Nauru Community Housing	7,032,822	5,560,805
2235 - Special Projects	0	0
2440 - Scholarships - School & Trade	1,722,026	1,603,450
2560 - Educational Expenses - Special	30,112	57,709
2625 - Family Court Expenses	3,000	4,800
2630 - Safe House	133,153	125,267
2705 - NEAT Scheme	139,695	18,020
	9,060,807	7,370,050

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	2018 / 2019	2017 / 2018
27. <u>Consultant & External Services</u>		
Consultant and external services relate to the provision of advice and technical expertise by expatriate employees/contractors or overseas businesses.		
2030 - Salaries Other contracts - Expatriate	27,650,855	29,173,313
2055 - Consultants fees	5,597,515	1,753,659
2060 - Legal Fees - External	143,552	1,049,912
2061 - Incorporation Fees	2,575	
2464 - Management Monitoring & Evaluation	2,772	0
	33,397,269	31,976,883

28. Drugs, Medical Supplies and Services

Drugs, medical supplies and services relate to the provision of hospital and medical services both in Nauru, as well as, by medical providers overseas.

2460 - Medical Expenses	11,846	5,263
2461 - Primary Health Care Services	53,419	88,692
2462 - NCD Control & Health Promotion	0	31,495
2463 - Environmental Health and Food safety	70,085	83,857
2467 - Drugs and Medicines	800,000	754,513
2468 - Dental Supplies	69,417	10,440
2469 - Dialysis Supplies	120,884	219,481
2471 - Medical Consumable	699,050	313,656
2472 - Laboratory supplies	421,500	184,465
2473 - Radiology Supplies	19,996	15,630
2474 - Clinical Education Supplies	19,266	1,698
2475 - Overseas Medical Treatment	5,032,058	5,472,574
2480 - Medical Equipment	311,260	112,451
	7,628,779	7,294,214

29. Rental Expense

Rental expenses relate to the costs associated with accessing infrastructure for government offices and employees to function.

2155 - House Rental	4,800,966	5,020,762
2160 - Land Rental	8,467,460	6,713,071
2165 - Office Rental	418,781	678,889
2620 - Lease & Charter	55,689	0
	13,742,896	12,412,722

30. Retirement Benefits & Social Security

Retirement benefits and social security relates to assistance provided to community members that are potentially at risk, have experienced a significant family event, or previously made a contribution to society in a public role.

2390 - Social Welfare - Birth Claims	33,000	28,500
2395 - Social Welfare - Death Claims	158,720	134,000
2400 - Social Services - Aged Pensions	2,076,110	1,989,510
2405 - Social Services - Super Contributors	84,632	103,951
2410 - Social Services - Super Ex MP's	956,590	116,857
2420 - Social Services - Disability Payments	835,370	826,880
	4,144,422	3,199,698

31. Travel & local transportation

Travel and local transport relates to land transport (including vehicle rental) in Nauru, as well as, flights, accommodation and allowances while travelling overseas.

2575 - Local Transport	954,089	1,451,765
2075 - Travel - Business	4,831,148	4,479,515
	5,785,236	5,931,281

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	2018 / 2019	2017 / 2018
32. <u>Wages, Salaries and Employee Benefits</u>		
Wages, salaries and employee benefits are local employee costs associated with operating the government's public service.		
2005 - Salaries & Allowances - (MP's)	996,228	1,008,281
2010 - HE Salary & Allowances	100,032	96,984
2015 - Salary - Local	20,201,478	15,005,059
2020 - Salary Expatriate	8,693,415	7,869,585
2025 - Allowances - Staff Contract	1,720,345	1,893,079
2026 - Directors Fees	14,070	22,965
2035 - Overtime - local	800,341	566,031
1405 - Overtime Recoveries	0	(1,600)
2040 - Staff Training	841,050	676,862
2045 - Recruitment	30,991	125,411
2050 - Uniforms & Protective Clothing	279,605	175,054
2070 - Travel - Staff	530,390	510,848
2072 - Meals & Drinks - Staff	88,126	0
	34,296,070	27,948,559
33. <u>Purchase/construction of plant and equipment</u>		
Property, plant and equipment purchase/construction relates to expenditure incurred for the acquisition of new assets by government.		
2495 - Plant & Equipment Purchases	2,496,218	2,245,952
2496 - Building and Structures	5,089,495	3,007,925
2580 - Public Works	1,581,655	2,595,607
	9,167,368	7,849,484
34. <u>Repair & Maintenance Expenses</u>		
Repair and maintenance expenses relates to expenditure incurred for the repair, servicing and maintenance of existing government assets.		
2185 - R&M - Buildings	1,545,772	2,712,214
2190 - R&M - Office Equipment	70,692	102,497
2191 - R&M Medical Equipment	82,841	108,385
2195 - R&M - Office Premises	55,543	93,951
2200 - R&M - Motor Vehicles	341,752	378,034
2205 - R&M - Plant	196,055	335,730
2210 - R&M - Aerodrome	118,581	76,825
	2,411,235	3,807,636
35. <u>Payment of Government Debts, Donations and Subsidies</u>		
GoN provides funds to State Owned Enterprises and external parties in the form of subsidies and donations.		
2545 - Debt Repayments - Other	3,594,619	3,130,000
2615 - Other Subsidies & Donations	2,983,208	3,750,921
2616 - Subsidies to SOEs	10,454,435	0
2617 - Donations - Local	590,337	0
2651 - GoN Contributions	2,127,670	7,040,287
2652 - Fiscal Cash Buffer	0	4,600,000
2680 - BoN Liquidation - Payment	826,335	199,430
2801 - Exim Loan Equip	7,033,155	0
2802 - Loan Expenditure Account	500,000	0
	28,109,758	18,720,638
36. <u>Equity Purchases</u>		
Purchases of equity in Nauruan corporation (Nauru Airlines) and foreign enterprise (Deepgreen Metals)		
2376 - Equity Purchases	9,043,724	0

(Rounded to nearest dollar - AUD - \$)

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37. Intergenerational Trust fund

The NITF was established in November 2015. A Memorandum
2650 - Trust Fund

14,632,309

14,796,874

38. Subsidies/Debt Repayments to State Owned Entities

The Government of Nauru does not consolidate accounts

Nauru Utilities Corporation	1,457,864	2,058,337
Nauru Rehabilitation Corporation		
Republic of Nauru Phosphate Corporation	3,978,988	2,500,000
Nauru Phosphate Royalties Trust		
Port Authority of Nauru		
Eigigu Holdings Corporation	5,301,882	5,114,869
Eigigu Solutions Corporation	2,000,000	
Nauru Air Corporation		
	12,738,734	9,673,206

39. Membership Fees and Subscriptions

Commonwealth Parliamentary Association (CPA)	26,747	26,289
Food and Agriculture Organisation of the United Nations (FAO)	21,376	-
Pacific Islands Development Forum (PIDF)	27,416	75,981
Organisation for Economic Cooperation and Development (OECD)	31,886	42,720
International Monetary Fund (IMF)	-	111,607
Secretariat of the Pacific Regional Environment Programme (SPREP)	-	16,197
International Union for Conservation of Nature (IUCN)	-	76,901
Forum Fisheries Agency (FFA)	56,948	43,825
Western and Central Pacific Fisheries Commission (WCPFC)	89,513	38,022
Asia/Pacific Group on Money Laundering (APG)	11,120	10,572
Commonwealth of Learning (COL)	6,732	-
University of South Pacific (USP)	64,963	-
United Nations Education, Scientific & Cultural Organisation (UNESCO)	8,214	-
Pacific Islands Forum Secretariat (PIFS)	45,102	51,818
World Health Organisation (WHO)	19,323	-
International Criminal Court (ICC)	7,980	-
UNDP - Government Contributions towards Local Office Costs	-	68,160
Commonwealth Secretariat	-	57,357
Commonwealth Youth Programme (CYP)	-	10,783
Pacific Community (SPC)	141,146	72,610
Comprehensive Nuclear-Test-Ban Treaty Organisation (CTBT)	-	-
International Whaling Commission (IWC)	-	22,053
United Nations General Fund (UN)	38,959	65,735
Pacific Aviation Safety Office (PASO)	-	8,925
Central Pacific Shipping Commission (CPSC)	8,081	12,466
International Maritime Organisation (IMO)	15,345	-
Asia Pacific Telecommunity	6,923	-
Other Memberships/Subscriptions	129,335	165,095
	757,110	977,116

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40. Development Partner Balances

Donors	Bank Balance 1 July 2018	Project Income (Bank)	Project Expenditure (FMIS)	FMIS Bank Balance 30 June 2019	Reimbursement Variance (incl Bank Fees)	Bank Balance 30 June 2019
01 - Taiwan	19,972	412,371	58,125	374,218	(1,894)	376,112
02 - AusAID	8,536,022.61	4,393,969	5,605,057	7,324,935	418,438	6,906,497
03 - NZAID	1,837,038	1,297,200	498,676	2,635,562	(274,699)	2,910,260
05 - SPC-NCD	126,356	19,934	3,244	143,046	6,609	136,437
06 - UNDP	121,301	286,140	277,781	129,659	(25,393)	155,052
07 - EU Development	91,696	913,277	962,442	42,531	(6,833)	49,365
10 - Japan	16,348	352,267	372,967	(4,352)	(352,267)	347,915
12 - Italy	89,052	0	60,769	28,283	0	28,283
17 - Russia	(2,151)	0	685	(2,836)	(685)	(2,151)
22 - Canada	18,865	38,786	12,640	45,010	0	45,010
23 - Forum Secretariat	0		2,200	(2,200)	(2,200)	0
24 - GEF	82,110	8,383	135,913	(45,419)	(2,240)	(43,179)
25 - Global Funds (HIV/STI)	0	0	15,787	(15,787)	1,154	(16,941)
28 - UNESCO	46,270	0	0	46,270	0	46,270
29 - UNFAO	4,614	1,123	2,995	2,741	0	2,741
33 - UNICEF	(3)	16,775	10,530	6,242	0	6,242
34 - Other UN	294,696	130,238	57,941	366,993	(6,990)	373,983
37 - WHO Projects	262,504	9,755	6,707	265,551	(1,155)	266,707
38 - Regional Fisheries Marine	12,210	0	10,461	1,749	0	1,749
40 - India	(308,682)	0	0	(308,682)	0	(308,682)
41 - UNESCAP	29,287	0	0	29,287	0	29,287
Japan - Non-Project Grant Ai	476,186	341,852	0	818,038	0	818,038
Wrongly Withdrawn Dev Fun	(326,797)	21,340	0	(305,457)	136,868	(442,325)
	11,426,895	8,243,410	8,094,920	11,575,384	(111,286)	11,686,670

APPENDICES

Detail of the Treasury Fund is provided as a separate appendix in excel