

SOLOMON ISLANDS MONETARY
AUTHORITY



ANNUAL REPORT
1977

BALANCE SHEET AND ACCOUNTS
FOR THE YEAR ENDED
31st DECEMBER 1977

PRINCIPAL OBJECTS OF THE AUTHORITY —

- (a) to regulate the issue, supply, availability and international exchange of money;
- (b) to advise the Government on banking and monetary matters;
- (c) to promote monetary stability;
- (d) to promote a sound financial structure; and
- (e) to foster financial conditions conducive to the orderly and balanced economic development of the Solomon Islands.

SOLOMON ISLANDS MONETARY AUTHORITY ORDINANCE, 1976, SECTION 4

Front Cover Design - Representation of the sea-spirit, Ngorieru, featured on the SI
10¢ coin.

SIMA

Telephone: 05-51
Cable address: CURRENCY



Solomon Islands Monetary Authority,
P.O. Box 634,
Honiara.

YOUR REF.: 471/11/2

OUR REF.: GM 1/7

DATE: 25 April 1978.

The Minister of Finance,
The Hon. Benedict Kinika, MLA
Ministry of Finance,
HONIARA.

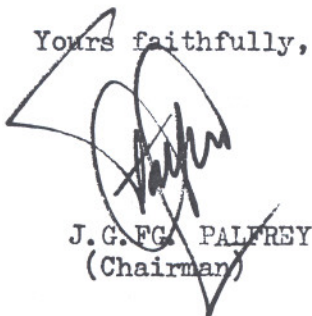
Dear Sir,

In accordance with the provisions of Clause 36 (1) (a) of the Solomon Islands Monetary Authority Ordinance, 1976 I have the honour to submit to you the second Annual Report of the Monetary Authority, together with financial statements, for the period ended 31st December, 1977.

A copy of the Auditor's report/certificate is appended as required under Clause 36 (1) (b) of the Ordinance.

I have the honour to remain, Dear Sir,

Yours faithfully,



J.G.F.G. PALFREY
(Chairman)

SOLOMON ISLANDS MONETARY
AUTHORITY



ANNUAL REPORT

1977

BALANCE SHEET AND ACCOUNTS
FOR THE YEAR ENDED
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SOLOMON ISLANDS MONETARY AUTHORITY BOARD

J.G.FG. PALFREY	Chairman (& Managing Director)
J. KORINIHONA	
G. SIAMA	
S. YEE	
A.V. HUGHES	(Permanent Secretary, Ministry of Finance)

SENIOR STAFF

Managing Director	J.G.FG. PALFREY
Secretary	R.G. TINONI
Controller of Foreign Exchange	C.K. EVANS
Asst. to Controller of Foreign Exchange	J.T. KAITU
Accounts Supervisor	I.G. MOLIA

SOLOMON ISLANDS MONETARY AUTHORITY

Annual Report

Introduction

Nineteen hundred and seventy seven, the Authority's first full year of operation, was generally very successful for the Authority. Most importantly, in terms of impact upon the population at large, it saw the culmination of a long period of planning and preparation with the introduction of the Solomon Islands own currency on 24th October. Equally important in a national sense, but almost unremarked by the general public, was the introduction on 1st March of a modern, effective and efficient Exchange Control suited to the needs of the country. Other notable achievements included the completion and occupation of the Authority's Offices and strongrooms at Rove at the end of May and, contrary to earlier predictions, a successful financial out-turn to the year. The least successful operation was the sale of proof coins to the collecting public which, in spite of better than expected demand in the Solomon Islands, produced rather smaller sales on a worldwide basis than anticipated.

The Board

The composition of the Board, which met seven times in the period, remained unchanged during the year.

Legislation

The Legislative Assembly approved two amendments to the Solomon Islands Monetary Authority Ordinance, 1976 during the year. These were to remove from the definition of the Authority's demand liabilities numismatic proof and brilliant uncirculated specimen coin issued for sale to collectors of coin and to amend the date for the end of the Transitional Period, from 30th June 1977 to 30th June 1978. The object of the first of these amendments was to relieve the Authority of the need to hold a reserve of external assets of a minimum of 60% against issues of coin for sale to collectors as this was considered to be unnecessary and prevented the Authority from taking into profit the proceeds from such sales. The second amendment was, in effect, the result of delays in the introduction of the currency. When the original Ordinance was passed by the Legislative Assembly it was thought that the currency would be introduced in the second half of 1976. However, delay and difficulties in the production of both notes and coin caused the introduction of the currency to be put back by almost a year with the result that the original date for the end of the Transitional Period had already been passed by the time the currency was finally launched.

Early in 1977, the Council of Ministers approved the promulgation of the Exchange Control (Foreign Exchange) Regulations 1977, which provide the legal basis for the administration of Exchange Control and which came into force on 1 March.

Staff

As noted in the Authority's 1976 Report the first member of the staff was not appointed until February 1977. Further staff were recruited between then and the introduction of the currency towards the end of October. Full time staff working for the Authority totalled eleven by the end of October.

In the period between recruitment and the 24th October, the staff were involved primarily in a programme of mainly practical training in preparation for the introduction of the currency. In the subsequent period, the majority, apart from Exchange Control staff, were engaged full time in the issue of the new currency and in checking and repatriating Australian currency which had been withdrawn from circulation.

Financial Matters

The accounts for the year, together with the report of the Auditors, are appended at the back of this report. As mentioned previously, the financial results for the year were better than had been anticipated earlier. The provision of a total of \$38,000 as a subvention from Government affected the outcome, although the bulk of this subvention was used to purchase a residence and furniture for the use of

Controller of Foreign Exchange. It should not be overlooked either that the cash resources with which the Authority was originally endowed were very meagre by any standards.

However, if the purchase of a residence is ignored the Authority would have made a small operating profit even without the receipt of the subvention from Government. The main reasons for the better than looked for out-turn lay in generally higher levels of interest rates in Australia and a quicker withdrawal of Australian currency than originally anticipated.

Income from royalties on sales of proof and uncirculated numismatic specimen items has not been anticipated in the year's income figures. Shipment of the bulk of these items did not take place until the New Year and the royalties become payable a fixed period after shipment. Thus the royalties on sales of numismatic items marking the launch of the currency will be reflected in the 1978 income figures. It is estimated that they will total approximately \$100,000 which is rather less than had been hoped for.

The balance sheet shows that at 31st December a total of \$2.1million Solomon Islands currency was in circulation and that the Authority held external assets to a value of slightly under \$1.01 for each dollar of Solomon Islands currency in circulation. These external assets, it will be seen, were in very liquid form, the longest period to maturity of any of them being slightly over a month. This pattern, however, can be expected to change somewhat in the next financial period as experience is gained in the ebbs and flows of the currency circulation and as there is a consequent shift into longer term maturities. Similarly there will almost certainly be a shift in the present currency composition of these external reserves (which at year end were virtually all in Australian dollars) as the Authority seeks to achieve an appropriately currency diversified external reserve.

One other point of interest concerning the balance sheet is in the figures for premises, furniture and equipment. At year end the formalities for the transfer of the Authority's offices and strongrooms into the name of the Authority together with the furniture and equipment employed therein had still to be completed. As a result the figure for premises in the balance sheet only reflects the value of the residence purchase during the year by the Authority and the furniture and equipment figure, apart from a minor amount in respect of equipment purchased directly by the Authority, represents the value of the furniture in the residence referred to above.

Activities

During the year under review the Authority has had two main preoccupations - the introduction of the new currency and the introduction and administration on behalf of Government of the new Exchange Control, both activities of great importance to the country. However, whilst it is hoped that virtually everyone in the country was and is aware of matters concerned with the introduction of our own currency, very few people outside the business sector were, or are, aware of the new Exchange Control regime introduced with effect from 1st March 1977. New legislation, to replace a 1952 Ordinance, was approved by the Legislative Assembly in 1976. This was enabling legislation empowering the Government to make regulations for the exercise of Exchange Control. This was duly done and Authority was named as the administrator of the regulations.

The underlying aim of the Exchange Control is to ensure that receipts from exports and other sources overseas are sold to a bank in the Solomon Islands and thus that those foreign exchange resources are available to those who require foreign exchange to make approved payments overseas for such items as imports, royalty payments, travel, insurance, etc. Contrary to fears expressed in the private sector the introduction of the new Exchange Control has not proved a hindrance to commerce and business and the speed with which applications are processed and queries answered has generally won admiration.

Although the vast majority of people have been aware of the introduction of the new currency on 24th October, they were, of course, largely unaware of all the work that went into the preparation for this great event. This covered such diverse matters as the establishment of an accounting system within the Authority, the training of staff, the handling of the transfer of the physical currency from Honiara Port to the Authority's strongrooms at Rove - this a major task involving the transfer of a total of approximately 80 tons of coin - and, on one occasion, from Henderson Airport to Rove (18 tons of coin). Preparatory work by the Authority also involved the giving of talks and lectures on a number of occasions to schools and Government training courses, etc. In addition, as a necessary adjunct of the introduction of the new currency was the need to make arrangements for the repatriation to Australia of withdrawn Australian currency. The one piece of preparatory work which it was essential that everyone should be aware of was the publicity campaign for the new currency, and, judging by the excitement first when the final posters showing the currency designs were released and on 24th October itself, the vast majority of the population had been reached by the campaign in one way or another, whether by poster, strip cartoon, radio broadcast or information broadsheet.

Apart from the two main activities described above, the Authority was active in a number of other areas. These included the arrangements for the sale of numismatic items to the collecting public, the

institution of more comprehensive arrangements for the collection of statistical data in the banking and balance of payments fields (the first, limited, fruits of which may be seen at the end of this report) and in acting as adviser to Government on various banking and monetary matters.

Visitors

We were honoured on 6th October by a visit to our offices and Strongrooms by the Minister of Finance. The Authority also received several visitors from overseas during the year. These included a number of commercial and investment bankers as well as a party from S.P.E.C and another from the New Hebrides Condominium Administration, Mr. A.J.T. Williams, an advisor in the Overseas Department of the Bank of England, and a three man mission from the International Monetary Fund in Washington in connection with the possibility of the Solomon Islands joining that organisation on achieving Independence.

Future Plans and Developments

In the Authority's last report mention was made of various plans for the future. The two most important of those mentioned then, as will be readily appreciated, have been realised with the introduction of the new currency and of the new Exchange Control. However, other plans/developments mentioned there have still to be realised. In particular, the Banking Ordinance was only implemented in the last quarter of 1977 and as yet has had little impact on the Authority but in the coming year it can be expected to involve the Authority in additional responsibilities.

The provision of limited banking facilities by the Authority which was seen last year as being for the longer term now looks like being required in 1978. Such provision will involve the Authority in an increase in both its staff and its premises. Given the lack of ready public access to the present offices, thought is being given to the purchase of additional premises closer to the centre of town/—from which the banking operation would be carried out.

Mention has already been made of the Authority's involvement in extending the amount of statistical material collected. It is expected that this process will continue and develop and it seems likely that the Authority will need to consider establishing a small research/statistics section in the coming year.

Closely connected with all future development of the Authority will be the training of staff. This is a difficult problem for a small institution active in a completely new field of operations and which is already operational. The institution in these circumstances has no reserves of experience of its own and is unlikely either to be able to draw on other local sources of relevant experience or to have a surfeit of staff who can be released from current duties to undertake training.

However, it is vital for the future well-being of the Authority that every effort should be made in this area, particularly as it is the Authority's aim to achieve as high a degree of localisation as is compatible at this stage with maintaining the standards that should be expected of the country's central monetary institution. Stress is already laid on on-the-job, or in service, training but it is anticipated that over the next few years considerable use will be made of training facilities overseas together with the employment of small numbers of specialist staff from overseas, the former to try and "buy" experience which is not now available locally and which otherwise could only be accumulated over a long period and the latter to allow the Authority to move into new areas of operations when required and without delay.

Acknowledgements

The Authority has received a great deal of co-operation, assistance and advice from people and organisations in all spheres of national life. We should like to express our appreciation of this ready help, not least to everyone involved in the publicity campaign for the new currency, including the churches, business organisations, all government ministries, the Councils and the press and SIBC and to those involved in the four separate exercises relating to the unloading and transport of the new currency from the Port and from Henderson Airfield, including the Ports Authority, the Ministries of Finance (Customs & Stores) and of Works and Public Utilities, Solair and last, but no means least, the Police whose presence and vigilance ensured safe delivery in the last stage of the long journey from the manufacturers.

We also very much appreciate the co-operation and assistance received from the Solomon Islands Police Force in a wide range of other matters, many relating to our presence in their midst at Police Headquarters at Rove.

Mention must also be made of our relations with the other financial institutions. Whilst we have had our differences of opinion, in general a close understanding and rapport has been achieved. Although it may be thought invidious to name names, we think that public recognition should be given to the enormous part played by the organs of the Commonwealth Banking Corporation in ensuring a wide and quick spread of the new currency through the country. In this context we also would like to mention the special efforts of the Treasury to the same end. Thanks are also expressed for the assistance of the banks generally in respect of the

+ Agreement was reached in February 1978 for the Authority to purchase the former AILB Offices in Mud Alley.

introduction and administration of Exchange Control.

Finally, we should like to record our thanks to our staff who have worked extremely hard, often in difficult circumstances, to achieve the Authority's objects and ends and ensure the success for the Authority of 1977.

Signed 

J.G.F.G. PALFREY (Chairman)

AUDITORS' REPORT TO THE BOARD

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 of the Solomon Islands Monetary Authority for the year ended 31st December, 1977.

In our opinion proper books of account have been kept by the Authority, so far as appears from our examination of these books.

The Authority's balance sheet and profit and loss account, the subject of this report are in agreement with these books of account.

In our opinion, and to the best of the information and according to the explanations given us, the said accounts give the information required by the Solomon Islands Monetary Authority Ordinance, 1976 in the manner so required, and so as to give a true and fair view of the state of the Authority's affairs as at 31st December, 1977 and of the results of its operations for the period then ended.

Honiara, 6th April, 1978

(Signed)
Peat, Marwick, Mitchell & Co.
Chartered Accountants

SOLOMON ISLANDS MONETARY AUTHORITY

Balance Sheet as at 31st December, 1977

<u>LIABILITIES:</u>	<u>SIS</u>	<u>ASSETS:</u>	<u>SIS</u>
Capital Funds:		Solomon Islands Assets:	
Paid-up capital	100,000	Cash	3,940
General reserve	<u>6,397</u>	Money at call	7,000
	106,397	Fixed term deposits (see Note 3)	5,000
		Other	<u>75,199</u>
			91,139
Currency in circulation:		External Assets:	
Notes	1,939,500	Cash and Money at call	1,313,261
Coin	<u>160,705</u>	Australian currency notes and coin held	70,748
	2,100,205	Securities (at valuation) (see Note 4)	<u>734,450</u>
Government subvention	38,000		2,118,459
Provisions, (see Note 2)		Fixed Assets:	
Currency repatriation expenses	1,250	Premises (at cost)	27,925
Capital expenditure	<u>5,000</u>	Less provision for depreciation	<u>931</u>
	6,250		26,994
Other Liabilities	<u>2,571</u>	Furniture & equipment (at cost)	2,621
	<u>2,253,423</u>	Less provision for depreciation	<u>556</u>
			2,065
		Other Assets	<u>14,766</u>
			<u>2,253,423</u>

The accompanying notes form part of these accounts

Signed J.G.FG. PALFREY(CHAIRMAN)

..... R.G. TINONI(SECRETARY)

SOLOMON ISLANDS MONETARY AUTHORITY

Statement of Profit and Loss for year ended 31st December, 1977

	SIS		SIS
Expenses (including depreciation)	21,080	Income	33,634
Balance being gross profit carried down	<u>12,554</u>		<u> </u>
	<u><u>33,634</u></u>		<u><u>33,634</u></u>
Provisions made	6,250	Balance brought down as above	12,554
Net profit appropriated and transferred to General Reserve (in accordance with Section 14 [1] of the S.I.M.A. Ordinance, 1976)	<u>6,304</u>		<u> </u>
	<u><u>12,554</u></u>		<u><u>12,554</u></u>

The accompanying notes form part of these accounts

SOLOMON ISLANDS MONETARY AUTHORITY

Statement of Income and Expenditure for the year ended 31.12.77

<u>EXPENDITURE:</u>	<u>SIS</u>	<u>INCOME:</u>	<u>SIS</u>
Directors' travel expenses	760	Commission and Fees	387
Directors' sitting allowances	90	Sundry receipts	9,732
Official travel and allowances	674	"Overs and shorts"	10
General expenses (other than in respect of Exchange Control)*	7,730	Interest on: Term Deposits (SI) †	1,786
Exchange Control expenses	2,420	Term Deposits (Foreign) †	10,243
Salaries and Wages (other than in respect of Exchange Control)*	6,797	Treasury Bills (Foreign) †	11,476
Employers' NPF contributions (other than in respect of Exchange Control)*	339		
Insurance premia paid	147		
Australian currency repatriation expenses	631		
Provisions for depreciation: Premises	931		
Furniture and Equipment	555		
	21,080		
Gross Profit for year	12,554		
	33,634		33,634

* A total of \$2,348 has been attributed to Exchange Control expenses; \$656 from General Expenditure and \$1,611 in respect of Salaries and \$80 in respect of Employer's NPF contributions o/a Exchange Control staff.

† These items all include interest due but not yet received.

NOTES TO AND FORMING PART OF THE AUTHORITY'S ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER, 1977

1. Statement of Accounting Methods.

The accounting methods adopted by the Authority are in accord with the laws of the Solomon Islands and in particular the Solomon Islands Monetary Authority Ordinance, 1976, as amended. The accounts have been prepared primarily on the basis of historical costs and do not take into account changing money values or, except where noted, current valuations of non-current assets.

Set out below is a summary of the significant accounting methods adopted by the Authority and in particular the accounting method adopted when there exists a choice between two or more acceptable methods.

(a) Depreciation

Depreciation is provided on all fixed assets so as to write off these assets progressively over their estimated economic lives. Fixed assets are first depreciated in the year of acquisition. The straight line method of depreciation has been used.

(b) Currency

These accounts have been expressed in Solomon Islands dollars which became legal tender in the Solomon Islands on 24th October 1977 and which retain parity with the Australian dollar.

Transactions involving foreign currencies have been converted at the rate of exchange ruling on the date of the transaction.

(c) Valuation of overseas assets.

(i) Securities have in accordance with Section 33 (1) of the Solomon Islands Monetary Authority Ordinance, 1976, been valued by reference to the latest known market price of such securities. Any resultant appreciation or depreciation in value has been credited or debited to General Reserve, as the case may be.

(ii) All other overseas assets have been expressed in Solomon Islands dollars converted at the rate of exchange ruling at balance date.

2. Provisions

(i) During the year the following provisions were created:

Provision for repatriation expenses in respect of Australian currency	\$1,250
Provision for capital expenditure	\$5,000

(ii) Directors fees in respect of meetings held in 1976 were charged against the provision created in that year.

(iii) There were no other movements in provisions during the year other than those shown under provision for depreciation.

3. Fixed term deposits

All deposits mature before 31st January, 1978.

4. External Securities

All external securities mature on or before 1st February, 1978

STATISTICAL ANNEX

SI CURRENCY IN CIRCULATION

66

	<u>Total</u>	<u>Notes</u>	<u>Coin</u>
31.10.77	1,098,225	1,013,000	85,225
30.11.77	1,571,065	1,448,500	122,565
31.12.77	2,100,205	1,939,500	160,705
31.1.78	2,051,165	1,872,300	178,865
28.2.78	2,351,516	2,162,351	189,165
31.3.78	2,558,716	2,332,851	225,865

NOTES IN CIRCULATION - VALUE BY DENOMINATION

(figures in brackets equal percentage of total note circulation, by value)

	<u>Total</u>	<u>\$10</u>	<u>\$5</u>	<u>\$2</u>
31.10.77	1,013,000	605,000 (59.7)	255,000 (25.2)	153,000 (15.1)
31.11.77	1,448,500	860,000 (59.4)	352,500 (24.3)	236,000 (16.3)
31.12.77	1,939,500	1,185,000 (61.1)	427,500 (22.0)	327,000 (16.9)
31.1.78	1,872,300	1,130,000 (60.4)	402,500 (21.5)	339,800 (18.1)
28.2.78	2,162,351	1,293,570 (59.8)	484,285 (22.4)	384,496 (17.8)
31.3.78	2,332,851	1,368,570 (58.7)	551,785 (23.7)	412,496 (17.6)

COIN IN CIRCULATION - VALUE BY DENOMINATION

(figures in brackets equal percentage of total coin circulation, by value)

	<u>Total</u>	<u>\$1</u>	<u>20¢</u>	<u>10 ¢</u>	<u>5¢</u>	<u>2¢</u>	<u>1¢</u>
31.10.77	85,225	48,500 (56.9)	16,500 (19.5)	11,400 (13.4)	5,850 (6.9)	1,800 (2.1)	1,075 (1.3)
30.11.77	122,565	71,500 (58.3)	23,400 (19.1)	16,200 (13.2)	7,250 (5.9)	2,640 (2.2)	1,575 (1.3)
31.12.77	160,705	88,000 (54.8)	36,400 (22.7)	22,400 (13.9)	8,450 (5.3)	3,480 (2.2)	1,975 (1.2)
31.1.78	178,865	96,000 (53.7)	42,200 (23.6)	25,400 (14.2)	9,450 (5.3)	3,640 (2.0)	2,175 (1.2)
28.2.78	189,165	101,000 (53.4)	45,000 (23.8)	27,600 (14.6)	9,450 (5.0)	3,840 (2.0)	2,275 (1.2)
31.3.78	225,865	119,500 (52.9)	53,000 (23.5)	35,600 (15.8)	10,750 (4.8)	4,440 (2.0)	2,675 (1.2)

SOLOMON ISLANDS MONETARY AUTHORITY: OVERSEAS ASSETS

(\$'000)

Date	By currency amounts in SI\$ equivalents:				By term - amounts in SI\$ equivalents						
	A\$	£ stg.	US\$	TOTAL	on demand without Interest	on demand with Interest	Maturing within 30 days	Maturing within 3 months	Maturing within 1 year	Maturing within 5 years	TOTAL
<u>1977</u>											
Oct. 31	1,098	-	-	1,098	732	170	-	196	-	-	1,098
Nov. 30	1,571	-	-	1,571	113	670	-	735	-	-	1,571
Dec. 31	2,109	9	-	2,118	94	1,290	-	734	-	-	2,118
<u>1978</u>											
Jan. 31	2,067	9	-	2,076	221	1,120	539	196	-	--	2,076
Feb. 28	2,379	11	44	2,434	333	620	396	834	-	252	2,434
Mar. 31	2,591	11	44	2,645	464	660	392	834	44	252	2,645

BANKS' OVERSEAS LIABILITIES AND ASSETS

SI\$

LIABILITIES '000

ASSETS '000

Date as at*	Deposits other than from banks			Balances due to other banks	Bills Payable	Other Liabilities	Working capital account and reserves	Total Liabilities	Balances with commercial banks overseas			Government and other public sector securities	Other securities	Bills receivable and other assets	Total Assets
	Demand deposits without interest	Demand deposits with interest	Term Deposits						Working balances	Deposits at call or fixed for 30 days or less	Other fixed deposits				
1977															
Sep 28	111	30	413	687	59	-	307	1708	12649	-	327	-	-	112	13087
Oct 26	222	2	412	27	45	36	307	1051	12740	-	377	-	-	77	13194
Nov 30	564	16	409	359	42	8	307	1706	10506	-	377	-	-	30	10912
Dec 28	535	14	413	46	38	36	302	1384	9373	-	192	-	-	90	9655
1978															
Jan 25	413	12	413	101	71	1	257	1267	10159	-	144	-	-	469	10772
Feb 22	349	-	414	130	65	1	257	1215	11357	-	95	-	-	244	11696
Mar 29	390	-	413	40	19	1	257	1119	13108	-	95	-	-	287	13490

NOTE: Holdings of Australian dollars in Australia are classified as overseas assets in this table.

* As at last Wednesday of each month.

BANKS' FOREIGN CURRENCY DEALINGS: NET PURCHASES (+) OR SALES (-)

SI EQUIVALENT '000

	U. S. A. dollars	Japanese Yen	U. K. £	Deutsche- marks	Can- adian dollars	New Zealand dollars	Singa- pore dollars	Hong Kong dollars	Papua New Guinea Kina	Fiji dollars	Malay- sian RGT	Swiss francs	Swedish Kronor	Netherlands guilders	Others
1977															
Oct	+ 245	- 138	- 56	- 80	- 4	- 79	- 20	- 73	- 197	- 46	- 1	- 12	- 1	- 7	- 2
Nov	- 39	- 1482	- 33	- 17	-	- 227	32	- 222	- 179	- 69	- 10	- 14	- 1	-	- 3
Dec	+ 323	- 37	- 600	- 38	-	- 73	- 38	- 104	- 103	- 83	- 4	- 9	- 6	-	- 3
1978															
Jan	- 13	- 817	+ 1384	- 8	- 1	- 157	- 138	- 185	- 463	- 198	- 2	-	- 3	+ 2	+ 22
Feb	+ 1421	- 29	- 1031	- 21	- 2	- 99	- 62	- 57	- 118	- 25	-	- 2	- 1	- 2	+ 17
Mar	+ 1737	+ 213	+ 2009	- 114	- 1	- 186	- 87	- 213	- 221	- 44	-	-	-	-	+ 6

CARE: This table shows the net position in foreign currencies only. At the present time many transactions are settled in Australian dollars which, of course, retain legal tender status in the Solomon Islands during the Transitional Period. Thus this table does not reflect dealings in all currencies other than Solomon Islands dollars and, therefore, does not fully reflect dealings with countries overseas, as can be seen by looking at the movements recorded in the table showing banks' overseas liabilities and assets.

CONSOLIDATED BALANCE SHEET FIGURES
(ALL TRADING AND SAVINGS BANKS)

\$mn

	<u>Liabilities</u>					<u>Assets</u>				
	Total	Sight	Savings	Time	Other Liabilities	Total Assets and Liabilities	Cash	Market Loans (SI & Overseas)	Advances	Other Assets
19.10.77	23.8	6.2	5.0	12.6	0.8	24.7	0.4	16.7	5.6	1.9
18.1.78	21.8	4.4	4.6	12.9	0.6	22.5	0.5	12.4	7.0	2.5
19.4.78	25.6	6.5	4.9	14.1	0.7		0.3	16.2	7.1	2.7

SECTORAL ANALYSIS OF ADVANCES
(ALL TRADING AND SAVINGS BANKS)

\$000

Total Advances	Manufacturing Industry	Advances to:					Services			Persons	
		Total	Other Production		Construction	Total	Transport	Retail Distrib.	Other Distrib.		
			Ag. & Forestry	Fishing							
19.10.77	5649	..	..	..	..	..	..	..	..	..
16.11.77	5885	256	1267	669	N/A	194	3826	276	1371	940	536
18.1.78	6997	..	..	..	..	..	..	..	..	..	..
15.2.78	7313	263	1986	529	1296	161	4101	614	2175	749	963

.. = not available