

Secretariat of the Pacific Regional Environment Programme (SPREP)
Executive Management's Report
For the year ended 31 December 2019

The Executive Management present the annual report together with the financial statements of the Secretariat for the year ended 31 December 2019 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:

Leota Kosi Latu – Director General
Roger Cornforth – Deputy Director General
Tagaloa Cooper – Director Climate Change Resilience
Stuart Chape – Director, Biodiversity & Ecosystem Management
Vicki Hall – Director, Waste Management & Pollution Control
Easter Galuvao – Director, Environmental Monitoring & Governance
Clark Peteru – Legal Adviser
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 2019:

- During the year the Secretariat expended US\$4.2 million dollars compared to expenditure of US\$3.6 million in 2018.
- The net deficit for the period was US\$81,977, compared to the net surplus of US\$154,273 in 2018.
- Foreign exchange exposure continues to be controlled and minimized however there was an increase in foreign exchange losses from US\$39,388 in 2018 to US\$46,144 in 2019.
- Management recognizes that there is still a need to maintain sustainability of funding with a view to rebuilding reserve funds and avoiding any further deficient positions in the future to ensure a strong financial position for the Secretariat moving forward.
- The challenge remains for the Secretariat to ensure a collective effort by Members and Executive Management to rebuild the total reserves. Hence, the Secretariat must focus on areas of generating sufficient funds from both Member Countries and Donors to resolve this issue as well as control costs, and thus strengthen the overall financial position and sustainability of SPREP in the long term.

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.

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.

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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 2019;
- 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 2019;
- c. The accompanying statement of movement in 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 2019; 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 2019.

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.



Kosi Latu
Director General



Roger Cornforth
Deputy Director General

27 March 2020