

Audited Financial Statements



THE AUDIT BOARD OF THE REPUBLIC OF INDONESIA

AUDIT OPINION

CERTIFICATE OF THE EXTERNAL AUDITOR ON THE FINANCIAL STATEMENTS OF THE CORAL TRIANGLE INITIATIVE ON CORAL REEFS, FISHERIES, AND FOOD SECURITY (CTI-CFF) REGIONAL SECRETARIAT AS AT AND FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023

To The Coral Triangle Initiative Committee of Senior Officials and Council of Ministries

Opinion

We have audited the financial statements of the Coral Triangle Initiative on Coral Reefs, Fisheries, and Food Security (CTI-CFF) Regional Secretariat (the Secretariat), which comprise the statement of financial position as at December 31, 2023; and the statement of activities, the statement of changes in net assets, and the statement of cash flows for the year then ended; and notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the CTI-CFF as at December 31, 2023, and financial activities and cash flows for the year then ended of the Secretariat in accordance with Indonesian Financial Accounting Standards (IFAS).

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 the Secretariat, in accordance with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 IFAS, 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.

The Coral Triangle Initiative Committee of Senior Officials (CTI CSO) and Coral Triangle Initiative Council of Ministers (CTI COM) as Those Charged with Governance, is 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 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.

Information Other than the Financial Statements and the Auditor's Report thereon

The Secretariat is responsible for the other information, which comprises supplementary information, contained below, but does not include the financial statements and our Auditor's Report thereon.

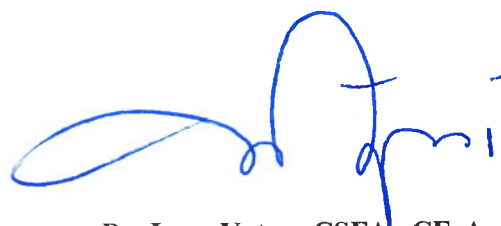
Our opinion on the financial statements does not cover the other information and we do not express any form of assurance thereon.

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

Report on Other Legal and Regulatory Requirements

Further, in our opinion, the transactions of the Secretariat that have come to our notice or which we have tested as part of our audit have, in all significant respects, been in accordance with the Secretariat's Financial Regulations.

In accordance with the Article 14.6 of the CTI-CFF's Financial Regulations, we have also issued a long-form report on our audit of the Secretariat.



Dr. Isma Yatun, CSFA., CFA. 7
Chair of the Audit Board of the Republic of Indonesia
External Auditor

Jakarta, Indonesia
20 May 2024



Reference : EXR/RS/5/24/176
Subject : Letter of Transmittal

Manado, 20 May 2024

Dr. Isma Yatun, CSFA., CFrA
Chair of The Audit Board of the Republic of Indonesia
Jalan Gatot Subroto Kav. 31
Jakarta 10210
Indonesia

Pursuant to the Coral Triangle Initiative on Coral Reefs, Fisheries, and Food Security (CTI-CFF) Financial Regulation Article 14, we have the honor to submit the Financial Statements for the year ended 31 December 2023 of the CTI-CFF Regional Secretariat, certified and approved in accordance with Financial Regulations.

We confirm, to the best of our knowledge and belief, and having made appropriate enquiries with other officials of the CTI-CFF, the following representation in connection with your audit of the Financial Statements of the CTI-CFF Regional Secretariat for the year ended 31 December 2023.

We are responsible for preparing financial statements that properly present the activities of the CTI-CFF Regional Secretariat, and for making accurate representations to you. All accounting records and related information have been made available for the purpose of your audit, and all of the transactions that occurred in the financial period have been properly reflected in the financial statements and recorded by the CTI-CFF Regional Secretariat in the accounting and other records.

1. The financial statements have been prepared and presented in accordance with:
 - a. The Indonesian Financial Accounting Standards (IFAS); and
 - b. The Financial Regulations of the CTI-CFF.
2. The accounting policies used by the CTI-CFF as stated in the financial statements are consistent with those of previous years.
3. The value of cash and cash equivalents recorded is not impaired and, in our opinion, is fairly stated.
4. All material accounts receivable and other current assets have been included in the financial statements and represent valid claims against debtors or future economic benefits to the CTI-CFF.
5. The fixed assets disclosed in notes to the financial statements are owned by the CTI-CFF and are free from any charge.
6. All known liabilities have been included in the financial statements.
7. All revenues and expenses reported during the year were incurred in accordance with the Financial Regulations of the CTI-CFF and any specific agreements and requirements.



CORAL TRIANGLE INITIATIVE

ON CORAL REEFS, FISHERIES
AND FOOD SECURITY

REGIONAL SECRETARIAT

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Manado, North Sulawesi 95254
Indonesia
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8. The CTI-CFF did not have any commitments for any goods or services ordered in 2023 but were not delivered as of 31 December 2023. Commitments for future expenses have not been recognized as liabilities.
9. The CTI-CFF did not have any legal or contingent liabilities as of 31 December 2023.
10. The CTI-CFF made no write-offs of losses of cash and cash equivalents, nor any write-offs of doubtful debt during 2023.
11. There were no identified cases of fraud or presumptive fraud at the CTI-CFF in 2023.
12. Disclosure is made in the financial statements of all matters necessary to enable them to present fairly the results of the transaction during the year.
13. There have been no known events since the CTI-CFF reporting date of 31 December 2023 that necessitate a revision of the information presented in the financial statements thereto.
14. We have disclosed to you the identity of the CTI-CFF's related parties and all the related party relationships and transactions of which we are aware.

Sincerely yours,



Dr. Frank Keith Griffin
Executive Director

CTI-CFF Regional Secretariat
Statement of financial positions
As of 31 December 2023 and 2022

(Expressed in United State Dollar, unless otherwise stated)

	Notes	31 December 2023	31 December 2022
Assets			
Current assets			
Cash and cash equivalents	2c, 3	1,387,975	744,183
Accounts receivable	4	387,794	615,212
Prepaid expenses	5	10,615	8,302
Advances	6	1,427	1,602
Total current assets		1,787,811	1,369,299
Noncurrent assets			
Fixed assets – net	2g, 7	31,737	48,597
Intangible assets - net	2g, 7	2,166	3,610
Total noncurrent assets		33,903	52,207
Total assets		1,821,714	1,421,506
Liabilities and net assets			
Liabilities			
Accounts payable	8	17,465	9,085
Accrued expenses	9	11,239	12,153
Total liabilities		28,704	21,238
Net assets			
With restriction from donors:			
- Temporary restricted	2f	1,793,010	1,400,268
Total net assets		1,793,010	1,400,268
Total liabilities and net assets		1,821,714	1,421,506

The accompanying notes to financial statements form an integral part of these financial statements.

CTI-CFF Regional Secretariat

Statement of activities

For the year ended 31 December 2023 and 2022

(Expressed in United State Dollar, unless otherwise stated)

	Notes	31 December 2023			31 December 2022		
		Without restriction from donors	With restrictions from donors – Temporary restricted	TOTAL	Without restriction from donors	With restrictions from donors – Temporary restricted	TOTAL
Revenues							
Country contributions	2d, 10	-	1,143,900	1,143,900	-	718,304	718,304
Grants	2d, 11	-	220,850	220,850	-	20,000	20,000
Interest income		-	1,495	1,495	-	1,251	1,251
Other income		-	-	-	-	209	209
Total revenues		-	1,366,245	1,366,245	-	739,764	739,764
Expenditures							
Program services	2d, 12, 13	(29,384)	-	(29,384)	(35,879)	-	(35,879)
Communication information	2d, 12, 14	(27,106)	-	(27,106)	(14,270)	-	(14,270)
General administration	2d, 12, 15	(821,601)	-	(821,601)	(577,358)	-	(577,358)
Governance and others	2d, 12, 16	(54,172)	-	(54,172)	(56,870)	-	(56,870)
Recruitment	2d, 12, 17	(17,296)	-	(17,296)	(1,941)	-	(1,941)
Others (depreciation and exchange rate)	12, 18	(23,944)	-	(23,944)	(23,293)	-	(23,293)
SUFIA LCD Activity	12, 11	-	-	-	(40,313)	-	(40,313)
Total expenditures		(973,503)	-	(973,503)	(749,924)	-	(749,924)
Surplus/ (deficit)		(973,503)	1,366,245	392,742	(749,924)	739,764	(10,160)
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income (loss)		(973,503)	1,366,245	392,742	(749,924)	739,764	(10,160)

The accompanying notes to financial statements form an integral part of these financial statements.

CTI-CFF Regional Secretariat
Statement of changes in net assets
For the year ended 31 December 2023 and 2022

(Expressed in United State Dollar, unless otherwise stated)

	31 December 2023	31 December 2022
Net assets without restrictions from donors		
Beginning balance	-	-
Surplus (deficit) - current year	(973,503)	(749,924)
Net assets released from restrictions - current year (note 12)	973,503	749,924
Ending balance	-	-
Other comprehensive income		
Beginning balance	-	-
Surplus (deficit) - current year	-	-
Ending balance	-	-
Net assets with restrictions from donors		
Temporary restricted		
Beginning balance	1,400,268	1,410,428
Changes of net assets – current year		
Surplus (deficit) - current year	1,366,245	739,764
Net assets released from restrictions - current year (note 12)	(973,503)	(749,924)
Net changes of net assets - current year	392,742	(10,160)
Ending balance	1,793,010	1,400,268
Total net assets	1,793,010	1,400,268

The accompanying notes to financial statements form an integral part of these financial statements.

CTI-CFF Regional Secretariat
Statement of cash flows
For the year ended 31 December 2023 and 2022

(Expressed in United State Dollar, unless otherwise stated)

	31 December 2023	31 December 2022
Cash flows from operating activities		
Changes in net assets	392,742	(10,160)
Additional (deduction) of items that is not affecting operating cash flow:		
Depreciation expenses	23,756	21,024
Changes in assets and liabilities:		
Accounts receivable	227,418	(37,326)
Prepaid expenses	(2,313)	(1,073)
Advances	175	(1,602)
Accounts payable	8,379	(24,877)
Accrued expenses	(914)	535
Net cash flows provided from (used in) operating activities	649,243	(53,479)
Cash flows from investing activities		
Acquisition of fixed assets	(5,451)	(19,800)
Net cash flows provided used in investing activities	(5,451)	(19,800)
Net increase (decrease) in cash and cash equivalents	643,792	(73,279)
Cash and cash equivalents - beginning	744,183	817,462
Cash and cash equivalents - ending	1,387,975	744,183

The accompanying notes to financial statements form an integral part of these financial statements.