



SPREP

Secretariat of the Pacific Regional
Environment Programme

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2023**



Secretariat of the Pacific Regional Environment Programme (SPREP)
Financial Statements
For the year ended 31 December 2023

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Secretariat of the Pacific Regional Environment Programme (SPREP)

Executive Management's Report

For the year ended 31 December 2023

The Executive Management present the annual report together with the financial statements of Secretariat of the Pacific Regional Environment Programme ("SPREP" or "the Secretariat") for the year ended 31 December 2023 and independent auditors' report as set out on the following pages thereon in accordance with the Secretariat's Financial Regulations.

Executive Management:

The Executive Management in office as at the date of this report are:

- Sefanaia Nawadra – Director General
- Easter Chu Shing – Deputy Director General
- Tagaloa Cooper – Director Climate Change Resilience
- Stuart Chape – Director, Island & Ocean Ecosystems
- Anthony Talouli – Director, Waster Management and Pollution Control
- Jope Davetanivalu – Director, Environmental Monitoring & Governance
- Clark Peteru – Legal Counsel
- Simeamativa Vaai – Director Human Resource
- Petra Chan Tung – Director Finance & Administration

Principal Activity:

The principal activity of SPREP is to promote co-operation in the Pacific region and to provide assistance in order to protect and improve its environment and to ensure sustainable development for present and future generations.

Operating Results:

We are pleased to present the following operating results of the Secretariat for the financial year as at 31 December 2023:

- During the year the Secretariat expended US\$5.4 million dollars compared to expenditure of US\$5.8 million in 2022.
- The net surplus for the period was US\$1.26 million compared to the net surplus of US\$26,261 in 2022.
- Foreign exchange exposure continues to be controlled and minimized within tolerable limits relative to transactions during the year, noting at year end a foreign exchange loss of \$34,789 compared to a loss of \$29,386 in 2022.
- Management recognizes that while reserves have significantly improved in 2023 based on financial performance results, there is still a need to maintain sustainability of funding in the long run with a view to strengthening the financial structure for SPREP and thus maintaining adequate reserve funds over time to ensure a solid financial position for the Secretariat in the long term.
- The challenge remains for the Secretariat to ensure a collective effort by Members and Executive Management to support the long-term financial sustainability & resourcing for SPREP and thus a strong reserves position.

Responsibility for Financial Reporting and State of Affairs

The accompanying financial statements are the responsibility of management. The financial statements have been prepared according to International Financial Reporting Standards and include amounts based on management's best estimates and judgments.

Management has established and had been maintaining accounting and internal control systems which include clearly stated policies and procedures. These systems are designed to provide reasonable assurance that our financial records are reliable and form a proper basis for the timely and accurate preparation of financial statements, and that our assets are properly safeguarded.



Secretariat of the Pacific Regional Environment Programme (SPREP)
Executive Management's Report
For the year ended 31 December 2023

SPREP Members oversee management's responsibilities for financial reporting. The financial statements have been reviewed and approved by the SPREP Members on recommendation from management.

Our independent auditors KPMG Fiji, having been appointed by the SPREP Members, have audited our financial statements. The accompanying independent auditors' report outlines the scope of their examination and their opinion.

In our opinion:

- a. The accompanying statement of comprehensive income is drawn up so as to give a true and fair view of the results of the Secretariat for the year ended 31 December 2023;
- b. The accompanying statement of financial position is drawn up so as to give a true and fair view of the state of the Secretariat's affairs as at 31 December 2023;
- c. The accompanying Statement of Changes in Funds and Reserves is drawn up so as to give a true and fair view of the movement of funds and reserves of the Secretariat for the year ended 31 December 2023; and
- d. The accompanying statement of cash flows is drawn up so as to give a true and fair view of the cash flows for the Secretariat for the year ended 31 December 2023.

We are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorize the attached financial statements for issue on behalf of the Executive Management of the Secretariat.

A handwritten signature in black ink, appearing to read 'Sefanaia Nawadra'.

Sefanaia Nawadra
Director General

A handwritten signature in blue ink, appearing to read 'Easter Chu Shing'.

Easter Chu Shing
Deputy Director General

28 March 2024



Independent Auditors' Report

To the Members of the Secretariat of the Pacific Regional Environment Programme

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Secretariat of the Pacific Regional Environment Programme (the Secretariat or SPREP), which comprise the statement of financial position as at 31 December 2023, the core fund statement of comprehensive income, the statement of changes in funds and reserves and statement of cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the financial statements give a true and fair view of the financial position of the Secretariat as at 31 December 2023, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

Basis for Opinion

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

Other Matter

The financial statements of the Secretariat as at and for the year ended 31 December 2022 were audited by another auditor who expressed an unmodified opinion on those statements on 29 March 2023.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Executive Management's Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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



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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Report on Other Legal and Regulatory Requirements

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

In our opinion proper books of account have been kept by the Secretariat, sufficient to enable financial statements to be prepared, so far as it appears from our examination of those books.



Suva, Fiji
28 March 2024



Secretariat of the Pacific Regional Environment Programme (SPREP)
Core Fund Statement of Comprehensive Income
For the year ended 31 December 2023

	Notes	2023 \$	2022 \$
Income			
Member contributions	5	1,190,245	1,190,195
Programme management charges	18 (b)	2,402,591	1,797,631
Other donor fund income	6	2,570,374	2,294,333
Amortisation of deferred income - property and equipment	8	239,474	239,474
Other income	7	188,851	228,777
Total income		<u>6,591,535</u>	<u>5,750,410</u>
Expenses			
Advertisements		11,678	8,058
Consultancies		86,410	867,140
Depreciation	11/13	274,905	309,554
Electricity & Water		55,104	59,682
Freight and Postal Expenses		272	250
Impairment (Reversal) / Expense		(23,397)	56,574
Insurance		345,551	269,131
Printing, Stationery and Office Supplies		131,885	88,226
Professional Services		106,890	169,329
Program Support Costs		119,391	104,091
Repairs & Maintenance		43,794	30,841
Remuneration Costs		3,503,198	3,150,217
Superannuation expense		343,883	312,630
SPREP Meeting		103,099	12,417
Telephone and Internet		47,879	58,341
Travel		79,420	66,731
Workshops & Trainings		70,084	28,626
Other Expenses		139,910	181,269
Total expenses		<u>5,439,956</u>	<u>5,773,107</u>
Surplus/(Deficit) before net finance costs and foreign exchange		1,151,579	(22,697)
Net finance income	10	143,509	78,344
Foreign exchange loss		(34,789)	(29,386)
Net Surplus /(Deficit)		<u>1,260,299</u>	<u>26,261</u>

The accompanying notes form an integral part of the above financial statement.



Secretariat of the Pacific Regional Environment Programme (SPREP)
Statement of Financial Position
As at 31 December 2023

	Notes	2023 \$	2022 \$
ASSETS			
Non-current assets			
Property and equipment	13	9,640,657	9,888,472
Total non-current assets		9,640,657	9,888,472
Current assets			
Cash and cash equivalents	14	42,419,270	46,373,144
Receivables and prepayments	15	189,067	275,711
Total current assets		42,608,337	46,648,855
TOTAL ASSETS		52,248,994	56,537,327
RESERVES AND LIABILITIES			
Reserves			
Core funds		2,304,271	1,043,972
Total reserves		2,304,271	1,043,972
Non-Current Liabilities			
Employee benefits	16	304,202	360,395
Deferrred income - property and equipment	8	9,201,586	9,441,060
Total non-current liabilities		9,505,788	9,801,455
Current Liabilities			
Programme/donor funds	18 (b)	31,948,960	35,755,187
Payables and accruals	17	1,282,196	927,649
Employee entitlements	16	1,056,723	822,486
Deferrred income - property and equipment	8	239,474	239,474
Income received in advance	9	5,911,582	7,947,104
Total current liabilities		40,438,935	45,691,900
TOTAL RESERVES AND LIABILITIES		52,248,994	56,537,327

Signed on behalf of the SPREP Members

Sefanaia Nawadra
Director General

Easter Chu Shing
Deputy Director General

The accompanying notes form an integral part of the above financial statement.



Secretariat of the Pacific Regional Environment Programme (SPREP)
Statement of Changes in Funds and Reserves
For the year ended 31 December 2023

	Core Fund	Total
	\$	\$
Balance at 1st January 2022	<u>1,017,711</u>	<u>1,017,711</u>
Net Surplus for the year	26,261	26,261
Balance at 31st December 2022	<u>1,043,972</u>	<u>1,043,972</u>
Balance at 1st January 2023	1,043,972	1,043,972
Net Surplus for the year	<u>1,260,299</u>	<u>1,260,299</u>
Balance at 31 December 2023	<u>2,304,271</u>	<u>2,304,271</u>

The accompanying notes form an integral part of the above financial statement.



Secretariat of the Pacific Regional Environment Programme (SPREP)
Statement of Cash Flows
For the year ended 31 December 2023

		2023	2022
		\$	\$
Cash flows from operating activities	Notes		
Member contributions		1,202,564	1,220,190
Interest received		175,171	17,743
Core donor funds received	6	2,570,374	2,294,333
Other receipts		213,396	202,883
Personnel costs - Corporate Services		(3,666,640)	(3,482,755)
Corporate Services costs		(2,886,099)	2,915,133
Programme Income/(Expenditure)		<u>(1,524,157)</u>	<u>11,177,416</u>
Net cash flows from operating activities		<u>(3,915,391)</u>	<u>14,344,943</u>
Cash flows from investing activities			
Purchase of property and equipment		(27,090)	(36,559)
Proceeds from drawdown of term deposit		7,947,104	3,124,683
New term deposit		<u>(4,561,409)</u>	<u>(7,947,104)</u>
Net cashflows for investing activities		<u>3,358,605</u>	<u>(4,858,980)</u>
Cash flows from financing activities			
Lease payments	11	-	<u>(40,565)</u>
Net cashflows for financing activities		<u>-</u>	<u>(40,565)</u>
Net change in cash held		(556,786)	9,445,398
Cash at beginning of the year		38,692,973	29,276,961
Effects of foreign exchange		<u>(34,789)</u>	<u>(29,386)</u>
Cash balance at the end of the year	14	<u>38,101,398</u>	<u>38,692,973</u>

The accompanying notes form an integral part of the above financial statement.



Secretariat of the Pacific Regional Environment Programme (SPREP)
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

1. General information

The Secretariat of the Pacific Regional Environment Programme (“SPREP” or “the Secretariat”) is an inter-governmental organization of the Pacific Region and is domiciled in Samoa.

The principal activity of SPREP is to promote co-operation in the Pacific Region and to provide assistance in order to protect and improve its environment and to ensure sustainable development for future generations.

These financial statements were authorized for issue by the Director General of SPREP on 28 March, 2024.

2. Statement of material accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

a. Statement of compliance

These financial statements have been prepared in accordance with the requirements of the SPREP Financial Regulations which requires the adoption of International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) in preparing its financial statements.

b. Basis of accounting

The financial statements have been prepared on the historical cost basis unless otherwise stated. The principal accounting policies are stated to assist in a general understanding of these financial statements.

Standards issued but not yet effective

A number of new standards are effective for annual periods beginning after 1 January 2023 and earlier application is permitted; however, the Secretariat has not early adopted the new or amended standards in preparing these financial statements. The following new and amended standards are not expected to have a significant impact on the Secretariat’s financial statements.

- Classification of Liabilities as Current or Non-current (Amendments to IAS 1).
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)
- Definition of Definition of Accounting Estimates (IAS 8)
- Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statements 2
- Insurance contract (IFRS 17)

c. Functional and presentation currency

Items included in the financial statements of the Secretariat are presented using the currency as mandated by the SPREP Financial Regulations (“the functional currency”). The functional currency is the United States dollar.

d. Foreign currency transactions

Transactions in foreign currencies are translated to functional currency at exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to the functional currency at the exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities that are measured in terms of fair value in a foreign currency are translated at the exchange rate when the fair value was determined. Exchange differences on monetary items are recognized in the profit or loss.

2. Statement of material accounting policies (cont'd)

e. Property Plant and equipment

Items of property plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the assets.

Depreciation is charged to the profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property and equipment. The periods at which depreciation is charged are as follows:

- | | |
|---------------------------|---------------|
| • Buildings | 50 years |
| • Equipment and Furniture | 5 to 10 years |
| • Motor vehicles | 5 years |
| • Computer Equipment | 3 to 5 years |

The residual value is reassessed annually. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within other (losses)/gains – net, in the profit or loss.

f. Intangible assets

Computer software

The computer software was purchased as part of a system upgrade and was under development up to December 2014. This software is assessed as having a finite life and amortised at 20% over the estimated useful life.

g. Financial instruments

Recognition and initial measurement

All financial assets and financial liabilities are initially recognised when the Secretariat becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Secretariat changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2. Statement of material accounting policies (cont'd)

g. Financial instruments (cont'd)

Financial assets: Business model assessment

The Secretariat makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Secretariat's continuing recognition of the assets.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

In assessing whether the contractual cash flows are solely payments of principal and interest, the Secretariat considers the contractual terms of the instrument.

This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Secretariat considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Secretariat's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract.

Financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The gross carrying cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVPTL. A financial liability is classified as at FVPTL if it's classified as held for trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVPTL are measured at fair value and net gains or losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gain and losses are recognized in profit and loss. Any gain or loss on derecognition is also derecognized in profit or loss.

Derecognition

Financial assets

The Secretariat derecognizes a financial asset when its contractual rights to the cash flow from financial assets expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of financial assets are transferred or in which the Secretariat neither transfers nor returns substantively all of the risks and rewards of ownership and it does not retain control of the financial asset.

2. Statement of material accounting policies (cont'd)

g. Financial instruments (cont'd)

Derecognition

Financial assets (cont'd)

The Secretariat enters into transactions whereby it transfers assets recognized in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not recognized.

Financial liabilities

The Secretariat derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Secretariat also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when the Secretariat currently has legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

h. Impairment

Financial instruments and contract assets

The Secretariat recognises loss allowances for ECLs on:

- financial assets measured at amortised cost; and
- contract assets (as defined in IFRS 15).

The Secretariat measures loss allowances at an amount equal to lifetime ECL, except for the following, which are measured as 12-month ECL:

- Secretariat balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Secretariat considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Secretariat's historical experience and informed credit assessment and including forward-looking information.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

2. Statement of material accounting policies (cont'd)

h. Impairment (cont'd)

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Secretariat is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Secretariat expects to receive)

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Secretariat assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- the restructuring of a loan or advance by the Secretariat on terms that the Secretariat would not consider otherwise; or
- it is probable that the debtor will enter bankruptcy or other financial reorganisation.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position as financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off to the extent that there is no realistic prospect of recovery. This is generally the case when the Secretariat determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Secretariat's procedures for recovery of amounts due.

2. Statement of material accounting policies (cont'd)

i. Funds and reserves

Core Fund – represents the sum total of the accumulated results arising from core activities and is assigned for unforeseen circumstances or emergencies.

j. Income

Income primarily comprises the fair value of the member's contributions and donor or programme funds received or receivable.

Member contributions

Members' contributions are accrued as receivables.

Donor-funded assets

Donor funds whose primary condition is that the Secretariat should purchase, construct or otherwise acquire non-current assets are recognized as deferred income in the balance sheet (or statement of financial position) and transferred to the income statement on a systematic basis over the useful lives of the related assets.

Programme management charges

Programme management charges are levied at an agreed percentage on Programme funds expended during the year. These charges are recognized on an accrual basis in the period to which the management services relate.

Other forms of revenue include:

Interest revenue

Interest revenue is recognized in the income statement as it accrues, using the effective interest rate method.

Rental income

Rental income is recognized on a straight line basis over the term of the rental agreement.

k. Employee benefits

Short-term benefits

Short term benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

For local employees, the Secretariat contributes towards the Samoa National Provident Fund, a defined contribution plan in accordance with local legislation and to which it has no commitment beyond the payment of contribution. Obligations for contributions to the defined contribution plan are recognized in the profit or loss as soon as a present legal or construction obligation exists.

Liabilities for annual leave are accrued and recognized in the statement of financial position. Annual leave is recorded at present value to the extent that an employee is not expected to utilise their leave balance with 12 months of reporting date.

2. Statement of material accounting policies (cont'd)

k. Employee benefits (cont'd)

Long-term benefits

On resignation or cessation of service other than by misconduct, an expatriate employee is entitled to repatriation costs and the calculated liability is discounted and measured at present value.

l. Net finance income

Net finance income comprises interest income on Secretariat term deposits and finance costs such as Secretariat charges and Secretariat overdraft fees that are recognized in the profit or loss.

m. Leases

At inception of a contract, the Secretariat assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Secretariat assesses whether:

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Secretariat has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Secretariat has the right to direct the use of the asset. The Secretariat has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Secretariat has the right to direct the use of the asset if either:
 - the Secretariat has the right to operate the asset; or
 - the Secretariat designed the asset in a way that predetermines how and for what purpose it will be used

At commencement or on modification of a contract that contains a lease component, the Secretariat allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

i. As a lessee

The Secretariat recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

2. Statement of material accounting policies (cont'd)

m. Leases (cont'd)

i. As a lessee (cont'd)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Secretariat's incremental borrowing rate. Generally, the Secretariat uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date; and
- The exercise price under a purchase option that the Secretariat is reasonably certain to exercise, lease payments in an optional renewal period if the Secretariat is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Secretariat is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Secretariat's estimate of the amount expected to be payable under a residual value guarantee, or if the Secretariat changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the income statement if the carrying amount of the right-of-use asset has been reduced to zero.

The Secretariat presents right-of-use assets and lease liabilities as separate line items in the statement of financial position.

Short-term leases and leases of low-value assets

The Secretariat has elected not to recognise right-of-use assets and lease liabilities for short-term leases of space that have a lease term of 12 months or less and leases of low-value assets. The Secretariat recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3. Financial risk management

The Secretariat's objective is to generate positive reserves to ensure the organisation's future sustainability. Management seeks to do this through the continued drive for member and donor contributions, as well as cost control.

The Secretariat's Senior Leadership Team (SLT) has overall responsibility for the establishment and oversight of SPREP's risk management framework. The SLT has established a Risk Committee, which is responsible for developing and monitoring the Secretariat's risk management policies. The committee reports regularly to the SLT on its activities.

a. Financial risk factors

The Secretariat's principal financial instruments comprise cash and term deposits. The main purpose of these financial instruments is to provide finance for the Secretariat's operations. As a result of the Secretariat's operations and sources of finance, it is exposed to exchange rate and credit risk.

Details of the material accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset and financial liability are disclosed in Note 2 to the financial statements.

Foreign currency risk

Foreign currency risk is the risk of loss from changes in the exchange rates against the US dollar which is the functional currency of the Secretariat. The Secretariat receives funding from various member countries and donors in foreign currency. In addition, the Secretariat sometimes transacts in currencies other than the \$US dollar. This exposes the Secretariat to foreign currency risk. In order to reduce the exposure to foreign currency risks, the Secretariat operates various foreign currency Secretariat accounts (such as Australia, New Zealand and Samoa dollar accounts) and transacts where required in these currencies.

The Secretariat's exposure to foreign currency risk was as follows based on notional amounts:

	2023			2022		
	AUD	NZD	WST	AUD	NZD	WST
Cash and cash equivalents	-	6,546	81,686		3,785	93,439
Receivables	-	-	-	-	-	5,788
Payables	(11,722)	(19,721)	(78,102)	(20,943)	(42,444)	(6,257)
Net statement of financial position exposure	(11,722)	(13,175)	3,584	(20,943)	(38,659)	92,970

The following significant exchange rates applied at the reporting date:

	2023	2022
	\$	\$
AUD	0.5418	0.5454
NZD	0.5865	0.5841
WST	0.3704	0.3701

3. Financial risk management (cont'd)

Sensitivity analysis

A 10 percent strengthening/weakening of the foreign currency against the US dollar at 31 December 2023 and 31 December 2022 would have affected core fund reserves and income by the amounts shown below. The analysis assumes that all other variables, in particular interest rates remain constant.

	Effect on Equity & Income	
	2023	2022
	\$	\$
AUD – Income and Core Fund reserve +10%	(1,172)	1,421
AUD – Income and Core Fund reserve -10%	1,172	(1,421)
NZD – Income and Core Fund reserve +10%	(1,317)	2,929
NZD – Income and Core Fund reserve -10%	1,317	(2,929)
WST – Income and Core Fund reserve +10%	358	3,904
WST – Income and Core Fund reserve -10%	(358)	(3,904)

The Secretariat does not manage foreign exchange risk by the use of foreign currency hedges or forward rate agreements due to the limited availability of these products in its primary economic environment.

Credit risk

Credit risk is the potential risk for loss arising from failure of Members to meet their agreed contributions or other counter-party to a financial instrument fails to meet its contractual obligations. The risk in relation to Members contributions is not considered significant because the Secretariat's policy is to only accrue Members contributions where there is objective evidence that there is an insignificant risk of counterparty default. The Secretariat's receivable balances are monitored on an ongoing basis in order to reduce any exposure to bad debts.

Financial instruments that potentially subject the Secretariat to concentrations of credit risk consist principally of cash at Secretariat and Secretariat term deposits.

The Secretariat places its cash and Secretariat term deposits with high credit quality financial institutions and limits the amount of credit exposure to any one financial institution in accordance with its Executive approved cash management policy.

The carrying amount of financial assets recorded in the financial statements, which is net of any impairment losses, represents the Secretariat's maximum exposure to credit risk.

Liquidity risk

Liquidity risk is the risk that the Secretariat will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by cash or another financial asset.

Financial instruments that potentially subject the Secretariat to concentrations of liquidity risk consist of payables.

The Secretariat places its cash and Secretariat term deposits with high credit quality financial institutions and monitors its cash flow requirements in accordance with its Executive approved cash management policy.

The carrying amount of financial assets recorded in the financial statements, which is net of any impairment losses, represents the Secretariat's maximum exposure to credit risk.

b. Fair value estimation

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or in its absence, the most advantageous market to which the Secretariat has access at that date. The fair value of a liability reflects its non-performance risk.

The carrying value of financial and non-financial assets and liabilities approximate fair value.

4. Critical accounting estimates and judgements

Preparing financial statements to conform to IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions have been based on historical experience and other factors that are believed to be reasonable under the circumstances. These estimates and assumptions have formed the basis for making judgments about the carrying values of assets and liabilities, where these are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are regularly reviewed. Any change to estimates is recognized in the year if the change affects only that year, or into future years if it also affects future years. In the process of applying the Secretariat's accounting policies, management has made the following judgments, estimates and assumptions that have had the most significant impact on the amounts recognized in these financial statements. The financial statements are affected by estimates and judgments in:

- Note 2e property and equipment;
- Note 2g financial instruments
- Note 2k employee benefits (long term benefits)

Fair value measurement

A number of assets and liabilities included in SPREP's financial statements require measurement at, and/or disclosure of, fair value. The fair value measurement of SPREP's financial and non-financial assets and liabilities recognize market observable inputs and data as far as possible. Inputs used in determining fair value measurements are recognized into different levels based on how observable the inputs used in the valuation technique recognized are (the 'fair value hierarchy'):

- Level 1: Quoted prices in active markets for identical items (unadjusted)
- Level 2: Observable direct or indirect inputs other than Level 1 inputs
- Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognized in the period they occur.

5. Member contributions

Details of member contributions are specified as follows:

	2023	2022
	\$	\$
American Samoa	10,184	10,184
Australia	222,127	222,127
Cook Islands	10,184	10,184
Federated State of Micronesia	10,184	10,184
Fiji	20,360	20,360
France	140,923	140,903
French Polynesia	22,396	22,396
Guam	20,360	20,360
Kiribati	10,184	10,184
Marshall Islands	10,184	10,184
Nauru	10,184	10,184
New Caledonia	24,432	24,432
New Zealand	161,042	161,042
Niue	10,184	10,184
Northern Marianas	10,184	10,184
Palau	10,184	10,184
Papua New Guinea	24,432	24,432
Samoa	24,432	24,432
Solomon Islands	20,360	20,360
Tokelau	10,184	10,184
Tonga	10,184	10,184
Tuvalu	12,221	12,221
United Kingdom	134,202	134,202
United States of America	200,000	200,000
Vanuatu	20,360	20,360
Wallis & Futuna Islands	10,214	10,184
Samoa Host Country Contribution	20,360	20,360
Total	1,190,245	1,190,195

6. Other donor fund income

Funds received from aid agencies under additional extra budgetary work programmes are usually for specified purposes and administered by the executive management and corporate support. For 2023 funds received were mainly from Australia's Department of Foreign Affairs and Trade (DFAT), China, NZAid, UNEP and other partnership agreements. The total other income from donor funds for 2023 is \$2,570,374 (2022 \$2,294,333).

7. Other income

Details of other income are specified as follows:

	2023	2022
	\$	\$
Venue hire/conferences & short term office rent	117,138	172,864
Travel and other recoveries	70,659	55,551
Miscellaneous	1,054	362
Total other income	<u>188,851</u>	<u>228,777</u>

8. Deferred income liability – property plant and equipment

Deferred income relates to the following buildings and office equipment and furniture funded by donors for SPREP's activities:–

- i) SPREP Complex funded by Donor Governments;
- ii) Training and Education Centre (TEC) funded by Japan;
- iii) Information Resource Centre funded by the European Union and;
- iv) The Pacific Centre for Climate Change building funded by JICA.

The deferred income liability is amortised to income over 50 years for buildings and 10 years for office equipment and furniture which are the same rates at which the assets are depreciated.

	2023	2022
	\$	\$
SPREP Complex funded by donor Governments	1,822,798	1,822,798
Training and education centre project by Japan	2,330,266	2,330,266
Information and research centre by European Union	350,000	350,000
Pacific Climate Change Centre (PCCC) by JICA	7,866,177	7,866,177
Total cost of assets	<u>12,369,241</u>	<u>12,369,241</u>
Accumulated amortization		
Opening accumulated amortization	2,688,707	2,449,233
Amortization for current year	239,474	239,474
Closing accumulated amortization	<u>2,928,181</u>	<u>2,688,707</u>
Unamortised amount	<u><u>9,441,060</u></u>	<u><u>9,680,534</u></u>
Represented by:		
Current	239,474	239,474
Non-current	9,201,586	9,441,060
Unamortised amount	<u><u>9,441,060</u></u>	<u><u>9,680,534</u></u>

9. Income received in advance

Income received in advance of \$5,911,582 (2022:\$7,947,104) relates to advanced tranches received from Australia's Department of Foreign Affairs and Trade (DFAT).

10. Net finance income

Net finance income is specified as follows:

		2023	2022
	Note	\$	\$
Interest income on Secretariat deposits		145,759	81,568
<i>less finance costs relating to:</i>			
Interest on lease	11	-	(1,037)
Secretariat charges		(2,250)	(2,187)
Net finance income		<u>143,509</u>	<u>78,344</u>

11. Leases

Right of use assets

The Secretariat leases land and buildings. Information about leases for which the Secretariat is a lessee is presented below:

	2023	2022
Balance at 1 January		22,769
Additions	-	
Remeasurements	-	14,751
Depreciation charge for the year	-	(37,520)
Balance at 31 December	<u>-</u>	<u>-</u>

Amounts recognized in profit or loss:

	2023	2022
	\$	\$
Interest on lease liabilities	-	1,037
Variable lease payments not included in the measurement of lease liabilities	-	-
Expenses relating to short term leases	-	-
Expenses relating to leases of low value assets excluding short term leases	-	-

Amounts recognized in the statement of cash flows

Total cash outflow for leases	-	40,565
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The Secretariat ceased its leases of land and buildings for its office premises in 2022. Current outposted offices stationed at host country offices while some project teams are based in separate rental spaces.

12. Related parties

Key management personnel compensation

During the year the following persons were the management executives that were identified as key management personnel with the greatest authority for planning, directing and controlling the activities of the Secretariat:

- Mr Sefanaia Nawadra – Director General
- Ms Easter Chu Shing – Deputy Director General
- Mr Tagaloa Cooper – Director Climate Change Resilience
- Mr Stuart Chape – Director, Island & Ocean Ecosystems
- Mr Anthony Talouli – Director, Waster Management and Pollution Control
- Mr Jope Davetanivalu – Director, Environmental Monitoring & Governance
- Mr Clark Peteru – Legal Counsel
- Ms Simeamativa Vaai – Director, Human Resource
- Ms Petra Chan Tung – Director, Finance and Administration

The remuneration of key members of management during the year was as follows:

	2023	2022
	\$	\$
Salaries and short term employment benefits	<u>1,931,094</u>	<u>1,701,570</u>

13. Property and equipment

Property and equipment is specified as follows:

	Buildings	Computer equipment	Equipment & furniture	Motor vehicles	Total
Gross carrying amount					
Cost at 1st January 2022	\$ 12,094,080	\$ 182,548	\$ 616,711	\$ 69,142	\$ 12,962,481
Additions		21,363	15,196		36,559
Disposals		(6,734)	(2,730)		(9,464)
Balance at 31st December 2022	12,094,080	197,177	629,177	69,142	12,989,576
Additions	-	20,058	7,032	-	27,090
Disposals	-	-	-	-	-
Balance at 31st December 2023	12,094,080	217,235	636,209	69,142	13,016,666
Accumulated depreciation					
Balance at 1st January 2022	(2,068,281)	(149,193)	(585,124)	(35,684)	(2,838,282)
Depreciation charge for the year	(241,863)	(12,737)	(9,070)	(8,364)	(272,034) ****
Disposals		6,482	2,730		9,212
Balance at 31st December 2022	(2,310,144)	(155,448)	(591,464)	(44,048)	(3,101,104)
Depreciation charge for the year	(241,863)	(16,124)	(8,554)	(8,364)	(274,905) ****
Disposals	-	-	-	-	-
Balance at 31st December 2023	(2,552,007)	(171,572)	(600,018)	(52,412)	(3,376,009)
Net book value					
As at 1 st January 2022	10,025,799	33,355	31,587	33,458	10,124,199
As at 31st December 2022	9,783,936	41,729	37,713	25,094	9,888,472
As at 31st December 2023	9,542,073	45,663	36,191	16,730	9,640,657

**** Depreciation per the Financial Statements is made up of:

	Note	2023	2022
		\$	\$
Depreciation - Property and Equipment	13	274,905	272,034
Depreciation - Leases	11	-	37,520
Total Depreciation		274,905	309,554

14. Cash and cash equivalents

Cash and cash equivalents at the end of the financial year as shown in the cash flow statement can be reconciled to the related items in the balance sheet as follows:

	2023	2022
	\$	\$
Cash on hand	201	201
Cash at bank at demand	38,101,197	38,692,773
Total Cash and cash equivalents for the purpose of the cash flow statement	38,101,398	38,692,974
Cash at bank term deposits	4,561,409	7,947,104 ****
Provision for impairment through application of IFRS 9	(243,537)	(266,934)
Total Cash and cash equivalents	42,419,270	46,373,144

**** The Cash at bank term deposits comprises of USD\$4,561,408.80 with a maturity of 6 months expiring on 16 February 2024 at an interest rate of 3% per annum. The Term deposit is in \$US Currency.

Cash and cash equivalents balances (excluding impairment) are allocated to the following currencies in US dollars at balance to date:

	2023	2022
	\$	\$
WST denominated cash balances in US\$ currency	82,266	93,439
NZD denominated cash balances in US\$ currency	6,546	3,785
USD denominated cash balances in US\$ currency	42,573,995	46,542,853
	42,662,807	46,640,077

15. Receivables and prepayments

Receivables and prepayments are specified as follows:

	2023	2022
	\$	\$
Receivables	236,117	285,118
Provision for doubtful debts	(183,501)	(134,392)
Total Receivables	52,616	150,726
Prepayments	136,451	124,985
Total Receivables and prepayments	189,067	275,711

SPREP assesses the provision for doubtful debts at each balance date and all balances over 1 year old are provided for in full (100%). Provision for doubtful debts is based on known doubtful receivables that remain uncollectible as at balance date.

Receivables are analysed below into relevant ageing groups based on the remaining period at balance date to contractual maturity.

1 year	146,525	248,470
1 year - provision for doubtful debt	(93,909)	(97,744)
Over 1 year	89,592	36,648
Over 1 year - provision for doubtful debt	(89,592)	(36,648)
Total Receivables	52,616	150,726

16. Employee entitlements

Employee benefits are specified as follows:

	2023	2022
	\$	\$
<i>Leave Entitlement</i>		
Opening balance	681,263	674,341
Entitlements accrued during the year	325,073	62,112
Entitlements used during the year	(90,835)	(55,190)
Closing balance	<u>915,501</u>	<u>681,263</u>
<i>Repatriation entitlement</i>		
Opening balance	501,617	559,560
Additions during the year	-	-
Repatriation costs paid during the year	(56,193)	(57,943)
Closing balance	<u>445,424</u>	<u>501,617</u>
Total provision for employee entitlement	<u>1,360,925</u>	<u>1,182,881</u>

	2023	2022
	\$	\$
Current	1,056,723	822,486
Non-Current	304,202	360,395
	<u>1,360,925</u>	<u>1,182,881</u>

17. Payables and accruals

Payables and accruals are specified as follows:

	2023	2022
	\$	\$
Payables	1,055,405	703,255
Accrued salaries and others	226,791	224,394
	<u>1,282,196</u>	<u>927,649</u>

18. Donor and Programme Fund income, expenditure and liability **

a. Programme/donor fund surplus/(deficit)

	2023	2022
	\$	\$
Income		
Programme/donor fund income	33,099,544	19,369,652
Expenses		
Climate Change Resilience	15,001,693	8,991,224
Island & Ocean Ecosystems	8,925,138	4,896,456
Waste Management & Pollution Control	7,684,454	4,266,635
Environment Monitoring & Governance	1,488,259	1,215,337
Net Surplus	-	-

** A detailed movement schedule of donor income, expenditure and liability by project is contained in the Supplementary Information on page 29. A breakdown of actual expenditure by function compared to budget is contained in the Supplementary Information on page 30.

b. Movement summary schedule

	2023	2022
	\$	\$
Opening balance	35,755,187	26,238,836
Funds received during the year	34,146,890	32,873,876
Total Funds available	69,902,077	59,112,712
Less Programme Expenditure during the year	(33,099,544)	(19,369,652)
Less Other Donor Expenditure during the year	(2,450,981)	(2,190,242)
Less Programme Management charge	(2,402,591)	(1,797,631)
Closing balance	31,948,961	35,755,187

19. Contingent liabilities and capital commitments

During the year, the Secretariat received a claim for litigation against SPREP by a former consultant for an amount of approximately US\$70,000. The matter is not yet settled, the Secretariat is prepared to challenge the claim and accordingly no provision has been recorded in these financial statements.

The Secretariat is not aware of any capital commitments at balance date.

20. Events subsequent to balance date

No matters or circumstances have arisen since the end of the financial year which would require adjustment to, or disclosure in the financial statements.

21. Changes in material accounting policies

Material accounting policy information

The Company adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) 1 January 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements. The amendments require the disclosure of 'material' rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements. Management reviewed the accounting policies and determined that no updates to the information disclosed in Note 2 Statement of material accounting policies (2023: Statement of significant accounting policies) were required.



Disclaimer

The additional financial data presented in pages 29 to 30 are in accordance with the books and records of the Secretariat of the Pacific Regional Environment Programme (SPREP), which have not been subjected to the auditing procedures applied in our audit for SPREP year ended 31 December 2023. It should be appreciated that our audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on this financial data and no warranty of accuracy or reliability is given.

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



KPMG

Suva, Fiji
28 March 2024

Donor and programme fund liability - Detailed movement schedule

DONOR/PROGRAMME	Balance	Actual Funds	Total Funds	Prog.	Total	Other	Balance
	1/01/2023	Received	Available	Support	Expenses	Adjs	31/12/23
Adaptation Fund	2,791,227	-	2,791,227	-	(1,122,571)	-	1,668,656
Australian Bureau of Meteorology	20,827	426,072	446,899	(63,499)	(507,369)	-	(123,969)
Govt. of Aust. Extra Budget	735,746	2,636,872	3,372,618	(370,724)	(2,494,867)	(12,257)	494,770
Govt. of Aust. Extra Extra Budget	1,450,892	4,863,195	6,314,087	(522,072)	(3,320,881)	(5,598)	2,465,536
British High Commission	3,291	-	3,291	-	-	-	3,291
Climate Analytics	(10,176)	-	(10,176)	-	-	-	(10,176)
Commonwealth Secretariat	11,175	-	11,175	-	-	-	11,175
Commonwealth Scientific and Industrial Research Organisation	97,227	-	97,227	-	(63,685)	-	33,542
Conservation International	(7,044)	-	(7,044)	-	-	-	(7,044)
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH	(32,020)	403,109	371,089	2,468	(53,164)	(599)	319,794
European Union	16,870,842	8,276,992	25,147,834	(580,907)	(10,633,654)	10,748	13,944,021
Food and Agriculture Organisation	18,655	-	18,655	-	-	-	18,655
Global Climate Fund	5,270,522	4,994,134	10,264,656	(120,803)	(4,283,124)	-	5,860,729
Government of Canada	9,254	-	9,254	-	-	-	9,254
Government of France	427,359	2,470,964	2,898,323	(145,324)	(1,575,103)	-	1,177,896
Government of Germany	(5,892)	-	(5,892)	-	-	-	(5,892)
Government of Japan	77,213	-	77,213	-	-	-	77,213
Government of Monaco	203,908	-	203,908	(1,725)	(10,848)	-	191,335
Government of Sweden	(25)	19,975	19,950	-	(19,975)	-	(25)
Government of Switzerland	500	-	500	-	-	-	500
Government of Wallis and Futuna	15,711	-	15,711	-	-	-	15,711
Institute of Global Environment Strategies	(4,336)	-	(4,336)	-	-	-	(4,336)
International Fund for Agriculture Development	2,641	-	2,641	-	-	-	2,641
International Maritime Organisation	43,519	190,270	233,789	(13,046)	(102,746)	-	117,997
International Unit of conservation on nature	185,275	156,895	342,170	(14,376)	(149,616)	-	178,178
Irish Aid - Department of Foreign Affairs & Trade	130,033	-	130,033	-	(29,367)	-	100,666
John D & Catherine T MacArthur Foundation	6,304	-	6,304	-	-	-	6,304
NZ Aid Extra Budget	340,509	1,133,551	1,474,060	(145,674)	(1,093,756)	6,081	240,711
NZAid Extra Extra Budget	2,208,710	5,811,456	8,020,166	(379,441)	(4,794,726)	(409)	2,845,590
PACMAS	3,527	-	3,527	-	-	-	3,527
Pacific Islands Development Cooperation Fund	24,818	-	24,818	-	-	-	24,818
Pacific Islands Forum Secretariat	290,622	-	290,622	-	(244,570)	-	46,052
Parkard Foundation	1,303	-	1,303	-	-	-	1,303
People's Republic of China	554,065	200,000	754,065	-	(385,248)	(6,000)	362,817
PEW	19,036	6,992	26,028	-	(14,846)	-	11,182
Other Funds	(92,927)	123,380	30,453	(6,759)	(959,795)	9,122	(926,979)
Ramsar Secretariat	(84,765)	-	(84,765)	-	-	-	(84,765)
Secretariat of the Pacific Community	(7,938)	182,572	174,634	(153)	(43,877)	-	130,604
The Christensen Foundation	1,146	-	1,146	-	-	-	1,146
United Kingdom Meteorology Office	569,622	149,946	719,568	(20,424)	(161,844)	-	537,300
United Nations Development Program	49,025	-	49,025	-	(80)	-	48,945
United Nations Environment Program	3,490,054	1,930,015	5,420,069	(20,132)	(3,367,724)	(1,088)	2,031,125
United Nations Institute for Training & Research	2,586	-	2,586	-	-	-	2,586
UN Educational, Scientific & Cultural Organisation (UNESCO)	642	-	642	-	-	-	642
UN Economics & Social Commission for Asia & the Pacific (UNESCAP)	3,500	-	3,500	-	-	-	3,500
UN Office of Project Services	3,029	-	3,029	-	-	-	3,029
US Fish & Wildlife	-	-	-	-	-	-	-
US Dept. of State	(20,895)	-	(20,895)	-	-	-	(20,895)
USAID	30,501	-	30,501	-	(80)	-	30,421
US National Oceanic Atmospheric Administration	6,349	-	6,349	-	(37)	-	6,312
US Western Pacific Regional Fisheries Management Council	(164)	-	(164)	-	-	-	(164)
World Meteorological Organisation	50,204	170,500	220,704	-	(116,973)	-	103,731
	35,755,187	34,146,890	69,902,077	(2,402,591)	(35,550,526)	-	31,948,960

Expenditure by function and comparison to budget

A comparison of actual expenditures versus budgeted expenditure for 2023 is as follows:

	Expenditure by function and comparison by budget			
	2023		2022	
	Actual	Budget	Actual	Budget
Climate Change				
Personnel Costs	2,508,257	2,168,788	2,139,650	1,821,565
Operating Costs	12,409,784	5,208,772	6,781,580	6,532,163
Capital Costs	83,652	642,592	69,994	35,800
	<u>15,001,693</u>	<u>8,020,152</u>	<u>8,991,224</u>	<u>8,389,528</u>
Programme Support Costs	841,308	398,799	722,890	625,088
	<u>15,843,001</u>	<u>8,418,951</u>	<u>9,714,114</u>	<u>9,014,616</u>
Island & Ocean Ecosystems				
Personnel Costs	1,879,014	2,391,836	1,726,813	1,748,360
Operating Costs	7,017,005	3,400,016	3,156,091	4,228,856
Capital Costs	29,119	4,040	13,551	4,500
	<u>8,925,138</u>	<u>5,795,892</u>	<u>4,896,455</u>	<u>5,981,716</u>
Programme Support Costs	694,841	425,789	413,155	456,237
	<u>9,619,979</u>	<u>6,221,681</u>	<u>5,309,610</u>	<u>6,437,953</u>
Waste Management & Pollution Control				
Personnel Costs	1,920,255	2,304,110	1,470,595	2,088,343
Operating Costs	5,759,458	11,218,282	2,777,746	8,249,545
Capital Costs	4,741	-	18,295	2,500
	<u>7,684,454</u>	<u>13,522,392</u>	<u>4,266,636</u>	<u>10,340,388</u>
Programme Support Costs	665,124	975,477	428,091	858,880
	<u>8,349,578</u>	<u>14,497,869</u>	<u>4,694,727</u>	<u>11,199,268</u>
Environment Monitoring & Governance				
Personnel Costs	639,455	590,984	705,272	1,237,434
Operating Costs	846,806	524,073	501,183	833,664
Capital Costs	1,998	-	8,882	-
	<u>1,488,259</u>	<u>1,115,057</u>	<u>1,215,337</u>	<u>2,071,098</u>
Programme Support Costs	81,926	89,197	129,403	202,275
	<u>1,570,185</u>	<u>1,204,254</u>	<u>1,344,740</u>	<u>2,273,373</u>
Executive Management & Corporate Services				
Personnel Costs	3,847,081	4,692,870	3,462,848	5,099,387
Operating Costs	1,190,293	1,100,181	1,847,883	1,001,021
Capital Costs	8,286	35,000	48,733	60,500
	<u>5,045,660</u>	<u>5,828,051</u>	<u>5,359,464</u>	<u>6,160,908</u>
Programme Support Costs	119,391	378,143	104,091	108,638
	<u>5,165,051</u>	<u>6,206,194</u>	<u>5,463,555</u>	<u>6,269,546</u>
Total costs (excluding Programme Support)	38,145,204	34,281,544	24,729,116	32,943,638
Total Programme Support	2,402,591	2,267,405	1,797,630	2,251,118
Grand Total	<u>40,547,795</u>	<u>36,548,949</u>	<u>26,526,746</u>	<u>35,194,756</u>