



Fiji Meat Industry Board

# Annual Report 2022

Parliamentary no 106 of 2023

The annual report for 2022 financial year shares the board's success of achieving positive result for the year and also shares the highlights of the overall performance of the Company in the financial year.

As Covid-19 is evading steadily with businesses growth percent increasing, FMIB has also seen a moderate improvement in its business growth.

We thank the readers for their valuable time in reading the annual report for 2022.





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# Brief Overview of FMIB

FMIB was established under the Fiji Meat Industry ACT 237 of 1970, Suva abattoir was established at Nasinu, Nine Miles in 1976 to cater for cattle, pigs, goats and sheep slaughtering services in the Central Division. Attached to the abattoir is a rendering plant which was also established in 1976. Rendering processes, the by-products from the abattoir which are sold as animal feed. The Suva property sits on 35.4 hectares of state land. The land has a 75 Crown lease granted on 01/07/1976.

Vuda Abattoir was established at Vuda Point in 1983. It caters for the slaughter services in the Western Division. The Vuda property sits on 6.35 hectares of Native land. The land tenure is a 75-year Native lease granted in 01/01/1982.

The core function of FMIB is to provide the Slaughtering services for Butchers in the Fiji. It has now ventured into a Magiti concept where we also provide services for social obligations to meet our diverse markets.

FMIB is committed to providing slaughtering and processing services in facilities that are internationally standardized for safety, hygiene and quality. Fiji Meat and Industry Board has also ventured into implementing a food safety program that complies with the Hazard Analysis Critical Control Point (HACCP) principles and conforms to guidance issued by the food safety Act 2003, Food safety Regulations 2009 and Meat Industry Act 1993.

## Our Core Functions are as follows:

- To construct and operate public slaughtering facilities.
- To take all such steps, for the process connected with the protection, preservation and expansion of the Meat Industry in Fiji.
- To purchase, trade or deal in livestock or meat.

## Our Services

- Cattle Slaughter
- Pork Slaughter
- Goat Slaughter
- Sheep Slaughter

## Products

- Magiti
  - ✓ Beef
  - ✓ Pork
  - ✓ Goat
  - ✓ Sheep
- Meat Meal
- Fish meal
- Tallow

# FMIB Vision & Mission

FMIB has supported the meat sector for many years by purchasing livestock from small & commercial farmers all throughout Fiji, offering dependable slaughter services, and conducting sales at competitive prices.

**FMIB is committed to providing slaughtering service in facilities that are internationally benchmarked for safety, hygiene and quality.**

FMIB will respond to the needs of diverse markets through humane practises, technological efficiency and adding value to meat and products.

In doing so, FMIB believes in continuous business success and growth built upon customer satisfaction, high ethical standards, good business practices and concern for the welfare of our employees.

We are committed to fulfilling our responsibility to the Government, the environment, our suppliers and the community in which we operate.

## Vision

**To be a recognized provider of quality and value added: meat, protein and their by products.**

## Values

FMIB's values provides guiding principles and beliefs that shape FMIB culture, behaviour, and decision-making processes.

1. **Quality:** Emphasizing the production of high-quality meat that meet or exceed customer expectations
2. **Innovation:** FMIB value innovation by encouraging creative thinking, fostering a culture of continuous improvement, and investing in research and development.
3. **Integrity:** FMIB believes in ethical and transparent business which abides by legal and regulatory requirements enhancing trust and honesty.
4. **Accountability:** FMIB expects and encourages employees to take ownership of their work, meet deadlines and deliver results.
5. **Customer Focus:** placing customers at the centre of operations understanding their needs and providing excellent customer service.
6. **Environmental Stewardship:** FMIB recognizes the importance of environmental sustainability and adopt values that promote responsible resource use, waste reduction, energy efficiency, and eco-friendly practices.
7. **Social Responsibility:** FMIB uphold' s a sense of social responsibility by giving back to their communities, supporting local initiatives, and engaging in philanthropic activities.



# FMIB Board Composition 2022



Board Chairperson  
**Joann Young**



Board Deputy  
Chairperson  
**Joel Abraham**



Director  
Kenneth  
Cokanasiga



Director  
Shandiya Goundar



Director Kamni  
Naidu



CEO  
Vimal Chand



Finance Manager/  
Board Secretary  
Rajnal Prasad

# Message from Chairperson



I am pleased to present the 2022 Annual Report for the Fiji Meat Industry Board. As Chairperson, I take pride in highlighting the notable accomplishments and obstacles encountered by our industry in the previous year.

The global meat industry has been a cornerstone of food sector, providing sustenance and nutrition to millions of people world wide. FMIB has always been committed to meeting the growing demand for high quality and safe meat while upholding the highest standards of animal welfare, sustainability and environment responsibility.

The following activities are currently in progress and will be implemented soon:

- Developing a 5-year strategic plan and business plan
- Reviewing the slaughter fee
- Reviewing the Meat Act
- Rebranding
- Relocating the Abattoir

As we progress, we will invest in research and development, collaborate with stakeholders, and adopt emerging technologies to secure the long-term success of the meat industry in Fiji.

I am grateful to our committed employees, esteemed shareholders and industry partners for their unwavering support. Together, we will drive innovation, sustainability and prosperity in the meat industry in Fiji.

Vinaka

**Joann Young**

Chairperson



# Message from CEO



It is with great pleasure that I present to you the 2022 Annual Report for our esteemed organization. This year has been a remarkable journey of growth, resilience and innovation. Despite the industry facing numerous challenges, we have achieved significant milestone. While our throughput has been declining and costs have been increasing as well as slaughter fees that have not been reviewed since 2005, we have managed to generate a profit.

First and foremost, I would like to express my gratitude to our dedicated employees for their unwavering commitment and hard work. Their exceptional efforts have been instrumental in driving our success. As a team, we remained focused on our mission of providing high quality, safe and sustainable slaughtering services to our customers.

In terms of financial performance, I am pleased to report that we have achieved profitability. However, it is important to note that our throughput has been declining and costs have increased significantly due to inflation. These challenges can be attributed to our capital investments in expanding production capabilities and optimizing operational efficiency.

We have made significant progress in implementing sustainability practices. We remain committed to re-

sponsible sourcing, animal welfare and reducing environmental footprints. By implementing innovative technologies and process we have reduced notable reductions in water consumption and greenhouse emissions.

Looking ahead, we anticipate both opportunities and challenges on the horizon. Consumer preferences are changing and we must remain agile to adapt to market changes. We will continue to invest in food safety programs and our training programs to up skill our employees to stay ahead of the curve.

In conclusion, I am proud of what we have achieved this year and the direction we are heading. Our commitment to quality, sustainability, and innovation will remain unwavering as we strive to meet the evolving needs of our customers and create long term value for our shareholders.

Thank you for your ongoing support and trust in FMIB.

Vinaka

**Vimal Chand**

Chief Executive Officer

# 2022 Highlights

## Finance

With continuous improvements in all divisions of FMIB in both the abattoirs, it is overwhelming to report a profit of \$108,134 in the 2022 financial year compared to a loss of (\$115,746) in 2021 and years back. The transformation demonstrates effective management and strategic decision-making.

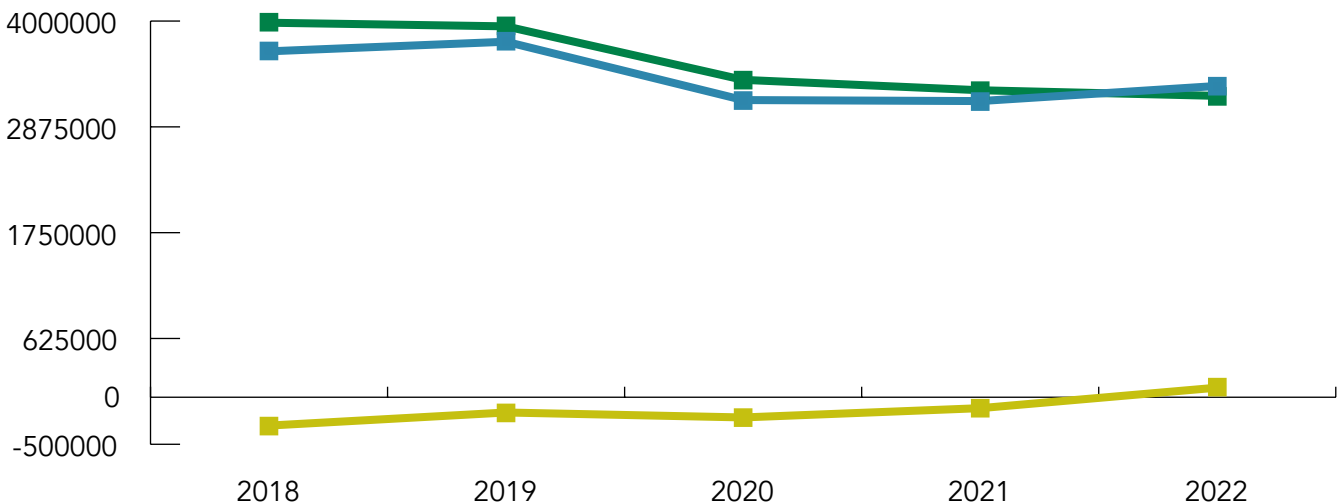
The 3% increase in operating income and a substantial 31% decrease in the cost of goods sold have played a pivotal role in bolstering the company's profitability. Efficient cost management and increased operational efficiency contributed to the business success. The introduction of supplementary income streams, such as delivery charges for chilled carcasses and chiller fees, reveals the company's adaptability and creativity in finding additional revenue sources without raising the slaughter fee which has been stagnant since 2005.

The utilization of capital government grants to carry out upgrades in the abattoir not only showcases smart financial management but also the company's commitment to modernizing its facilities for better cost control and maintenance efficiency.

Moreover, the low debt ratio of 0.10:1 signifies a healthy financial position with minimal reliance on external debt. The improved cash flow management, including timely payment to suppliers and creditors, indicates strong liquidity and responsible financial practices.

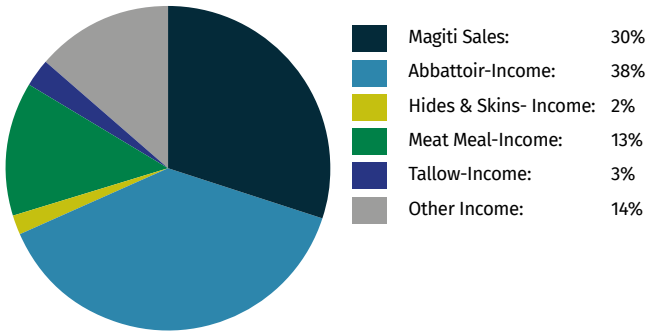
The commitment of the FMIB board of Directors and management is to drive the company's growth through innovation and strategic planning which will lead to long-term success. Overall, the positive financial results is the outcome of implementing prudent financial practices, exploring new revenue streams, and investing in its infrastructure.

## Financial Performance

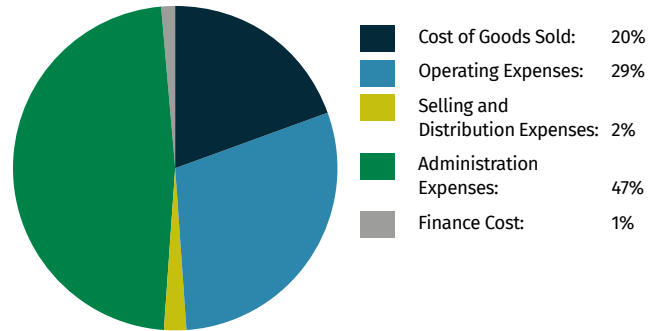


■ Total Income - 2018: 3,681,030 | 2019: 3,784,809 | 2020: 3,154,176 | 2021: 3,143,363.62 | 2022: 3,306,728.69  
■ Total Expenses - 2018: 3,986,784 | 2019: 3,947,750 | 2020: 3,371,147 | 2021: 3,259,109.88 | 2022: 3,198,594.46  
■ Profit/(Loss) - 2018: (305,754) | 2019: (162,941) | 2020: (216,971) | 2021: (115,746) | 2022: 108,134

### FMIB Income



### FMIB Expenditure



## Operations

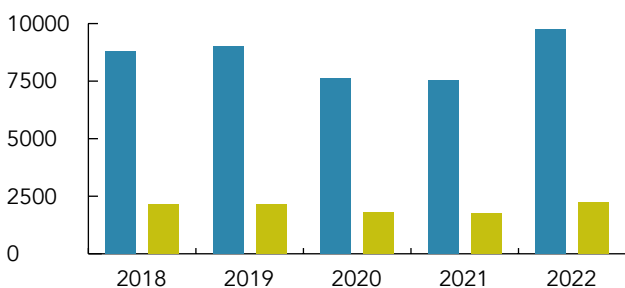
The livestock industry’s performance is influenced by the numbers of various animals received for slaughter. In 2022, cattle numbers increased by 29%, while pig numbers decreased by 14%. The decrease in pig numbers is expected to improve due to farms reopening after closures caused by the Covid-19 pandemic. Goat and sheep numbers also decreased in 2022.

Despite the decrease in pig numbers, pigs remain the top commodity for slaughter, with 11,618 pigs slaughtered. Cattle slaughter follows closely with 9,758 cattle slaughtered, while sheep and goat slaughter numbers are lower at 283 and 1,570, respectively. Even though pigs have the highest slaughter numbers, cattle contribute more income to FMIB due to the heavier weight of cattle carcasses compared to pigs.

FMIB collaborates with industry suppliers from the beef and pork sectors, the Ministry of Agriculture, and other stakeholders. This collaboration aims to support the growth of livestock farming in Fiji and ensure a stable supply of livestock resources for local consumption. FMIB is upgrading its abattoir to meet the Hazard Analysis and Critical Control Points (HACCP) standard. This upgrade not only ensures food safety but also enables FMIB to access overseas and tourist markets for commodity sales.

By promoting Fijian-grown products and exporting them, FMIB aims to contribute to the country’s economy. The organization’s efforts to adhere to international food safety standards like HACCP help increase the appeal of Fijian products in international markets. FMIB is actively adapting its strategies in response to changes in livestock numbers. This adaptability allows the organization to stay resilient and make informed decisions. FMIB’s emphasis on collaboration and promoting local products highlights its commitment to the development of Fiji’s livestock sector.

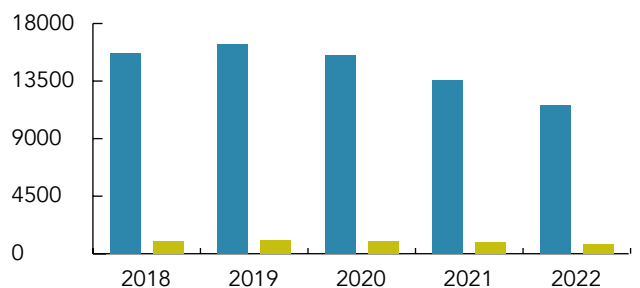
### Cattle Slaughter Numbers & Weight



Numbers – 2018: 8,775 | 2019: 9,019 | 2020: 7,621 | 2021: 7,539 | 2022: 9,758

Weight – 2018: 2,156 | 2019: 2,163 | 2020: 1,788 | 2021: 1,763 | 2022: 2,237

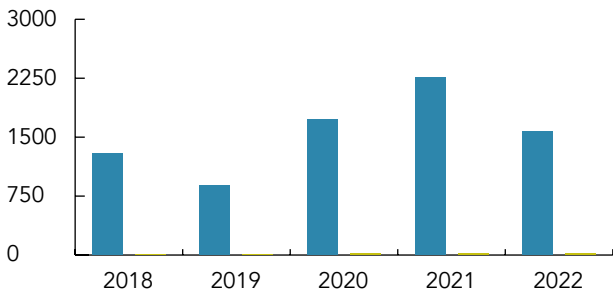
### Pork Slaughter Numbers & Weight



Numbers – 2018: 15,636 | 2019: 16,376 | 2020: 15,498 | 2021: 13,539 | 2022: 11,618

Weight – 2018: 1,004 | 2019: 1,018 | 2020: 975 | 2021: 863 | 2022: 717

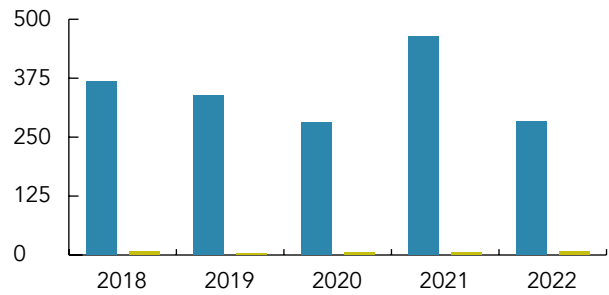
### Goat Slaughter Numbers & Weight



Numbers – 2018: 1,298 | 2019: 884 | 2020: 1,728 | 2021: 2,259 | 2022: 1,570

Weight – 2018: 11 | 2019: 10 | 2020: 19 | 2021: 25 | 2022: 17

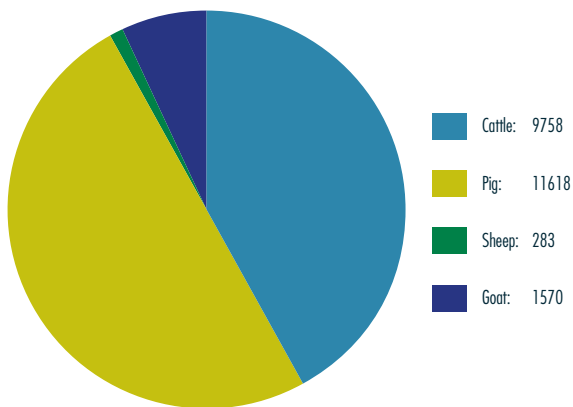
### Sheep Slaughter Numbers & Weight



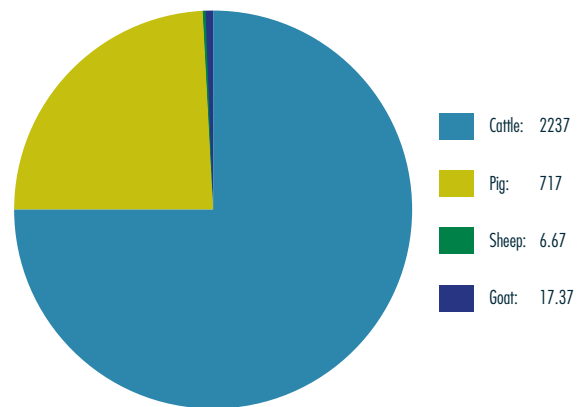
Numbers – 2018: 368 | 2019: 338 | 2020: 281 | 2021: 464 | 2022: 283

Weight – 2017: 1 | 2018: 7 | 2019: 4 | 2020: 5 | 2021: 5 | 2022: 7

### Slaughter Stats by Numbers - 2022



### Slaughter Stats by Weight - 2022



## Quality Assurance

It's evident that FMIB's Quality Team plays a crucial role in ensuring the quality of meat products and maintaining compliance with HACCP standards. The Hazard Analysis Critical Control Point (HACCP) system is essential for identifying and mitigating potential hazards in the food production process.

### Activities and Achievements:

1. Quality Assurance Monitoring: The team's primary focus is on monitoring the adherence to HACCP quality standards throughout the meat production process, from raw material procurement to product distribution.
2. Compliance: The team ensures that FMIB complies with standard requirements, and the HACCP Plan serves as a framework to identify, remove, or reduce hazards in the work process.
3. Certification Process: Nakasi Abattoir is in the process of obtaining Stage 2 HACCP Certification. In-house training and visits by HACCP Australia are conducted to enhance the certification process.
4. Infrastructure Improvements: Improvements to facilities and processes have been implemented based on available funding. Changes to the Beef Floor process line have been made to meet new quality system requirements.

5. Monthly Reports and Meetings: QA Monthly reports are created to address HACCP updates and issues raised. The QA Sub Committee reviews these reports in management meetings to ensure compliance with HACCP Standards.

## Challenges Faced:

1. High Staff Turnover: The challenge of staff staying for short-term employment affects the team's efficiency. Retraining new staff on quality and HACCP standards can be time-consuming and resource-intensive.
2. Pest Control: The Ministry of Agriculture's limited manpower and resources hinder effective pest control for stray dogs. This poses a risk to food safety as the dog's roam around FMIB premises.
3. Staff Intellectual and Hygiene Issues: There are concerns about the lack of personal hygiene improvements and property respect among staff members. Littering, poor personal grooming, and damage to company property continue despite verbal and physical training.

Addressing these challenges is crucial to maintaining the highest standards of food safety and quality. Improving staff retention through training and incentives, collaborating with relevant authorities for effective pest control, and implementing comprehensive employee education programs can help overcome these challenges and enhance the overall operations of FMIB's Quality Team.

## Human Resource

### Highlight

The year 2022 was demanding and fast changing given the adaptation to new legislative requirements, workplace adjustments, supply chain disruptions and new technologies. From meeting the needs of the workforce and building a continuous improvement culture the year was filled with challenges and opportunities.

### Manpower

The total workforce at the end of December 2022 was 67 which included a pool of 16 casual workers. FMIB's staff turnover was 11%, a drop by 19% in comparison to 2021. There were three formal recruitment carried out during the year, and the pool of casual workers continued to provide a backup for vacant unskilled floor employees. The new Manager Finance and Board Secretary was recruited at the end of the year, however, he took up his role in early January 2023.

During the year, two positions were restructured by reassigning duties within the department to boost efficiency, productivity and staff morale.

### Staff Training and Professional Development

Areas covered in training and development by our employees in 2022 included Standard Operating procedures and Hygiene, HACCP implementation, Occupational Health and Safety and other financial seminars and sessions. Other areas of training focused on up skilling of the employees in technical areas such as meat processing and packaging.

### Industrial and Employee Relations

FMIB continues to strengthen its relationship with both its Unions and had a harmonious working relationship in 2022. The Board received a log of claims from Fiji Public Service Association seeking a 10% pay increment. This was successfully negotiated and a 5% increment was agreed amicably and implemented in July 2022.

The Government legislation on revised superannuation rate and the new National Minimum Wage regulation were successfully implemented during the year. The last tranche of National Minimum Wage was implemented on 1st January 2023.

FPSA membership represented 18% and NUFCW represented 12% of the total workforce. The review of FMIB's HR Policy manual and Risk Policy progressed and the first draft was completed by the end of the year.

## Occupational Health and Safety

During the year, we recorded 19 lost time injuries. Annual health checks are carried out prior to the renewal of abattoir licence. Adherence to strong health and safety standards is essential across all sites and floors and we are committed to reducing health and safety accidents by ensuring employee awareness.

## Looking Ahead

Our employees are at the heart of our business operations and they embody our culture. A crucial issue identified in our 2024-2028 Strategic Plan is People and Processes. The absence of adequate staff training and upskilling, along with the loss of skilled meat processors, has negatively impacted our quality standards.

FMIB is committed to forging an ambitious future by working closely with all employees and ensuring their welfare. We aim to achieve this through the execution of effective strategies for employee retention and skills development.

**47** **Years in Operation**  
Our experience means we deliver quality.

**76** **Professional Staff**  
Without our staff, we wouldn't be able to achieve our goals.

**+** **Many Happy Customers**  
We pride ourselves in providing the best service.



# Financial Report 2022

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**FIJI MEAT INDUSTRY BOARD  
DIRECTORS REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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In accordance with a resolution of the Board of Directors, the directors herewith submit the statement of financial position of the Fiji Meat Industry Board as at 31 December 2022, the related statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and report as follows:

1. The following were directors of the Board at any time during the financial year and up to the date of this report.

Mr Kenneth Cokanasiga - (Chairperson (appointed on 24 April 2023 for period of 3 years))  
Mr Eliki Batirokomoro (appointed on 24 April 2023 for period of 3 years)  
Mr Amjad Ali (appointed on 24 April 2023 for period of 3 years)  
Mr Andrew Tukana (appointed on 24 April 2023 for period of 3 years)  
Ms Joann Young (existing member and reappointed on 24 April 2023 for period of 3 years)  
Mr. Puamau Volau (appointed on 24 April 2023 for period of 3 years)

2. **Principal activity**

The principal activity of the Board is to regulate and control the slaughtering of livestock. Other activities include the sale of processed by-products such as tallow and meat meal.

3. **Trading results**

The Board recorded a profit for the year of \$108,134 (2021: Loss of \$115,746).

4. **Provisions**

There were no material movements in provisions during the year apart from the normal amounts set aside for such items as depreciation and doubtful debts.

5. **Reserves**

The directors recommended that no amounts be transferred to reserves in respect of year ended 31 December 2022.

6. **Non current assets**

The directors took reasonable steps before the Board's financial statements were prepared to ascertain that the non current assets of the Board were shown in the accounting records at a value equal to or below the value that would be expected to be realized in the ordinary course of business.

At the date of this report, the directors are not aware of any circumstances, which would render the values attributable to the non current assets in the financial statements misleading.

**FIJI MEAT INDUSTRY BOARD  
DIRECTORS REPORT (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**7. Bad and doubtful debts**

The directors took reasonable steps before the financial statements were prepared to ascertain that all known bad debts were written off and adequate provision was made for doubtful debts.

At the date of this report, the directors are not aware of any circumstances, which would render the amount written off for bad debts, or the amount of the provision for doubtful debts, inadequate to any substantial extent.

**8. Other circumstances**

At the date of this report, the directors are not aware of any circumstances not otherwise dealt within this report or financial statements, which render any amounts stated in the financial statements misleading.

**9. Unusual circumstances**

The results of the Board's operations during the financial year have not in the opinion of the directors been substantially affected by any item, transaction or event of a material and unusual nature other than those disclosed in the financial statements.

**10. Director's benefits**

No director of the Board has, since the end of the previous financial year, received or become entitled to receive a benefit (other than a benefit included in the total amount of emoluments received or due and receivable by directors and any claim and/or any payment made by any director for attendance and professional services rendered and approved by the directors of the Board as shown in the Board's accounts) by reason of a contract made with the Board or a related corporation with the director or with a firm of which the director is a member, or in a Board in which the director has a substantial financial interest.

**11. Basis of accounting**

The directors believe the basis of the preparation of financial statements is appropriate and the Board will be able to continue in operation for at least 12 months from the date of this statement. Accordingly, the directors believe the classification and carrying amounts of assets and liabilities as stated in these financial statements to be appropriate.

These financial statements for the year ended 31 December 2022 has been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs).

FIJI MEAT INDUSTRY BOARD  
DIRECTORS REPORT (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2022

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12. Events subsequent to balance date

- a.) The Board has carried out the rebranding exercise and the development of Board's website is in progress. Once the website is developed, the management and Board members of FMIB shall launch the New Company, logo and website.
- b.) Apart from the exceptions above, no other matters or circumstances have arise since the end of the financial year which significantly affected or may significantly affect the operations of the Board, the results or cash flows of those operations, or the state of affairs of the Board in future financial years.

For and on behalf of the Board.

  
\_\_\_\_\_  
Chairperson

12/6/23  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Director

12-06-23  
\_\_\_\_\_  
Date


**FIJI MEAT INDUSTRY BOARD  
STATEMENT BY DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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In accordance with a resolution of the directors of Fiji Meat Industry Board, we state that in the opinion of the directors:

- (i) the accompanying statement of comprehensive income is drawn up so as to give a true and fair view of the results of the Board for the year ended 31 December 2022;
- (ii) the accompanying statement of financial position is drawn up so as to give a true and fair view of the state of affairs of the Board as at 31 December 2022;
- (iii) the accompanying statement of changes in equity is drawn up so as to give a true and fair view of the movement in equity of the Board for the year ended 31 December 2022;
- (iv) the accompanying statement of cash flows is drawn up so as to give a true and fair view of the cash flows of the Board for the year ended 31 December 2022;
- (v) at the date of this statement, there are reasonable grounds to believe that the Board will be able to pay its debts as and when they fall due; and
- (vi) all related party transactions have been adequately recorded in the books of the Board and reflected in the financial statements.

For and on behalf of the Board.

  
\_\_\_\_\_  
Chairperson

12/6/23  
Date

  
\_\_\_\_\_  
Director

12-06-23  
Date



## INDEPENDENT AUDITORS REPORT

### Fiji Meat Industry Board

### Report on the Audit of the Financial Statements

#### Opinion

I have audited the financial statements of the Fiji Meat Industry Board ("the Board"), which comprise the Statement of Financial Position as at 31 December 2022, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Board as at 31 December 2022, and of its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards for Small and Medium-sized Entities ("IFRS for SMEs").

#### Basis for Opinion

I have conducted my audit in accordance with International Standards on Auditing (ISA). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Board in accordance with the International Ethics Standards Board for Accountant's *Code of Ethics for Professional Accountants* (IESBA Code) together with the ethical requirements that are relevant to my audit of the financial statements in Fiji and I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Other information

The Management and Directors are responsible for the other information. The other information comprises the Annual report but does not include the financial statements and the auditor's report thereon.

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

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

## **Responsibilities of the Management and Directors for the Financial Statements**

The Management and Directors are responsible for the preparation and fair presentation of these financial statements in accordance with IFRS for SMEs and for such internal control as the Management and Directors determine 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 and Directors are responsible for assessing the Board'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 the Management either intend to liquidate the Board or to cease operations, or have no realistic alternative but to do so.

The Management and Directors are responsible for overseeing the Board's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA 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 the financial statements.

As part of an audit in accordance with ISA, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 Board's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Directors.
- Conclude on the appropriateness of the Management's and Directors' use of 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 Board's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures, are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Board 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 (con't)**

I communicate with the Management and Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

### **Report on Other Legal and Regulatory Requirements**

In my opinion, the financial statements have been prepared in accordance with the requirements of the Meat Industry Act 1969 and Public Enterprise Act 2019 in all material respects, and;

- a) I have been given all information, explanations and assistance necessary for the conduct of the audit; and
- b) the Board has kept financial records sufficient to enable the financial statements to be prepared and audited.



Sairusi Dukuno  
**ACTING AUDITOR-GENERAL**



**Suva, Fiji**  
**12 June 2023**

FIJI MEAT INDUSTRY BOARD  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 (\$)	2021 (\$)
<b>Revenue</b>			
Operating revenue	4	2,860,261	2,794,497
Cost of goods sold		(624,026)	(901,942)
<b>Gross profit</b>		<u>2,236,235</u>	<u>1,892,555</u>
Release of deferred income		86,838	93,844
TB grant income		115,790	87,070
Other income	5(a)	243,839	167,953
<b>Total other income</b>		<u>446,467</u>	<u>348,867</u>
		<u>2,682,702</u>	<u>2,241,422</u>
<b>Less:</b>			
Operating expenses	5(b)	(940,039)	(836,961)
Selling and distribution expenses		(79,634)	(30,378)
Administrative expenses		(1,515,155)	(1,450,320)
<b>Total operating expenses</b>		<u>(2,534,828)</u>	<u>(2,317,659)</u>
<b>Profit/(Loss) from operations</b>		<u>147,874</u>	<u>(76,237)</u>
Finance Cost	5(c)	(39,740)	(39,509)
<b>Profit/(Loss) before tax</b>		<u>108,134</u>	<u>(115,746)</u>
Income tax expense		-	-
<b>Profit/(Loss) after tax</b>		<u>108,134</u>	<u>(115,746)</u>

The Statement of Comprehensive Income is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 13-24.



FIJI MEAT INDUSTRY BOARD  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2022

	Notes	2022 (\$)	2021 (\$)
<b>Current assets</b>			
Cash & cash equivalents	6	604,021	438,240
Trade and other receivables	8	377,159	312,465
Inventories	9	69,522	57,439
		<u>1,050,702</u>	<u>808,144</u>
<b>Non-current assets</b>			
Held - to - Maturity Investment	7	201,957	201,957
Property, plant and equipment	10	2,164,491	2,057,494
		<u>2,366,448</u>	<u>2,259,451</u>
<b>Investment Property</b>			
Industrial leasehold land	15	31,900,000	31,900,000
<b>Total assets</b>		<u><b>35,317,150</b></u>	<u><b>34,967,595</b></u>
<b>Current liabilities</b>			
Trade and other payables	11	110,560	137,423
Interest bearings borrowings	12 (a)	57,903	64,477
Deferred income current	13	86,838	180,914
Provision for annual leave		66,194	49,446
Income received in advance	14	150,921	150,000
		<u>472,416</u>	<u>582,260</u>
<b>Non Current Liabilities</b>			
Interest bearing borrowings	12 (b)	400,418	452,419
Deferred income	13	1,086,198	682,932
		<u>1,486,616</u>	<u>1,135,351</u>
<b>Total Liabilities</b>		<u><b>1,959,032</b></u>	<u><b>1,717,611</b></u>
<b>NET ASSETS</b>		<u><b>33,358,118</b></u>	<u><b>33,249,984</b></u>
<b>Equity</b>			
Retained earnings		1,458,118	1,349,984
Asset revaluation reserve		31,900,000	31,900,000
<b>TOTAL EQUITY</b>		<u><b>33,358,118</b></u>	<u><b>33,249,984</b></u>

The Statement of Financial Position is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 13-24.

For and on behalf of the Board.

Chairperson

Director

FIJI MEAT INDUSTRY BOARD  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2022

Notes	Asset Revaluation Reserve (\$)	Retained Earnings (\$)	Total Equity (\$)
<b>Balance as at 31 December 2020</b>	31,900,000	1,465,730	33,365,730
Net (loss) for the year	-	(115,746)	(115,746)
Revaluation surplus			
<b>Balance as at 31 December 2021</b>	<u>31,900,000</u>	<u>1,349,984</u>	<u>33,249,984</u>
Net profit for the year		108,134	108,134
Revaluation surplus			
<b>Balance as at 31 December 2022</b>	<u>31,900,000</u>	<u>1,458,118</u>	<u>33,358,118</u>

FIJI MEAT INDUSTRY BOARD  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 (S)	2021 (S)
<b>Cash flows from operating activities</b>			
Receipts from customers		3,156,117	3,209,124
Payments to suppliers, creditors and employees		(2,838,179)	(2,977,466)
Interest and Finance costs paid		(39,738)	(39,509)
<b>Net cash used by operating activities</b>		<u>278,200</u>	<u>192,149</u>
<b>Cash flows from investing activities</b>			
Payments for plant and equipment		(449,871)	(481,376)
Govt grant -purchase of Assets		396,028	399,299
<b>Net cash used by investing activities</b>		<u>(53,843)</u>	<u>(82,077)</u>
<b>Cash flows from financing activities</b>			
Net (repayments) of long term loan		(58,576)	(39,931)
<b>Net Cash provided by financing activities</b>		<u>(58,576)</u>	<u>(39,931)</u>
Net increase/(decrease) in cash		165,781	70,141
Cash and cash equivalents at the beginning of the year		438,240	368,099
<b>Cash and cash equivalents at the end of the financial year</b>	6	<u>604,021</u>	<u>438,240</u>

The Statement of Cash Flows is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 13 - 24.

**FIJI MEAT INDUSTRY BOARD  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**1. GENERAL INFORMATION**

The Fiji Meat Industry Board was established in 1976 under the Meat Act Chapter 237 of 1970.

The function of the board is to:

- Construct and operate public slaughtering facilities;
- Take steps deemed desirable for the protection, preservation and expansion of the meat industry in Fiji;
- Borrow funds as and when required to effectively discharge its function; and
- Purchase, trade or deal in livestock, meat and its by-product.

**2. BASIS OF PREPARATION**

The principal accounting policies adopted by Fiji Meat Industry Board are stated to assist in the general understanding of these financial statements. These policies have been consistently applied except as otherwise indicated.

*Statement of Compliance*

The financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities ("IFRS for SME's") issued by the International Accounting Standards Board. The financial statements are presented in Fiji dollars and all values are rounded to the nearest dollar.

*Government Grants*

Section 24 Government Grants - this section requires an entity to recognise government grants according to the nature of the grant:

A grant that does not impose specified future performance conditions on the recipient is recognised in income when the grant proceeds are receivable;

A grant that imposes specified future performance conditions on the recipient is recognised in income only when the performance conditions are met; and

Grants received before the income recognition criteria are satisfied are recognised as a liability and released to income when all attached conditions have been complied with.

*Judgments, estimates and assumptions*

In the application of IFRS for SMEs, the Board is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

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. Judgments made by the Board in the application of IFRS for SMEs that have significant effects on the financial statements and estimated with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

**FIJI MEAT INDUSTRY BOARD**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**3.1 Property, Plant and Equipment**

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation has been calculated using straight line method based on an assessment of the economic life of the assets. The economic life of assets has been estimated as follows:

Leasehold land	Over the lease period.
Land, yard and roadmaps	55, 75 years
Buildings and improvement	10,20,40,60 and 80 years
Plant, furniture and equipment	1-5, 10 and 20 years
Motor vehicles	5 years

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.

Profits and losses on disposal of property, plant and equipment are taken into account in determining the results for the year.

**3.2 Capital Grants**

The cost of assets acquired by the Board which are funded by way of a Government or similar grant is recognised as deferred income on receipt of the grant and released to income when all attached conditions have been complied with.

**3.3 Inventory**

Inventories are valued at the lower of cost and net realisable value. The cost of raw materials and spare parts include all costs of acquisition, calculated on the weighted average basis. Finished goods are determined on a consistent basis, comprising prime costs and an appropriate proportion of fixed and variable overhead expenses. Livestock valuation is based on market value less estimated point of sale costs.

**3.4 Trade and Other Receivables**

Trade receivables are carried at original invoice amount less provision made for impairment of these receivables. A provision for impairment of receivables is established when there is objective evidence that the Board will not be able to collect all amounts due according to the original terms of receivables. A provision is raised for any doubtful debts based on a review of all outstanding amounts at year end. Bad debts are written off during the period in which they are identified.

**3.5 Trade and Other Payables**

Trade payables are obligations on the basis of normal credit terms and do not bear interest. These amounts represent liabilities for goods and services provided to Board prior to end of financial year and which are unpaid.

**3.6 Income Tax**

The Board is exempt from income tax under section 13 of the Meat Industry Act and section 17 (4) of the Income Tax Act.

**FIJI MEAT INDUSTRY BOARD**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.7 Foreign Currency**

Assets and liabilities in foreign currencies are translated into Fiji currency at exchange rates prevalent at balance date. Foreign currency transactions during the year are translated into Fiji currency at the rate of exchange prevailing on the date of the transactions. All differences are taken to profit or loss.

**3.8 Employee Benefits**

Liabilities for wages and salaries are recognized and are measured as the amount unpaid at the reporting date at current pay rates in respect of employee services up to that date.

**3.9 Cash and Cash Equivalents**

Cash and cash equivalents are carried in the Statement of Financial Position at cost. For the purposes of the Statement of Cash Flows, cash and cash equivalents comprise cash on hand and at bank and short term deposits with a maturity of three months or less. Term deposits with a maturity of more than three months are classified as held-to-maturity investments.

**3.10 Revenue Recognition**

Operating revenue represents revenue earned from the sale of the board's products, net of returns, trade allowances and taxes.

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the entity and revenue can be reliably measured.

**3.11 Leased Assets**

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 Board. All other leases are classified as operating leases.

Rights to assets held under finance leases are recognized as assets of the Board at the fair value of the leased property (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are deducted in measuring profit or loss. Assets held under finance leases are included in property, plant and equipment, and depreciated and assessed for impairment losses in the same way as owned assets.

Rental payable under operating leases are charged to profit or loss on straight-line basis over the term of the relevant lease.

**3.12 Borrowing Cost**

All borrowing costs are recognized in profit or loss in the period in which they are incurred.

**FIJI MEAT INDUSTRY BOARD**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.13 Impairment of Assets**

At each reporting date, property, plant and equipment are reviewed to determine whether there is any indication that those have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognized immediately in profit or loss.

Similarly, at each reporting date, inventories are assessed for impairment by comparing the carrying amount of each item of inventory (or group of similar items) with its selling price less costs to complete and sell. If an item of inventory (or group of similar items) is impaired, its carrying amount is reduced to selling price less costs to complete and sell, and an impairment loss is recognized immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount (selling price less costs to complete and sell, in the case of inventories), but not in excess of the amount that would have been determined had no impairment loss been recognized for the asset (group of related assets) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

**3.14 Comparative Figures**

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

**3.15 Segment Information**

The business segments identified in the primary reporting disclosures are Abattoir, Magiti and Others. Other operations of the company comprise of beef cattle fattening operation. The Board only operates in Fiji where it has two sites - Nakasi and Vuda.

Tannery operations was discontinued in 2006. Machines relating to Tannery were sold and realised as a gain in 2012:

Segment revenues, expenses, assets and liabilities are those that are directly attributable to a segment. Segment assets include all assets used by a segment and consist primarily of cash, receivables, inventories and property, plant and equipment, net of related provisions. Segment liabilities consist primarily of trade and other creditors and provisions.

While revenue can be directly attributable to the business and segments, expenses, assets and liabilities could not be reasonably allocated.

FIJI MEAT INDUSTRY BOARD  
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)  
 FOR THE YEAR ENDED 31 DECEMBER 2022

4. SEGMENT INFORMATION

a) Primary reporting - business segments

	2022	2021
	(\$)	(\$)
<b>Revenue</b>		
Abattoir	1,865,311	1,763,017
Magiti	994,950	1,030,297
Other	-	1,183
	<u>2,860,261</u>	<u>2,794,497</u>
<b>Results</b>		
Abattoir	1,865,619	1,758,269
Magiti	370,616	325,350
Other	-	1,075
	<u>2,236,235</u>	<u>2,084,694</u>
Revenue	446,467	348,867
Expenses	(2,534,828)	(2,509,798)
Finance costs	(39,740)	(39,509)
Net profit/(loss)	<u>108,134</u>	<u>(115,746)</u>
<b>Segment Assets</b>		
Abattoir	33,358,118	33,957,494
	<u>33,358,118</u>	<u>33,957,494</u>

5. OTHER REVENUE AND EXPENSES

(a) Other Income

Interest	6,428	6,758
Freight income	65,804	18,893
Rent income	29,157	12,689
Miscellaneous revenue	142,450	129,613
	<u>243,839</u>	<u>167,953</u>



**FIJI MEAT INDUSTRY BOARD**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

(b) Other operating expenses	2022 (S)	2021 (S)
Town rates	37,620	37,259
Salt and chemicals	42,800	24,753
Insurance	44,366	48,121
Motor vehicle expenses	111,366	48,562
Fuel and firewood	146,619	139,715
Depreciation	342,873	321,901
Operation and Maintenance	200,839	202,456
Other operating costs	13,556	14,194
	<u>940,039</u>	<u>836,961</u>
<b>(c) Finance Cost</b>		
Interest on bank loan	32,634	34,214
Bank Charges	7,106	5,295
	<u>39,740</u>	<u>39,509</u>

**6. CASH AND CASH EQUIVALENTS**

For the purposes of Statement of Cash Flows, cash includes cash on hand, cash at bank and short term deposits. Cash at the end of the reporting period as shown in the statement of cash flows comprises:

Cash on hand and at bank	<u>604,021</u>	<u>438,240</u>
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The following cash accounts are held by the Board:

ANZ Operating Account	48,261	3,356
Bred Bank Account	234,751	234,892
ANZ - Reimbursement of TB Account	150,921	97,118
HFC Operating Account	167,588	100,374
Petty Cash Accounts	2,500	2,500
	<u>604,021</u>	<u>438,240</u>

Included in the total cash on hand and at bank above is an amount of \$150,921 of cash that is not available for use except for the purpose of facilitating the payment to farmers as compensation for the slaughter of Tuberculosis cattle.

FIJI MEAT INDUSTRY BOARD  
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)  
 FOR THE YEAR ENDED 31 DECEMBER 2022

7. HELD-TO-MATURITY INVESTMENTS	2022 (S)	2021 (S)
Term deposits - Merchant Finance	<u>201,957</u>	<u>201,957</u>
Term deposits are placed with licensed commercial banks and financial institutions and typically have terms more than one year to 3 years.		
8. TRADE AND OTHER RECEIVABLES		
Trade debtors	372,249	325,240
Less: Provision for doubtful debts	<u>(23,932)</u>	<u>(23,118)</u>
	348,317	302,122
Other receivables	<u>28,842</u>	<u>10,343</u>
	<u>377,159</u>	<u>312,465</u>
9. INVENTORY		
Raw materials	39,607	29,292
Finished goods	22,321	25,801
Other	<u>7,594</u>	<u>2,346</u>
	<u>69,522</u>	<u>57,439</u>
Other includes halving saw blades.		
10. PROPERTY, PLANT AND EQUIPMENT		
(a) Property, plant and equipment are included in the accounts on the following basis:		
<b>Leasehold, Yards &amp; Roadways:</b>		
<u>Cost</u>		
Balance at 01 January	673,786	673,786
Additions	7,468	-
Disposals	-	-
Revaluation Gain	-	-
Balance at 31 December	<u>681,254</u>	<u>673,786</u>
<u>Amortisation &amp; Impairment</u>		
Balance at 01 January	374,250	360,565
Amortisation Charge	14,119	13,685
Disposal Amortisation	-	-
Balance at 31 December	<u>388,369</u>	<u>374,250</u>
<u>Net Book Value</u>		
Balance at 31 December	<u>292,885</u>	<u>299,536</u>

FIJI MEAT INDUSTRY BOARD  
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)  
 FOR THE YEAR ENDED 31 DECEMBER 2022

10. PROPERTY, PLANT AND EQUIPMENT (continued)	2022 (S)	2021 (S)
<b>Buildings:</b>		
<b>Cost</b>		
Balance at 01 January	1,826,722	1,629,135
Additions	97,456	197,587
Disposals	-	-
Revaluation Gain	-	-
Balance at 31 December	<u>1,924,178</u>	<u>1,826,722</u>
<b>Depreciation &amp; Impairment</b>		
Balance at 01 January	1,021,033	982,972
Depreciation Charge	45,056	38,061
Disposal Depreciation	-	-
Balance at 31 December	<u>1,066,089</u>	<u>1,021,033</u>
<b>Net Book Value</b>		
Balance at 31 December	<u>858,089</u>	<u>805,689</u>
<b>Plant, Furniture &amp; Equipment:</b>		
<b>Cost</b>		
Balance at 01 January	3,482,714	3,198,924
Additions	193,471	283,790
Disposals	-	-
Revaluation Gain	-	-
Balance at 31 December	<u>3,676,185</u>	<u>3,482,714</u>
<b>Depreciation &amp; Impairment</b>		
Balance at 01 January	2,851,301	2,680,711
Depreciation Charge	171,304	170,590
Disposal Depreciation	-	-
Balance at 31 December	<u>3,022,605</u>	<u>2,851,301</u>
<b>Net Book Value</b>		
Balance at 31 December	<u>653,580</u>	<u>631,413</u>
<b>Motor Vehicles:</b>		
<b>Cost</b>		
Balance at 01 January	1,574,519	1,574,519
Additions	34,108	-
Disposals	(74,783)	-
Reclassification	(156,474)	-
Revaluation Gain	-	-
Balance at 31 December	<u>1,377,370</u>	<u>1,574,519</u>

FIJI MEAT INDUSTRY BOARD  
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 DECEMBER 2022

10. PROPERTY, PLANT AND EQUIPMENT (continued)

	2022 (\$)	2021 (\$)
<b><u>Depreciation &amp; Impairment</u></b>		
Balance at 01 January	1,253,663	1,123,499
Depreciation Charge	112,395	130,164
Disposal Depreciation	(74,783)	-
Reclassification	(156,474)	-
Balance at 31 December	<u>1,134,801</u>	<u>1,253,663</u>
<b><u>Net Book Value</u></b>		
Balance at 31 December	<u>242,569</u>	<u>320,856</u>
Work in progress	117,368	-
<b>Total Written Down Value</b>	<u><b>2,164,491</b></u>	<u><b>2,057,494</b></u>
<b>11. TRADE AND OTHER PAYABLES</b>		
Trade Creditors	80,001	69,818
Other Creditors and accruals	30,559	67,605
	<u>110,560</u>	<u>137,423</u>
<b>12. INTEREST BEARING BORROWING</b>		
<b>(a) Current</b>		
Term loan - Bred Bank	36,664	39,678
Merchant Finance loan	21,239	24,799
	<u>57,903</u>	<u>64,477</u>
<b>(b) Non Current</b>		
Term loan - Bred Bank	368,386	399,148
Merchant Finance loan	32,032	53,271
	<u>400,418</u>	<u>452,419</u>

In November 2013, the Board refinanced its term loan with Fiji Development Bank to Bred Bank. Security given to Bred Bank comprises of first mortgage over CL 167924 (Lot 5 on DP 6566, Lot 1 & 2 on DP 7723) with improvements thereon. Interest on the loan with Bred Bank is charged at a rate of 6.5% per annum.

**FIJI MEAT INDUSTRY BOARD**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

13. DEFERRED CAPITAL GRANTS	2022	2021
	(\$)	(\$)
Opening balance	863,846	645,461
Additions	396,028	399,299
Released to income	(86,838)	(180,914)
Capital grant -		
Closing balance	<u>1,173,036</u>	<u>863,846</u>
<b>Classified as follows:</b>		
Current	86,838	180,914
Non Current	1,086,198	682,932

The Ministry of Agriculture during the year gave capital grant of \$396,028 for Suva and Vuda abattoir upgrades.

**14. INCOME RECEIVED IN ADVANCE**

Income received in advance	<u>150,921</u>	<u>150,000</u>
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The Ministry of Agriculture provided a grant of \$150,000 in advance to FMIB as a revolving fund to facilitate payment to farmers as compensation for slaughter of cattles infected with TB.

As the funds were received in December 2022, the whole balance is recognized as income received in advance which would be paid to farmers in 2023.

**15. INVESTMENT PROPERTY**

Leasehold Land	<u>31,900,000</u>	<u>31,900,000</u>
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On 3rd June 2019, the Board's leasehold land were independently valued by Professional Valuations Limited and subsequently valued at \$31.9m. Section 16 of IFRS for SMEs recognizes that the land be used for capital appreciation and earning rental income in the future.

**16. RELATED PARTY TRANSACTIONS**

**(a) Directors**

The names of persons who were directors of the Board at any time during the financial year are as follows:

Mr Kenneth Cokanasiga - (Chairperson (appointed on 24 April 2023 for period of 3 years))

Mr Eliko Batirokomoro (appointed on 24 April 2023 for period of 3 years)

Mr Amjad Ali (appointed on 24 April 2023 for period of 3 years)

Mr Andrew Tukana (appointed on 24 April 2023 for period of 3 years)

Ms Joann Young (existing memebr and reappointed on 24 April 2023 for period of 3 years)

Mr. Puamau Volau (appointed on 24 April 2023 for period of 3 years)

**FIJI MEAT INDUSTRY BOARD**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**16. RELATED PARTY TRANSACTIONS (continued)**

The names of persons who were key management personnel at any time during the financial year are as follows:

Vimal Chand	-	Chief Executive Officer
Armogam Mudliar	-	Manager Vuda Abattoir
Salesh Chandra	-	Manager Suva Abattoir
Rajnal Prasad	-	Manager Finance (contract ended on 28 October 2022)

**(b) Transactions with related parties**

Transactions with related parties during the year ended 31 December 2021 with approximate transaction values are summarized below.

	2022 (S)	2021 (S)
Directors fees	31,000	34,500
Ministry of Agriculture	536,858	549,299

**(c) Key management personnel**

Remuneration of key personnel	249,237	249,665
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**17. OPERATING LEASE COMMITMENTS**

The Board has a lease agreement with the Government of the Republic of Fiji to lease Lot 1 on plan DP4788 Wainibuka, Naitasiri. The terms of the lease agreement is for a period of 99 years ending on 1 July 2075. Under the agreement, rent is payable at the rate of \$5,300 per annum.

The Board has a lease agreement with the i-taukei Land Trust Board to lease Lot 2 of Plan S. 0132 at Naciriyawa, Vuda, Ba. The terms of the lease agreement is for a period of 75 years ending on 1 January 2057. Under the agreement, rent is payable at the rate of \$16,100 per annum.

**Analysis of lease commitments**

Future minimum lease payable under non-cancellable operating leases as at 31 December 2022 are, as follows:

Minimum lease payments under operations leases recognized as an expense during the year	21,400	21,400
Payable not later than 1 year,	21,400	21,400
Payable later than 1 year but not later than 5 years	107,000	107,000
Payable later than 5 years	716,000	737,400
	<u>844,400</u>	<u>865,800</u>

**FIJI MEAT INDUSTRY BOARD**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**18. CAPITAL COMMITMENTS**

There were \$54,240 capital commitments as at 31 December 2022 (2021: Nil).

**19. CONTINGENT LIABILITIES/GUARANTEES**

- (a) Bank guarantee (ANZ) of \$13,000 as security deposit with Energy Fiji Ltd
- (b) FEA security deposit in Merchant Finance worth \$27,588.10 for Energy Fiji Ltd
- (c) There were no contingent liabilities as at 31 December 2022 (2021: Nil)

**20. SUBSEQUENT EVENTS**

- (a) The Board has carried out the rebranding exercise and the development of Board's website is in progress. Once the website is developed, the management and Board members of FMIB shall launch the New Company, logo and website.
- (b) Apart from the exceptions above, no other matters or circumstances have arise since the end of the financial year which significantly affect the operations of the Board, the results or cash flows of those operations, or the state of affairs of the Board in the future financial years.

**21. APPROVAL OF FINANCIAL STATEMENTS**

These financial statements were approved by the board of directors and authorized for issue on 12 of June 2023.

**22. REGISTERED OFFICE**

The registered office for the Fiji Meat Industry Board is:

Adi Lady Davila road  
9 1/2 Miles  
Nasinu, Fiji

The Board is a statutory body established by an act of Parliament and is governed under the Ministry of Public Enterprise.

At balance date, the Board had a total of 73 employees (2021: 74 employees).

FIJI MEAT INDUSTRY BOARD  
 DETAILED STATEMENT OF COMPREHENSIVE INCOME  
 FOR THE YEAR ENDED 31 DECEMBER 2022

Income	2022 (S)	2021 (S)
FMIB-abbatoir income	2,266,216	2,226,090
FMIB-hides and skin income	66,823	26,844
FMIB-meat meal income	434,520	475,516
FMIB-tallow income	92,702	66,047
<b>Total income</b>	<u>2,860,261</u>	<u>2,794,497</u>
Less cost of goods sold		
COGS-hides and skin	-	192,139
COGS-meat meal	(308)	4,748
COGS-tallow	-	-
COGS-magiti	624,334	705,055
<b>Total cost of goods sold</b>	<u>624,026</u>	<u>901,942</u>
<b>Gross profit</b>	<u>2,236,235</u>	<u>1,892,555</u>
<b>Add Other income</b>		
Released from deferred income	86,838	93,844
TB grant income	115,790	87,070
Interest income	6,428	6,758
Freight income	65,804	18,893
Rent income	29,157	12,689
Miscellaneous income	142,450	129,613
	<u>446,467</u>	<u>348,867</u>
<b>Total Income</b>	<u>2,682,702</u>	<u>2,241,422</u>
<b>Less expenses</b>		
<b>Operating expenses</b>		
Cleaning	12,521	24,753
Boiler repair and maintenance	5,568	64,786
Depreciation	342,873	321,901
Fuel and firewood	146,619	139,715
Motor vehicle expenses	111,366	48,562
Repair and maintenance	200,839	137,670
Salt and chemicals	42,800	24,665
Town rates	37,620	37,259
Uniforms and hand tools	39,833	37,650
<b>Total operating expenses</b>	<u>940,039</u>	<u>836,961</u>



FIJI MEAT INDUSTRY BOARD  
 DETAILED STATEMENT OF COMPREHENSIVE INCOME (CONT'D)  
 FOR THE YEAR ENDED 31 DECEMBER 2022

	2022	2021
	(\$)	(\$)
<b>Selling and distribution expenses</b>		
Advertising and promotion	3,004	1,055
Freight and fumigation	55,880	16,886
Packaging materials	20,750	12,437
<b>Total Selling and Distribution Expenses</b>	<u>79,634</u>	<u>30,378</u>
<b>Administration expenses</b>		
Accounting and audit fees	1,958	5,050
Bad & Doubtful Debts	814	16,466
Directors fees	33,000	34,500
Electricity	220,487	158,405
Corporate plan	-	94,400
Insurance	44,366	44,269
Directory Listing	-	633
Printing, postage and stationery	12,539	21,909
Land Rent	22,200	21,400
Staff training	6,052	9,280
Board Expenses	2,874	3,949
Telephone and fax	21,595	20,040
Travelling	6,229	2,878
Water rates	60,315	86,993
Wages and salaries	980,068	862,418
Software Support	7,339	6,747
Legal Fees	1,601	500
General Expense	93,718	60,483
<b>Total administration expense</b>	<u>1,515,155</u>	<u>1,450,320</u>
<b>Finance cost</b>		
Interest Expense	32,634	34,214
Bank charges	7,106	5,295
<b>Total finance cost</b>	<u>39,740</u>	<u>39,509</u>
<b>Total expenses</b>	<u>2,574,568</u>	<u>2,357,168</u>
<b>Net Profit/(Loss)</b>	<u>108,134</u>	<u>(115,746)</u>

# FMIB Gallery



# 2022 Upgrade Works

**Before**

**After**



## Before



## After



# Magiti Products







