

# Financial Statements

Pacific Immigration Development Community  
For the year ended 30 June 2020

# Contents

3	Directory
4	Report of the Board
6	Statement of Income and Expenditure
7	Statement of Financial Position
8	Statement of Changes in Equity
9	Statement of Cash Flows
10	Notes to the Financial Statements
20	Board Members Declaration
21	Independent Auditor's report

# Directory

## Pacific Immigration Development Community For the year ended 30 June 2020

### Nature of Business

The primary activities of Pacific Immigration Development Community (PIDC) is to work together with its members to build and enhance quality immigration, and strengthen border management practices within the Pacific region.

### Address and Registered Office

PO Box 1881  
Level 3, DBS Building, Apia  
Samoa

### Auditor

BDO  
Chartered Accountants  
Samoa

### Banker

ANZ Bank Samoa Limited

# Report of the Board

## Pacific Immigration Development Community For the year ended 30 June 2020

The Board presents their report on Pacific Immigration Development Community at the end of, or during the financial year end 30 June 2020.

### Board Members

The following persons were members of the Board during the financial year and up to date of this report:

Kairangi Samuela (Chairperson)

Litia Saumaka (Vice Chair)

Leilani Saitala (Vice Chair)

Agafili Shem Leo (Samoa)

Rebecca White (NZ)

Erica Biddle (AUS)

Jeffrey Markson (Vanuatu)

Telesia Kaitapu (Tonga)

Uering Iteraera (Kiribati)

David Wolphagen (FSM)

### Results

The net surplus for the financial year 30 June 2020 is **\$325,831 SAT**. (2019: **\$94,907 SAT**)

### Matters subsequent to the end of the financial year

The Secretariat has conducted an assessment on the impact of COVID-19 on the business and has determined that it will not be significantly impacted at this time. The majority of the revenues are paid in advance and the Secretariat continues to monitor and ensure that critical data supply channels have effective adequate redundancy measures.

However, the full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Secretariat's financial condition, liquidity, and future results of operations. Management is actively monitoring the impact of the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Secretariat is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for the 2020 financial year.


No other matters or circumstances have arisen since 30 June 2020 that has significantly affected or may significantly affect:


- (a) the operations in future financial years, or
- (b) the results of those operations in the future financial years, or
- (c) the state of affairs in future financial years.

### Likely developments and expected results of operations

Information on likely developments and expected results of operations have not been included in this report because the Board Members believe it would result in unreasonable prejudice to the Secretariat.

This report is made in accordance with a resolution of the Board and signed:

Signed:   
Date: 1/12/20

Signed:   
Date: 01<sup>st</sup> December 2020

# Statement of Income and Expenditure

## Pacific Immigration Development Community

For the year ended 30 June 2020

	NOTES	2020	2019
<b>Income</b>			
Donor contribution - Australia	5	873,794	942,512
Donor contribution - New Zealand Immigration	6	305,551	345,713
Donor contribution - New Zealand MFAT	7	665,903	670,200
Host country support	8	86,122	86,990
Member contributions	9	106,433	95,222
Other income		1,123	-
<b>Total Income</b>		<b>2,038,926</b>	<b>2,140,637</b>
<b>Expenses</b>			
Bank fees and charges		(2,399)	(1,258)
Cleaning contracts		(1,708)	(2,152)
Communication costs		(27,620)	(20,729)
Consultant		(109,038)	(119,283)
Depreciation expense	13	(37,584)	(34,507)
Employee remuneration		(570,838)	(666,393)
Equipment leasing/rental		(8,100)	-
Event costs		(30,620)	(51,100)
General expenses	10	(1,511)	(5,435)
ICT expense		(11,316)	(6,362)
Insurance		(13,414)	(24,267)
Interpreter services		-	(1,040)
Member USP sponsoring fees		(56,369)	-
Minor equipment and furniture		(10,660)	-
Office consumables		(24,579)	(20,662)
Other professional services		(158,454)	(69,696)
Property costs		(65,829)	(66,009)
Publishing and printing		(4,699)	(9,178)
Recruitment and repatriation expenses		(28,090)	-
Travel costs		(389,796)	(867,421)
Utilities		(23,058)	(23,926)
<b>Total Expenses</b>		<b>(1,575,683)</b>	<b>(1,989,418)</b>
<b>Surplus</b>		<b>463,242</b>	<b>151,219</b>
<b>Realised exchange currency</b>			
Realised currency (losses)/gains		(137,411)	(56,312)
<b>Net Surplus</b>		<b>325,831</b>	<b>94,907</b>

# Statement of Financial Position

## Pacific Immigration Development Community

As at 30 June 2020

	NOTES	30 JUN 2020	30 JUN 2019
<b>Assets</b>			
<b>Current Assets</b>			
Cash at bank	11	1,521,281	375,737
Receivables and prepayment	12	741,662	135,268
<b>Total Current Assets</b>		<b>2,262,943</b>	<b>511,005</b>
<b>Non-Current Assets</b>			
Property and equipment	13	93,445	102,489
<b>Total Non-Current Assets</b>		<b>93,445</b>	<b>102,489</b>
<b>Total Assets</b>		<b>2,356,388</b>	<b>613,494</b>
<b>Liabilities and Equity</b>			
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Payables and other liabilities	14	151,905	387,092
Deferred income	5,7	1,652,251	-
<b>Total Current Liabilities</b>		<b>1,804,156</b>	<b>387,092</b>
<b>Total Liabilities</b>		<b>1,804,156</b>	<b>387,092</b>
<b>Contributed equity</b>			
Members contribution fund	16	169,872	169,872
General fund		382,360	56,529
<b>Total Contributed equity</b>		<b>552,232</b>	<b>226,401</b>
<b>Total Liabilities and Equity</b>		<b>2,356,388</b>	<b>613,494</b>

# Statement of Changes in Equity

Pacific Immigration Development Community

For the year ended 30 June 2020

	2020	2019
<b>Equity</b>		
Opening Balance	226,401	131,494
<b>Increases</b>		
Net surplus for the period	325,831	94,907
<b>Total Increases</b>	<b>325,831</b>	<b>94,907</b>
<b>Total Equity</b>	<b>552,232</b>	<b>226,401</b>



# Statement of Cash Flows

## Pacific Immigration Development Community For the year ended 30 June 2020

	NOTES	2020	2019
<b>Cash Flows from Operating Activities</b>			
Cash receipts from donors and members		1,329,146	2,440,981
Payments to suppliers and employees		(183,645)	(2,223,134)
Cash receipts from other operating activities		325	-
<b>Total Cash Flows from Operating Activities</b>		<b>1,145,826</b>	<b>217,847</b>
<b>Cash Flows from Financing Activities</b>			
Subs in advance		-	5,176
<b>Total Cash Flows from Financing Activities</b>		<b>-</b>	<b>5,176</b>
<b>Net Cash Flows</b>		<b>1,145,826</b>	<b>223,023</b>
<b>Cash Balances</b>			
Opening cash balance	11	375,737	152,714
Closing cash balance	11	1,521,563	375,737
Movement in cash		1,145,826	223,023

# Notes to the Financial Statements

## Pacific Immigration Development Community

For the year ended 30 June 2020

### 1. General

Pacific Immigration Development Community (Secretariat) (formerly known as Pacific Immigration Directors Conference) was incorporated in Samoa on the 10th of June, 2016 upon the signing of the Headquarters Agreement with the Government of Samoa, which subsequently received assent from the Head of State on 25th August, 2016. The Secretariat was formally established as a forum for immigration agencies from across the Pacific region. The Secretariat's principal place of business is at Level 3, Development Bank of Samoa Building and its primary activity is to work together with its members to build and enhance quality immigration and strengthen border management practices within the Pacific region. These audited financial statements for the Secretariat are for the complete 12 months from 1st July 2019 to 30th June 2020.

### 2. Statement of compliance with IFRS and going concern assumption

The financial statements of the Secretariat have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). They have been prepared under the assumption that the Secretariat operates on a going concern basis.

#### *New Standards at 1st January 2019*

##### IFRS 16 Leases

IFRS 16 'Leases' replaces IAS17 'Leases' along with three Interpretations (IFRIC 4 'Determining whether an Arrangement contains a Lease', SIC 15 'Operating Leases-Incentives' and SIC27 'Evaluating the Substance of Transactions Involving the Legal Form of a Lease').

The adoption of this new Standard will result in the Secretariat recognising a right-of-use asset and related lease liability in connection with all former operating leases except for those identified as low-value or having a remaining lease term of less than 12 months from the date of initial application.

For contracts in place at the date of initial application, the Secretariat has elected to apply the definition of a lease from IAS 17 and IFRIC 4 and has not applied IFRS 16 to arrangements that were previously not identified as lease under IAS 17 and IFRIC 4.

Instead of performing an impairment review on the right-of-use assets at the date of initial application, the Secretariat has relied on its historic assessment as to whether leases were onerous immediately before the date of initial application of IFRS 16.

The Secretariat has elected to apply the optional exemptions to not recognise right-of-use assets but to account for the lease expense for the office space.

Under Article IV of the Agreement between the Government of Samoa and the Secretariat ("Headquarters Agreement") signed on 10 June 2016, the Secretariat will enjoy a three-year rent-free period at their current premises. The Government of Samoa has advised Pacific Immigration Development Community Members and the Secretariat that as part of its ongoing support to the Secretariat, it will continue to pay for rent and utilities in perpetuity while the Secretariat remains in Samoa.

### 3. Statement of significant accounting policies

The financial statements are prepared on an accrual basis and under the historical cost convention. Historical cost is based on the fair values of the consideration given in exchange for assets.

The preparation of the financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent asset and liability at the date of the financial statements and reported amounts of revenue and expenses during the reporting period. The estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Judgements made by management in the application of IFRS that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the future periods are disclosed, where applicable, in the relevant notes to the financial statements. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

### 3.1 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the secretariat operates (the "functional currency") which is the Samoan Tala (WST). The Secretariat operates in Samoa and therefore the financial statements are presented in Samoan Tala which the Secretariat's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the transactions at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in the profit or loss. 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 transactions.

Foreign exchange gains and losses that related to borrowings and cash equivalents are presented in profit or loss together with all other foreign exchange gains and losses and are presented in profit or loss at a net amount.

### 3.2 Accounting for contributions

#### *Revenue recognition*

Contributions and grants from donors, including unconditional promise for the use of the contributions, are recognized as revenue at the earlier of when there is reasonable assurance that the contributions will be received or such contributions are received. Contributions, including conditional promise to support specified projects or activities mutually agreed upon by the Secretariat and the contributor, are fully recognized as revenue at the earlier of when there is reasonable assurance that the contributions will be received, or such contributions are received unless there is doubt that the Secretariat will not be able to use the contributions for their intended purposes, in which case the revenue is recognized only to the extent of the expenditures incurred during the year.

#### *Contributions receivable*

The Secretariat recognizes contributions receivable where there is reasonable assurance that the contributions will be received but the cash has not been received. Contributions receivable are stated at their cost net of a provision for uncollectible contributions.

#### *Deferred contribution revenue*

The Secretariat recognizes deferred contribution revenue where there is a doubt that the Secretariat will be able to use the contributions for intended purposes and any unused portion of the contribution received will need to be refunded to the contributor. The revenue recognition for such contributions is deferred to future periods in order to match the underlying related expenses. The revenue is realized in the statement of comprehensive income on a systematic basis in the period during which the underlying related expenses are incurred.

### 3.3 Financial instruments

#### *Financial assets*

#### *Recognition and derecognition*

Financial assets and financial liabilities are recognised when the Secretariat becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

#### *Classification and initial measurement of financial assets*

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value, adjusted for transaction costs (where applicable). Financial assets are classified into the amortised cost category. The classification depends on the Secretariat's business model for managing the financial assets and the contractual terms of the cash flows.

At initial recognition, the Secretariat measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset or the issuance of the financial liabilities. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Income and Expenditure.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Secretariat's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

#### *Impairment*

The Secretariat assesses on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortised cost and fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Secretariat applies the simplified approach, which requires expected lifetime losses to be recognised from the initial recognition of the receivables.

### **Financial liabilities**

#### *Classification and measurement*

The Secretariat's financial liabilities include borrowings, trade and other payables. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs. Subsequently, financial liabilities are measured at amortised cost using the effective interest method. All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

### **3.4 Finance income and finance costs**

Interest income is accrued on a timely basis, by reference to the principal outstanding and at the effective interest rate applicable.

### **3.5 Taxation**

Under the Agreement between the Government of Samoa and Pacific Immigration Development Community Secretariat ("Headquarters Agreement") signed on 10th June 2016 the Secretariat is exempt from taxes.

### **3.6 Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, term deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are disclosed as a current liability in the statement of financial position.

### **3.7 Receivables and other receivables**

All receivable balances are valued at their net realizable value, that is, the gross amount of receivable minus, if applicable, allowances provided for doubtful debts. Any receivable or portion of receivable judged to be uncollectable is written off. Write-offs of receivables are done via allowances for doubtful accounts after all efforts to collect have been exhausted.

### 3.8 Property and equipment

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

Motor vehicles	4 years - 25%
Office Furniture	10 years - 10%
Office equipment	5 years - 20%
Leasehold Improvement	3 years - 33.33%

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

### 3.9 Payables

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

### 3.10 Employee benefit obligations

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 contributions. Obligations for contributions to the defined contribution plan are recognised immediately in Statement of Income and Expenditure.

Liabilities for annual leave are accrued and recognised in the statement of financial position. Annual leave provisions are recorded at the undiscounted amount if expected to be settled within twelve months.

### 3.11 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the Secretariat.

Under Article IV of the Agreement between the Government of Samoa and the Secretariat ("Headquarters Agreement") signed on 10 June 2016, the Secretariat will enjoy a three-year rent-free period at their current premises. The Government of Samoa has advised Pacific Immigration Development Community Members and the Secretariat that as part of its ongoing support to the Secretariat, it will continue to pay for rent and utilities in perpetuity while the Secretariat remains in Samoa.

### 3.12 Reserves

General fund reserves represents the sum total of the accumulated results arising from core activities during the year and are available for use based on the policies contained in the Financial Regulations for the Secretariat.

## 4. Critical accounting estimates and judgments

The Secretariat makes certain estimates and assumptions regarding the future. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. As at year end the Secretariat has no significant critical estimates or judgments.

	2020	2019
<b>5. Donor contribution - Australia</b>		
Contributions received	1,819,331	942,512
Less deferred income	(945,537)	-
<b>Total Donor contribution - Australia</b>	<b>873,794</b>	<b>942,512</b>

The terms of funding agreement between Australian Department of Home Affairs commenced on 1 August 2019 and finishes on the 3rd of June 2020. The total funding over the 3 year cycle is WST\$2,686,350 or AUD\$1,500,000. An extra supplementary COVID Relief funding of AUD\$500,000 or WST\$895,450 was signed on 4 June 2020 to be expended for a period of two financial year ending 30 June 2022.

	2020	2019
<b>6. Donor contribution - New Zealand Immigration</b>		
Cash component	305,551	310,016
In kind component	-	35,698
<b>Total Donor contribution - New Zealand Immigration</b>	<b>305,551</b>	<b>345,713</b>

The terms of the funding agreement signed between New Zealand (Ministry Of Business, Innovation and Employment) and the Secretariat on 25 June 2019 includes \$20,000 New Zealand dollar in kind contribution. The total amount of funding was NZD\$180,000 and NZD\$20,000 in kind support (WST35,959.00) was utilized as in kind contributed as at 30 June 2019. At the time of writing this report Pacific Immigration Development Community and New Zealand Immigration has signed a 3 year multi-funding agreement on 4th September 2020 for NZD\$540,000 and NZD\$60,000 in kind funding until 30 June 2023.

	2020	2019
<b>7. Donor contribution - New Zealand MFAT</b>		
Contributions received	1,372,617	670,200
Less deferred income	(706,714)	-
<b>Total Donor contribution - New Zealand MFAT</b>	<b>665,903</b>	<b>670,200</b>

The terms of the NZD\$1.2 million grant funding agreement signed between Ministry of Foreign Affairs and Trade of New Zealand (MFAT) and the Secretariat on 27 February 2019 the arrangement date, funding finishes on 30 June 2021 and contract ends at 30 September 2021. The total funding is up to the maximum amount of NZD\$400,000 per annum equivalent to WST \$670,200 tala in which the full fund received during the financial year. The terms of the grant funding agreement state that MFAT reserves its right to claim back any over-payments of funding to the Secretariat through a set-off against any other amount that MFAT owes the Secretariat under any other arrangement or contract, or to withhold payment of the equivalent amount. If there is any amount owed by MFAT, then the Secretariat will refund to MFAT the amount paid in excess within 10 business days of MFAT's request for a refund.

	2020	2019
<b>8. Host country support</b>		
Utilities	23,058	23,926
Rent	63,064	63,064
<b>Total Host country support</b>	<b>86,122</b>	<b>86,990</b>

### Leasing commitments for the Secretariat

Under Article IV of the Agreement between the Government of Samoa and the Secretariat ("Headquarters Agreement") signed on 10 June 2016, the Secretariat will enjoy a three year rent free period at their current premises. The Government of Samoa has advised Pacific Immigration Development Community Members and the Secretariat that as part of its ongoing support to the Secretariat, it will continue to pay for rent and utilities in perpetuity while the Secretariat remains in Samoa.

	2020	2019
<b>9. Member contributions</b>		
Cook Islands	7,130	6,682
Federated States of Micronesia	3,564	3,341
Fiji	7,130	6,682
French Polynesia	8,912	8,353
Kiribati	5,347	5,012
Marshall Islands	5,347	5,012
Nauru	3,564	3,341
New Caledonia	12,477	11,694
Niue	3,564	3,341
Palau	3,565	3,341
Papua New Guinea	8,912	8,353
Samoa	8,912	8,353
Solomon Islands	7,130	6,682
Tonga	5,347	5,012
Tokelau	3,565	-
Tuvalu	3,565	3,341
Vanuatu	8,402	6,682
<b>Total Member contributions</b>	<b>106,433</b>	<b>95,222</b>

Pacific Immigration Development Community members contribution is based on 4 Tier levels. At each Regular Annual Meeting, the Members agree and set membership contribution rates at each Tier levels. The rates for the Tier level for the year ended 30 June 2020 are summarized below:

Tier Levels	NZD	WST
1	5,250	8,912
2	4,200	7,130
3	3,150	5,347
4	2,100	3,565

	2020	2019
<b>10. General expenses</b>		
Minor equip repairs and maintenance	784	2,821
Minor software purchases	128	2,374
Freight, courier and postage	150	240
External entertainment	449	-
<b>Total General expenses</b>	<b>1,511</b>	<b>5,435</b>

	2020	2019
<b>11. Cash at bank</b>		
Petty Cash Account	(282)	-
PIDC - Current Account	1,521,563	375,737
<b>Total Cash at bank</b>	<b>1,521,281</b>	<b>375,737</b>

	2020	2019
<b>12. Receivables and prepayments</b>		
Accounts Receivable	763,625	155,536
Less: Provision for doubtful debts	(29,307)	(29,264)
Add: Prepayments	7,343	8,996
<b>Total Receivables and prepayments</b>	<b>741,662</b>	<b>135,268</b>

	2020	2019
<b>Ageing for account receivables</b>		
Current and 30 days	682,141	97,128
> 180 days	81,484	58,408
<b>Total Ageing for account receivables</b>	<b>763,625</b>	<b>155,536</b>

	2020	2019
<b>13. Property and equipment</b>		
<b>Office furniture and equipment</b>		
Office furniture and equipment at cost	105,191	76,650
Accumulated depreciation on office furniture and equipment	(43,367)	(28,064)
<b>Total Office furniture and equipment</b>	<b>61,824</b>	<b>48,586</b>
<b>Leasehold improvements</b>		
Leasehold improvements	111,407	111,407
Accumulated depreciation on leasehold improvements	(79,786)	(57,504)
<b>Total Leasehold improvements</b>	<b>31,621</b>	<b>53,903</b>
<b>Total Property and equipment</b>	<b>93,445</b>	<b>102,489</b>



	2020	2019
<b>Reconciliation of property plant and equipment</b>		
<b>Reconciliation by class</b>		
<b>Office furniture and equipment</b>		
Opening net book value	48,586	60,682
Additions	28,541	-
Depreciation charge	(15,303)	(12,096)
Closing net book value	61,824	48,586
<b>Leasehold improvements</b>		
Opening net book value	53,903	76,184
Additions	-	-
Depreciation charge	(22,282)	(22,281)
Closing net book value	31,621	53,903
<b>Total Reconciliation by class</b>	<b>93,445</b>	<b>102,489</b>
	2020	2019
<b>Depreciation expense recognized in Comprehensive Income</b>		
Depreciation expense - office furniture and equipment	15,303	12,226
Depreciation expense - leasehold improvements	22,281	22,281
<b>Total depreciation expenses</b>	<b>37,584</b>	<b>34,507</b>
	2020	2019
<b>14. Payables and other liabilities</b>		
Payables and accruals	159,429	318,665
Provision for annual leaves	40,965	61,677
Subscriptions received in advance	6,750	6,750
<b>Total Payables and other liabilities</b>	<b>207,144</b>	<b>387,092</b>
	2020	2019
<b>Ageing for account payables</b>		
Current and 30 days	65,561	289,786
60 - 90 days	60,013	11,337
> 180 days	33,855	15,725
<b>Total Ageing for account payables</b>	<b>159,429</b>	<b>316,848</b>

	2020	2019
<b>15. Provision for annual leave</b>		
Opening balance	61,677	41,904
Reversals	(43,737)	(12,781)
Payments	-	-
Additions	23,025	32,554
Ending balance	40,965	61,677
	2020	2019

**16. Members contribution fund**

Members contribution fund	169,872	169,872
<b>Total Members contribution fund</b>	<b>169,872</b>	<b>169,872</b>

Members contribution fund is initial funding for the newly incorporated Secretariat on establishment in Samoa. The funding represents remaining funds from the previous administration in Fiji that was held on Pacific Immigrations Development Community's behalf by Immigration New Zealand.

	2020	2019
<b>17. Key management remuneration</b>		
Key management remuneration and benefits	475,952	602,925
Employer contributions	43,371	43,694
<b>Total Key management remuneration</b>	<b>519,323</b>	<b>646,619</b>

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Secretariat. They include the Head and Deputy Head of Secretariat and Office Manager. In implementing the work plan, the key management personnel are supported by the Research Assistant and Finance and Administrative Clerk. For the year ended 30 June 2020, there were 5 full-time employees.

	2020	2019
<b>18. Expenses by result management framework output</b>		
Center for advice, research, information-sharing and analysis on relevant immigration issues	287,381	459,749
A regional co-ordination point for immigration liaison, advocacy/representation and agenda setting	57,191	59,172
Programme of immigration capacity building	288,549	171,374
Internal governance and running functioning organisation, including secretariat, board and RAM	134,811	420,051
Secretariat operational expense	851,420	935,382
<b>Total Expenses by result management framework output</b>	<b>1,619,352</b>	<b>2,045,728</b>

## 19. Financial risk management objectives and policies

Risk is inherent on the Secretariat's activities, but it is managed through a process of ongoing identification, measurement and monitoring subject to risk limit and other controls. This process of risk management is critical to the Secretariat's stability and each individual within the Secretariat is accountable for the risk exposures relating to his or her responsibilities.

The Secretariat's activities expose it to a variety of financial risks: foreign exchange risk, credit risk and liquidity risk.

### i) Foreign exchange risk

The Secretariat operates internationally and is exposed to the foreign exchange risk arising from various currency exposures, primarily with respect to the Australian dollar, New Zealand dollar and the SDR (special drawing rights), and Samoan tala. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities which are denominated in foreign currency. The Secretariat does not hedge its foreign currency exposure.

### ii) Credit risk

Receivables balances are monitored on an ongoing basis with the result that the Secretariat's exposure to bad debts is actively managed. Credit risk is managed by a risk committee with board oversight. Credit risk arises from cash equivalents, as well as credit exposures including outstanding receivables.

### iii) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash to meet present obligations. Management monitors rolling forecasts of the Secretariat's liquidity reserve, comprising of cash and cash equivalents on the basis of expected cash flow.

## 20. Contingency and commitments

There are no capital commitments or contingencies as at 30 June 2020.

## 21. Events after the end of the reporting period

The Secretariat has conducted an assessment on the impact of COVID-19 on the business and has determined that it will not be significantly impacted at this time. The majority of the revenues are paid in advance and the Secretariat continues to monitor and ensure that critical data supply channels have effective adequate redundancy measures.

However, the full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Secretariat's financial condition, liquidity, and future results of operations. Management is actively monitoring the impact of the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Secretariat is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for the 2020 financial year.

No other matters or circumstances have arisen since 30 June 2020 that has significantly affected or may significantly affect:

- (a) the operations in future financial years, or
- (b) the results of those operations in the future financial years, or
- (c) the state of affairs in future financial years.

## 22. Approval of financial statements

These financial statements were approved by the Board Members and authorised for issue on the date the accounts were signed by the Board.

# Board Members Declaration

## Pacific Immigration Development Community For the year ended 30 June 2020

As stated in Note 2 to the financial statements, in the Board's opinion, this financial statements has been prepared to meet the IFRS requirements.

The financial statements has been prepared in accordance with accounting standards and mandatory professional reporting requirements to the extent described in Notes 1 to 3.

In the Board's opinion:

(a) the financial statement and notes set out in the preceding pages are in accordance with the standards, including:

(i) complying with International Financial Reporting Standards; and

(ii) giving a true and a fair view of the Secretariat's financial position as at 30 June 2020 and of its performance for the year ended on 30 June 2020; and

(b) there are reasonable grounds to believe that the Secretariat will be able to pay its debts as and when they become due and payable.

Signed:



Date:

1/12/20

Signed:



Date :

01<sup>st</sup> December 2020

## INDEPENDENT AUDITOR'S REPORT

### To the Members of Pacific Immigration Development Community

#### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Pacific Immigration Development Community (the Secretariat), which comprise:

- the statement of financial position as at June 30, 2020;
- the statement of comprehensive income, statement of changes in equity, and statement of cash flows for the year ended 30 June 2020; and
- notes to the financial statements, including a summary of significant accounting policies.

In our opinion the accompanying financial statements present fairly, in all material respects, the financial position of Pacific Immigration Development Community (the Secretariat), as at June 30, 2020, and (of) its financial performance and its cash flows for the year ended 30 June 2020 in accordance with International Financial Reporting Standards (IFRSs).

#### 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 *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of Pacific Immigration Development Community (the Secretariat), in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (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 Information

The directors are responsible for the other information. The other information comprises the information included in the director's report but does not include the financial statements and our auditor's 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 and fair presentation of the financial statements in accordance with IFRSs, 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 are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the 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.

## Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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.



**BDO**

Chartered Accountants



**Ernest Betham**

Engagement Partner

**SAMOA**

1 December 2020.