



ANNUAL REPORT 2011-13



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1.0 CHAIRMAN'S STATEMENT

As the Chairman of the Board of Directors of the Biosecurity Authority of Fiji (BAF), I am pleased to present BAF's consolidated Annual Report for the period 2011 to 2013. The report documents the work undertaken by BAF during its inception years in facilitating the importation and exportation of goods, border security and monitoring and surveillance as prescribed under the Biosecurity Act 2008.

It also attests to BAF's engagement with its local, regional and international stakeholders in undertaking and delivering its roles and functions.

BAF witnessed a number of challenges during its early years in terms of execution of projects and financials.

The report, while highlighting the achievements and success of the organisation over the three-year period, also explicates the issues it faced particularly in terms of financial reporting. This is highlighted as per the audited accounts of BAF tabulated herein.

Despite the hiccups, BAF improved its service delivery and strengthened its internal mechanisms to ensure that it continued to operate in an efficient, effective and transparent manner.

In my capacity as the Chairman, I assume the responsibility of ensuring the organisation achieves its intended objectives under good governance and leadership, hence, going forward with the continued support and assistance from the Board of Directors and the Fijian Government, I will continue to guide the Executive Management towards making decisions in the best interest of the organisation.

We anticipate eventful year(s) in biosecurity, continuing to strengthen arrangements to address any incursion of pests and diseases entering the country. Our focus is primarily on working smarter, enhancing and upgrading our systems where needed and investing in new opportunities for better service delivery.

Last, but not least, BAF will continue to examine the way it utilises its resources to meet operational needs, ensuring proper diligence and usage. In doing so we will continuously strive to improve the mechanisms and tighten the loopholes, where existent. BAF endeavors to be recognized as a translucent and accountable organisation with improved financial management going forward. This will ensure we work, to meet the Ministry, Government and the expectation of all Fijians with a clear focus on the contribution we are making to the economy and the Fiji public.



Ajith Kodagoda

Chairman

2.0 HISTORY OF BAF

The Biosecurity Authority of Fiji (BAF) was formerly known as the Quarantine and Inspection Department (QID) under the Ministry of Agriculture (MOA). The QID was reorganised pursuant to the Public Enterprise Act 1996 (now repealed) into BAF under the Biosecurity Act of 2008.

The period 2011, 2012 and 2013 have been critical as well as challenging for BAF. Over these years BAF worked towards establishing itself in the Fijian market and executed its role in protecting Fiji's unique biodiversity and facilitate international trade to and from Fiji. These years were the infancy period of BAF operating as a Statutory Body governed by the Biosecurity Act 2008. BAF achieved several key milestones ensuring the Organisational objectives were met and maintained. However, like many newly established organisations, BAF did encounter several issues in being recognised as an independent Institution. BAF also faced challenges in terms of its financial reporting.

Given the above, this Annual Report highlights the Authority's key achievements of BAF for the period 2011-2013 with the intention to communicate its major activities, achievements and financials in a transparent and accountable manner. The Report is also compiled in compliance with the requirements of the Public Enterprise Act, 1996.

From 2011-2013 BAF operated in seven major ports of entry namely, Suva wharf, Nadi International Airport, Nausori International Airport, Lautoka wharf, Savusavu, Levuka, and Rotuma. Since then, BAF has offices in Denarau, Vuda Marina and Taveuni.

During the three-year period, BAF commenced and successfully completed work on some major developments to improve operational efficiency. These include:

- New Post Entry Quarantine (PEQ) facility at Legalega
- Upgrade of the pest diagnostics and laboratory facilities
- Commencement of the three-year Giant Invasive Iguana (GII) eradication project
- Regional programmes – training and continued engagement
- Trade & Market access – Bilateral talks for Bilateral Quarantine Agreement (BQA) – approved commodities (names), standardisation of protocols, new markets
- Establishment of new incinerator at PEQ, Koronivia
- Procurement of a boat for the Northern Division
- Setup of 's Management Information System
- Purchase of an in-house Server.

BAF also invested in the purchase of inbound baggage x-ray machines for the Nadi International Airport and purchase of operational vehicles to assist with service delivery.

Fees and Charges were published in the gazette in 2011 allowing BAF to start collecting revenue as a Public

Enterprise. Following implementation of the fees and charges for its services, the annual revenue for BAF in 2011 was approximately \$2.7 million, \$5.4 million in 2012 and \$5.5 million in 2013. Within the 2011 - 2012 period, BAF employed 130 people.

BAF focused its strategies in six Key Result Areas (KRA): People, Governance, Strategic, Finance, Customer and Operations. The KRAs were developed after undertaking an extensive and detailed Strengths Weaknesses Opportunities and Threat (SWOT) analysis and consultations with management. These KRAs were used to plan, prioritize and measure our performance. As mentioned earlier, while BAF managed to achieve its planned activities for the years in terms of increased monitoring and surveillance, improved border control, better trade facilitation and increased awareness, it did face challenges which are detailed later in the report.

It is worth noting that BAF, in its initial phase of establishment, encountered issues with its systems and processes. Effective changes were implemented to address these problems leading to elevated service level delivery. BAF continually strives to ensure compliance with the necessary administrative, financial and technical reporting requirements.



Fig. 1.1: Commissioning of X-ray Machine in Nadi- a new L3 X-ray machine was commissioned in Nadi Airport in 2013.

3.0 ABBREVIATIONS

ASYCUDA	Automated System for Customs Data
BAF	Biosecurity Authority of Fiji
BQA	Bilateral Quarantine Agreement
CODEX	Codex Alimentarius Commission
CSA	Commercial Statutory Authority
DOE	Department of Environment
ERP	Emergency Response Plan
FRCS	Fiji Revenue and Customs Services
FAL	Fiji Airports Limited
GII	Giant Invasive Iguana
GAS	Giant African Snail
HTFA	High Temperature Forced Air Unit
IPPC	International Plant Protection Convention
MCTTT	Ministry of Commerce Trade Tourism and Transport
MOHMS	Ministry of Health and Medical Services
MOA	Ministry of Agriculture
NGO	Non Government Organisations
MOFA	Ministry of Foreign Affairs
MPE	Ministry of Public Enterprises
MPI	Ministry of Primary Industries
NZMPI	New Zealand Ministry of Primary Industries
OIE	World Organisation for Animal Health (Office international des epizooties)
PEQ	Post Entry Quarantine
QID	Quarantine & Inspection Department
SOP	Standard Operating Procedures
WTO	World Trade Organization

BAF was established via the enactment of the Biosecurity Act 2008. Formerly known as QID, BAF is one of the newly established statutory bodies under the Fijian Government's public sector reform policy.

Under the Biosecurity Act 2008 BAF is mandated to:

- (a) to protect Fiji against the entry of regulated pests and diseases affecting animals, plants, human beings and the environment;
- (b) to carry out surveillance and monitoring of pests and diseases in Fiji and assess the status of regulated pests and diseases;
- (c) to prevent the establishment and spread of regulated pests and diseases and the release of organisms that might adversely affect animals, plants, human beings and the environment in Fiji;
- (d) to eradicate, contain or control the movement of regulated pests and diseases that are already present in Fiji;
- (e) to prevent the introduction and spread of regulated pests and diseases not already present in Fiji;
- (f) to facilitate the safe importation of animals and plants and their products, and related equipment and technology;
- (g) to facilitate the export of animals and plants and their products in accordance with the biosecurity requirements of the receiving countries; and
- (h) to facilitate international cooperation to prevent the spread of pests and diseases affecting plants, animals, human beings and the environment.

The Biosecurity Act 2008 is the primary legislation that provides for the regulation and control of the movement of animal and plants into, out of and within Fiji. Inherent in this primary legislation are the powers to give effect to the relevant conventions of the WTO, IPPC and OIE, the provision of land and buildings for quarantine purposes, and the power to make Regulations.

5.0 CORPORATE STATEMENT

VISION STATEMENT

To be respected as the most effective and efficient Biosecurity Authority in the region.

MISSION STATEMENT

Our mission is to protect Fiji's unique biodiversity and facilitate international trade to and from Fiji. Each of us will work together to protect Fiji: our people, our environment, our plants and animals, our livelihoods and our unique way of life for the benefit of our families, our visitors and our future generations.

VALUES

Vigilance

We will protect Fiji from plant and animal pests and diseases

Professional and ethical conduct

We are ambassadors for our organisation and our country in all we do and say

Empathy

We will put ourselves in their shoes

Teamwork

We encourage partnership and collaboration

Integrity

We will serve in the best interests of Fiji

Leadership

We will share our expertise and vision to inspire others

Reliability

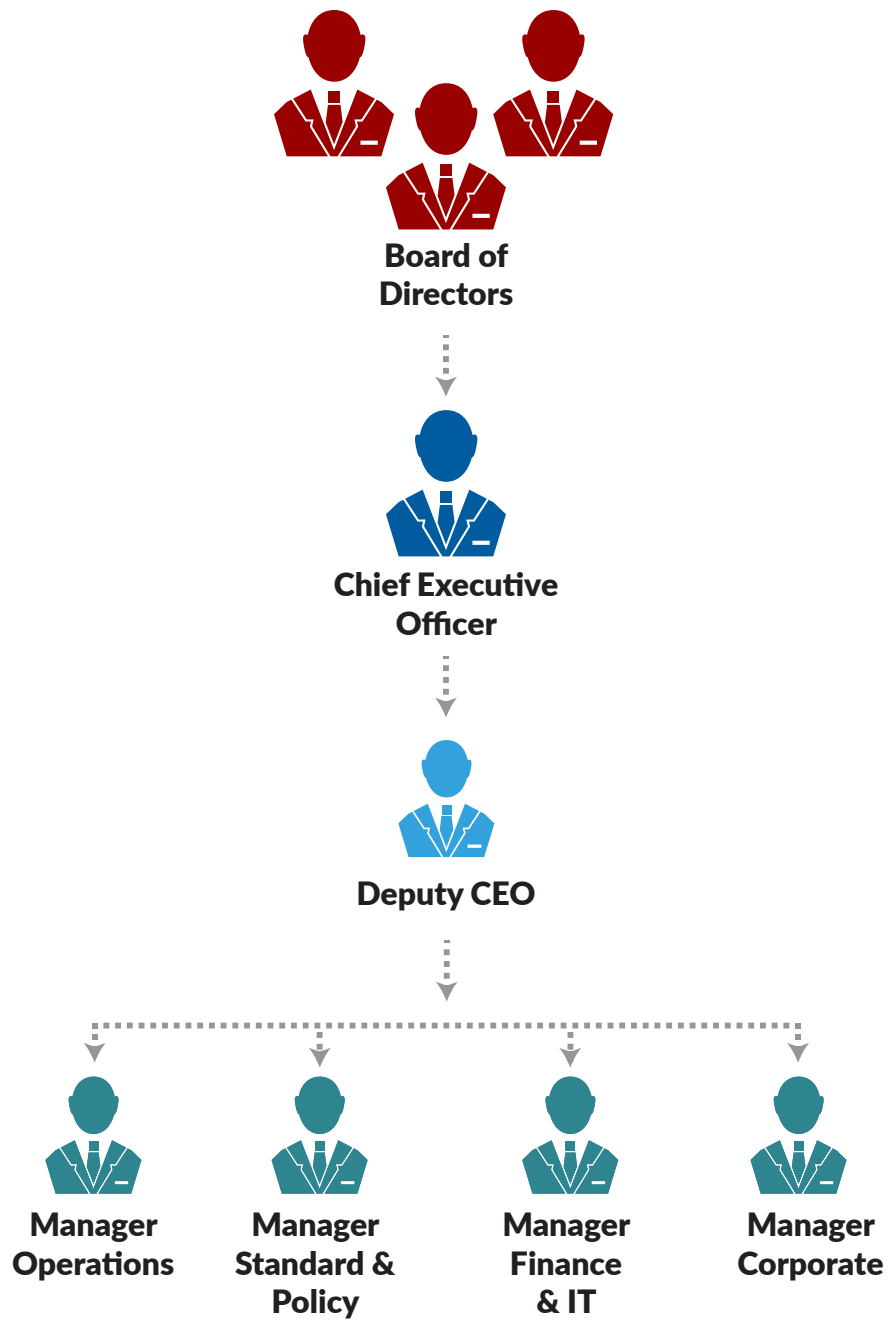
We will use transparent evidence-based analysis to enable sound decision-making

Innovation

We will always look for better ways to do things

BAF staff embrace the following principles

- Mutual trust, respect and support
- Open and honest communication
- Inclusiveness and collaboration
- Innovation and solution focused
- Commitment to our Mission and Vision



6.0 ORGANISATIONAL HIGHLIGHTS



Fig. 1.2: Biosecurity officer conducting field surveillance of eggplant farm in Sigatoka.

Improving Customer Services

BAF has been continuously working towards improving its customer service delivery since the transition from QID to a fully-fledged organisation. It is aware that during its inception years an industry perception was existent that BAF was providing inadequate customer service. BAF focused on changing this mindset by vigorously working towards elevating service delivery in terms of meeting customer, stakeholder, and operational needs. In 2012 BAF took the initiative to participate in the Fiji Host Programme organised by the Ministry of Commerce, Trade and Tourism (MCTT) with the intention of improving our customer interface. The incorporation of Standard Operating Procedure (SOP) in 2012 enhanced the drive towards a consistent platform of procedures allowing BAF to better serve its customers. Staff Motivation programmes were also initiated during the period and have progressively continued with staff being trained and upskilled both locally and overseas contributing to better service delivery.

Poorly Maintained Assets and Degraded Facilities (upgrade, new office infrastructure, assets)

Assets inherited from the QID were generally obsolete while some were in a degraded state. Assets are recorded and summarised in the Assets Report. BAF noted this area with concern and has progressively driven a strategy to ensure that assets are well serviced and maintained with up-to-date record keeping respected.

Non-Commercial Obligations

A challenge to sustainable commercial development is the administering of state obligations. These include the several projects and activities which BAF facilitates with the assistance and support from the Fijian Government. Some of the key Non-Commercial Obligations (NCO) activities include monitoring and surveillance, AST containment, GII eradication project, assistance in facilitating market access and international trade. BAF is thankful to the Fijian Government which provides grants for the NCO of the statutory authority.

Sustaining BAF

Although BAF is not a profit-oriented entity, it is imperative that its operations are able to be maintained at a sustainable level. BAF is grateful to the Fijian Government for its continuous support towards the successful establishment of the organisation, the implementation of key projects and support of overall operations. However, the journey is just starting. Continuing support will be required from the Fijian Government and relevant stakeholders.

Strengthened Management Team/Career Progression for all

BAF recognises the need to include its management team in short-term strategic management courses which ensures the successful implementation of its corporate plan and medium-term strategic plans. The management team manages their respective departments and their processes hence. It is imperative that they have the capacity and competency to plan, fully commit and carry out the delegated tasks. Sufficient training has been provided to the management team in allowing them to lead the strategies heading into the coming years.

Government Relationship

The Government has consistently been supportive of operations and projects and has effectively provided funding for the same. Timely funding from the Government has allowed BAF to undertake and deliver on the projects and tasks which are critical to the Fijian economy and all Fijians. BAF has been managing its relationship with the Government efficiently to ensure that the Government, as one of the critical stakeholders, is kept fully informed of strategic operations BAF will continue to consult the Government on issues of policy and strategic importance as and when necessary. To this end, BAF is committed to ensuring that all reporting requirements under the Biosecurity Act 2008, Public Enterprises Act, 2019 are fully complied with in a timely manner. BAF also recognises that awareness pertaining to its roles, responsibilities and SOPs need to be improved and this will be facilitated by way of increased training and outreach sessions.

Alliances with Relevant Agencies

The relationship with relevant local, regional and international agencies needs to be continuously strengthened in efforts to ensure that BAF can deliver its services and functions effectively. BAF cannot work in isolation and managing its list of stakeholders appropriately is vital. This includes, but is not limited to, working closely with the Ministry of Agriculture (MOA), Department of Environment (DOE), Ministry of Health and Medical Services (MOHMS) and Non-Governmental Organisations (NGOs). Relationships with regional and international Organisations will be further developed in coming years as many of the relevant agencies offer financial, expertise and capacity-building resources which BAF can benefit from.

Trade Facilitation

Securing market access is one of BAF's core activities which contributes to increasing exports leading to economic growth. To ensure healthy and steady trade, BAF works in partnership with MCTT and the Ministry of Foreign Affairs (MOFA). Working in collaboration ensures that trade facilitation is targeted, effective, and consistent with Government policies. In doing so, BAF engaged in reinforcing the Standards team with the recruitment of scientists and relevant specialized personnel, and further equipping its laboratories to ensure that a sound risk analysis can be conducted. In addition, stakeholder and industry consultation together with training and awareness programmes played a major role in market facilitation.



Fig. 1.3: Exporters attending the Exporters consultation hosted by BAF at the Suva Exports conference room.

Animal and Plant Health

Safeguarding Fiji's animal and plant health status to maintain overseas markets and protect the economy and environment from the impact of exotic pests and diseases remains the focus of the organisation. The Operational Division undertook major programmes to ensure Fiji's biodiversity is protected.



Fig. 1.4: Biosecurity officer conducting yacht surveillance.

Monitoring and Surveillance

The objective of this programme is to facilitate safe trade resulting in the protection of Fiji's economy and its environment from the impacts of unwanted pests and diseases through the safe movement of animals, plants and their products, including people and cargo.

It involves risk analysis, inspection and release of all import commodities, supervision of Biosecurity treatments for imported cargo, boarding and clearance of aircraft and vessels, general surveillance

for illegal importation of regulated products and the surveillance and monitoring of exotic pests and diseases at the ports of entry. Key highlights for the three (3) years are tabulated on the next page

7.0 KEY ACHIEVEMENTS

No.	Project Activities	Achievements		
		2011	2012	2013
Border				
1.0 Conveyance Clearance				
1.1	Border inspection and clearance of vessels and aircraft	<ul style="list-style-type: none"> 5,428 aircrafts in total. 5,099- Nadi Airport. 329- Nausori Airport. <ul style="list-style-type: none"> 2,617 vessels arrived in total. 	<ul style="list-style-type: none"> 5,608 aircrafts in total. 5,220 –Nadi Airport. 388– Nausori Airport. <ul style="list-style-type: none"> 2,616 vessels arrived in total. 	<ul style="list-style-type: none"> 5,895 aircrafts in total. 5,458 –Nadi Airport. 437 –Nausori Airport. <ul style="list-style-type: none"> 2,726 vessels arrived in total.
1.2	Supervision of garbage disposal (Tonnes) – Nadi/Nausori Airport.	458 tonnes.	483.6 tonnes.	419.4 tonnes.
1.3	Inspection of cargo discharge	31,288 containers, inspected and discharged.	55,259 containers inspected and discharged.	58,984 containers inspected and discharged.
1.4	Bonding of animals	12 animals bonded (11 dogs and 1 cat) at the Lautoka and Suva ports.	30 animals bonded (21 dogs, 6 cats, 3parrots) at the Lautoka and Suva ports.	44 animals bonded (41 dogs, 3 cats) at the Lautoka and Suva ports.
1.5	Amnesty Bin profiling	5,428.	5,608.	5,895.
1.6	Ballast water inspection (Seaport)	480 ballast water logs Inspected.	412 ballast water logs Inspected.	703 ballast water logs Inspected.
2.0 Pax/ Crew and baggage inspection				
2.1	Aircraft. Disembarking Passengers ("Pax").	812,140 Pax/Crew disembarked at Nadi and Nausori airports.	814,063 Pax/Crew disembarked at the Nadi and Nausori airports.	815,326 Pax/Crew disembarked at the Nadi and Nausori airports.
2.2	Vessels. Disembarking Pax.	24,418 Pax/Crew disembarked at Suva and Lautoka ports.	3,137 Pax/Crew disembarked at Suva and Lautoka ports.	1,929 Pax/Crew disembarked at Suva and Lautoka ports.
2.3	Baggage screening and inspection	1,547,642 bags were screened at Nadi and Nausori airports.	1,710,942 bags were screened at Nadi and Nausori airports.	1,819,100 bags were screened at Nadi and Nausori airports.
3.0 Mail/ Parcel Screening				
3.1	Screening of parcels and mails (mail Centre)	32,474 parcels/ mails were screened.	25,617 parcels/mails were screened.	32,654 parcels/mails were screened.

4.0 Import Inspection and Clearance				
4.1	Screening of Manifest- Seaport/Airport	11,335.	22,399.	22,408.
5.0 Biosecurity Inspection				
5.1 Seaport				
5.1.1	Meat & Meat Products	30,953.86 tonnes.	12,406.1 tonnes.	16,219.67 tonnes.
5.2	Dairy	10,828.5 tonnes.	18,259.2 tonnes.	12,385.36 tonnes.
5.3	Fruits & Vegetable	72,346.4 tonnes.	35,621.1 tonnes.	37,281.95 tonnes.
5.4	Bulk Grain	112,913.78 tonnes.	304,621.9 tonnes.	204,286.59 tonnes.
	Kava	268 tonnes.	292.8 tonnes.	320.08 tonnes.
5.5	Spices/Pulses	2,840.8 tonnes.	2,327.2 tonnes.	7,342.18 tonnes.
5.6	Personal Effects	627.3 tonnes.	1,128.1 tonnes.	1,479.68 tonnes.
5.7	Forest Product	2,408.3 m3.	587.7 m3.	15,418.23m3
5.8	Marine product	405.4 tonnes.	949.6 tonnes.	891.94 tonnes.
6.0 - Airport (Nadi Only)				
6.1	Floriculture/seeds.	5.23 tonnes.	4.6 tonnes.	5.77 tonnes.
6.2	Live animals.	16 in total (14 dogs, 2 cats).	41 in total (32 dogs, 9cats).	61 in total (42 dogs,19 cats).
6.3	D/O Chicks & Ducklings.	359,295 chicks.	357,376 chicks.	365,454 chicks.
6.4	Hatching eggs.	1,011,978 eggs. 72.59 tonnes.	633,780 eggs. 45.6 tonnes.	842,005 eggs. 51.7 tonnes.
6.5	Vaccines.	796 kgs	2,099 kg	3,719 kg
6.6	Semen Importation	147 kg	85 kg	52 kg
7.0 Interception & non compliance				
7.1	Interception.	368 (from both western and central division- mainly for live pests and food items carried by passengers).	893 (from both western and central division- mainly for live pests and food items carried by passengers).	1,821 (from both western and central division- mainly for live pests and food items carried by passengers via seaport and airport).
7.2	Non-compliance.	9,277 - Airport (most- ly regarding animal products). 648 - Seaport.	3,857 - Airport (mostly regarding animal products). 282 - Seaport.	27,891 - Airport (mostly regarding animal products). 494 -Seaport.

8.0 Treatment of Imports [Fumigation]				
8.1	Supervision of fumigation.	563	787	984
8.2	Supervision of pressure hose cleaning of containers vehicles and machines.	227	112	178
9.0 Post Border Inspection				
9.1	Pest/Disease Survey.	12	13	4
9.2	Timber Pest Survey.	4	4	6
9.3	GAS Surveillance.	8	19	26
9.4	Shop surveillance.	57. (Confiscated noodles, honey, and mayonnaise which were illegally imported)	55	41
10.0 Domestic Quarantine				
10.1	Transfer of plant materials.	37 supervisions (Transfer of planting materials to maritime islands).	73 supervisions (Transfer of planting materials to maritime islands).	53 supervisions (Transfer of planting materials to maritime islands).
10.2	Transfer of animal and/or their /product	5	8	162
10.3	Screening of vessels	52	97	343
10.4	Screening of Aircrafts	50	63	70
10.5	School Awareness	2	11	13

OTHER KEY HIGHLIGHTS

BAF has been continuously striving to improve its monitoring, surveillance systems and processes. It has been actively undertaking and delivering its roles and responsibilities particularly at the borders. In doing so, BAF managed to achieve the following by the year 2013:

- **Termite Operations** - -With the end of “Operation Kadivuka” in mid-2011 BAF took on the responsibility of containment and risk management of the AST.
 - For the period 2013, BAF received a total of 747 incidence reports from property owners in the Lautoka District. A total of 644 houses (structures) and 57 trees (plants) were treated while a further 33 houses were monitored for AST existence. Furthermore, four (4) reports were received from the Nadi area regarding possible AST infestation. BAF attended to all four (4) queries promptly however, identification proved all reported species to be of local origin termites. BAF continues to create awareness regarding AST in and outside the infested zones upon request. This is done via face-to-face awareness, community outreach (settlements and communities) and media publications in English as well as via vernacular languages.
- **Interception of Giant African Snails** - 23 GAS were intercepted at the Suva port in 2013 alone. Follow up surveillance/ monitoring confirmed that no other snail was found.
- **Drug Interception** - - in 2013, BAF officers at Nadi Airport detected powder-like substance which resulted in a major drug interception with a total street value of approximately \$9.7million.
- **Installation of the x-ray machine in Nausori** - the installation was done at the Nausori Airport in 2013. The machine is effective in elevating operational efficiency and promoting better collaboration with relevant agencies. In 2013 BAF officers alerted FRCS regarding one of the baggage screened which resulted in the interception of illegal currency of approximately FJD \$42,000.
- **The signing of the following MOUs:**
 - BAF/Maritime Safety BAF of Fiji (MSAF)
 - BAF/Vuda Marina
 - BAF/FAL/FRCS on the installation and operation of the new L3 X-Ray machines.



Fig. 1.5: Biosecurity officer setting up the Fruit Fly trap at Beqa Island.

- **Bilateral Quarantine Agreement** -The objectives of this programme include maintaining and improving Fiji's international market access opportunities. It involves ensuring that our market access requirements are met through the inspection and certification of export produce, animals, plants and their products, supervision of quarantine pre-shipment treatments and the monitoring of fruit-fly traps around the country. The programme also ensures the containment of pests that are already present in Fiji and the maintenance of pest free status through the movement of domestic vessels and aircraft.

- Approval of the final certification and export of ice-cream to Tahiti. Translation into the French language was finally completed and approved.
- Submission of all relevant documentations required for the export of fresh ginger to Australia.
- The monitoring and surveillance of fruit fly traps around the country confirms that there was no introduction of exotic fruit fly species particularly *Bactrocera kirki* which is present in Rotuma Island.
- The interception of *Thrips palmi* and *Athrigona* sp on *Amaranthus* leaves and eggplant in New Zealand resulted in the suspension of eggplant export while BAF voluntarily stopped *Amaranthus* from being exported. This prompted the implementation of internal control measures. After these measures were put into place and audits conducted of the system, BAF informed New Zealand Ministry of Primary Industries (NZMPI) on the improvements made. Export of the two commodities resumed once NZMPI was satisfied with the strategies adopted.

- **Giant Invasive Iguana (GII) Containment** - As at December 2013, the GII remained contained in Qamea which is critical to the eradication programme.

- **GPS Plotting** - Plotting of GPS points of all fruit fly trap sites in Fiji were completed. This is essential so that all the trap sites are known and in the unlikely event of an incursion, an emergency response can be easily drawn up and buffer zones identified.



Fig. 1.6: Trap laying for Giant African Snail (GAS) by the Biosecurity Officer at Suva Wharf.

- **Biosecurity Awareness-** The objectives of this programme include creating awareness regarding BAF and its role in the economy amongst all customers, stakeholders, partners and the general public. BAF also provides information to the members of the public on general Biosecurity issues and provides a platform for the public to raise queries. Over the years BAF has worked in close collaboration with the other regional organisations, government ministries and non- government organisations to maintain efficient service delivery and achieve its mandates roles and functions. Some of the key highlights encompassing 's awareness programmes include:

- **Supervisor Compliance Nadi** – Mr. Surend Pratap was awarded with the Fijian Host Champion Award for 2013. This award was organised by the MOT and FAL for all agencies working at the airport. The main aim was to improve customer service for tourists and to give them a friendly first impression when they arrived in the country.
- **Operational officers were involved in Radio** –TTalk-Back Show programmes in the three (3) main languages- Fijian, Hindi and English.
- BAF was one of the sponsors of the Fijian Broadcasting Corporation Road Show. This was an opportune time for organisation to create awareness amongst people who otherwise are unable to access 's services.



2011 Financials

OFFICE OF THE AUDITOR GENERAL

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File: 1360

10 June 2015

The Chairman of the Board
Biosecurity Authority of Fiji
Level 3 – Plaza 1
FNPF Building
SUVA

Dear Sir

BIOSECURITY AUTHORITY OF FIJI
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

Audited financial statements for the Biosecurity Authority of Fiji for the year ended 31 December 2011 together with my audit report on them are enclosed.

Particulars of the errors and omissions arising from the audit have been forwarded to the management of the Authority for their actions.

Yours sincerely

Atunaisa Nadakuitavuki
for AUDITOR GENERAL

Encl.

BIOSECURITY AUTHORITY OF FIJI
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

BIOSECURITY AUTHORITY OF FIJI
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

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**BIOSECURITY AUTHORITY OF FIJI
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2011**

In accordance with a resolution of the Board of Directors, the directors herewith submit the statement of financial position at 31 December 2011, the related statements of comprehensive income, changes in capital and reserves and cash flow for the year ended on that date and report as follows:

Whilst every effort has been made to give a true and fair view of the results of the Authority for the year ended 31 December 2011, a signatory to this Director's Report has signed the report on the condition that he does not accept any personal liability whatsoever in signing the Director's Report. The signatory, Mr. Xavier Riyaz Khan, was not a Director of the Authority in the period of this report.

1 Directors

The following were directors of the Authority at any time during the financial year and up to the date of this report:

Mr. Xavier Riyaz Khan (Executive Chairman) - Appointed 20/02/2013
Mr. Mason Smith (Chairman) - Resigned 12/05/12
Mr. Ronald Dass - Resigned 30/08/13
Mr. Hiagi Foraete - Resigned 01/02/13
Ms. Josephine Smith-Moffat - Resigned 28/06/13
Mr. Jalal Ud Dean - Appointed 29/06/11

2 Principal Activities

The Authority is governed by the laws stated in the Biosecurity Promulgation of 2008. The principal activity of the Biosecurity Authority of Fiji is to protect Fiji's agricultural sector from the introduction and spread of animal and plant pests and diseases, facilitate access to viable agro-export markets access and ensure compliance of Fiji's agro-exports to overseas market requirement.

3 Operating Results

The loss recorded by the Authority for the year was \$436,313 (2010: profit of \$465,593).

4 Reserves

The directors of the Authority recommend that no amounts be transferred to reserves in respect of the year ended 31 December 2011.

5 Assets

The directors took reasonable steps before the Authority's financial statements were made out to ascertain that the assets of the Authority were shown in the accounting records at a value equal to or below the value that would be expected to be realised 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 assets in the financial statements misleading.

6 Bad and Doubtful Debts

The directors took reasonable steps before the Authority's financial statements were made out, 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.

BIOSECURITY AUTHORITY OF FIJI
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2011

7 Other Circumstances

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

8 Unusual Transactions

The results of the Authority'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.

9 Directors' Benefits

No director of the Authority 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 shown in the Authority accounts) by reason of a contract made by the Authority or a related corporation with the director or with a firm of which he is a member, or with a Authority in which he has a substantial financial interest.

10 Related Party Transactions

In the opinion of the directors all related party transactions have been adequately recorded in the books of the Authority and reflected in the financial statements.

11 Basis of Accounting

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

12 Events Subsequent to Balance Date

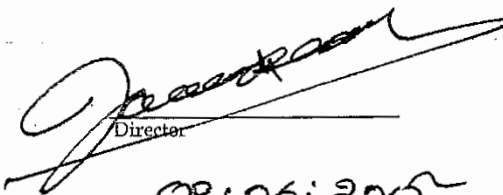
Since the end of the financial year, the directors are not aware of any matter or circumstance not otherwise dealt with in the report of the Authority accounts that has significantly or may significantly affect the operations of the Authority, the results of those operations, or the state of affairs of the authority in subsequent financial years.

For and on behalf of the Board of Directors.



Director

8/6/12
Date



Director

08:06:2012
Date

BIOSECURITY AUTHORITY OF FIJI
STATEMENT BY DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2011

In the opinion of the directors:

- (a) the accompanying statement of comprehensive income is drawn up so as to give a true and fair view of the results of the Authority for the year ended 31 December 2011;
- (b) the accompanying statement of financial position is drawn up so as to give a true and fair view of the state of the Authority's affairs as at 31 December 2011;
- (c) the accompanying statement of changes in capital and reserves is drawn up so as to give a true and fair view of the movement in capital and reserves for the year ended 31 December 2011;
- (d) the accompanying statement of cash flows is drawn up so as to give a true and fair view of the cash flows of the Authority for the year ended 31 December 2011;
- (e) at the date of this statement there are reasonable grounds to believe the Authority will be able to pay its debts as and when they fall due; and
- (f) all related party transactions have been adequately recorded in the books of the Authority.

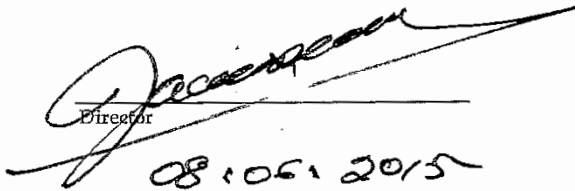
For and on behalf of the Board of Directors.



Director

Date

8/6/15



Director

Date

08.10.2015

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INDEPENDENT AUDITOR'S REPORT

To the members of Biosecurity Authority of Fiji

Report on the Financial Statements

I have audited the accompanying financial statements of Biosecurity Authority of Fiji ("the Authority"), which comprise the statement of financial position as at 31 December 2011, the statement of comprehensive income, statement of changes in capital and reserves and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information as set out on pages 7 to 18.

Directors' and Management's Responsibility for the Financial Statements

The directors and management are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Biosecurity Promulgation 2008. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I have conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

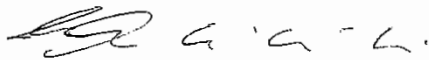
I believe that the audit evidence that I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Audit Opinion

In my opinion:

- a) proper books of account have been kept by the Biosecurity Authority of Fiji, so far as it appears from my examination of those books, and
- b) the accompanying financial statements which have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities:
 - i) are in agreement with the books of account; and
 - ii) to the best of my information and according to the explanations given to me:
 - a) give a true and fair view of the state of affairs of the Biosecurity Authority of Fiji as at 31 December 2011 and of the results, movement in reserves and cash flows of the Authority for the year ended on that date; and
 - b) give the information required by the Biosecurity Promulgation 2008 in the manner so required.

I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purposes of my audit.



Atunaisa Nadakuitavuki
for AUDITOR GENERAL

Suva, Fiji
10 June 2015



BIOSECURITY AUTHORITY OF FIJI
 STATEMENT OF COMPREHENSIVE INCOME
 FOR THE YEAR ENDED 31 DECEMBER 2011

	Notes	12 Months Ended 31 December 2011 \$	1 Month Ended 31 December 2010 \$
Revenue			
Revenue		2,731,478	12,116
Grant income		2,446,721	520,889
Sundry income		8,142	-
Total revenue		5,186,341	533,005
Expenses			
Depreciation expenses		85,734	-
Employee costs		3,071,828	68,383
Other operational and administrative expenses		2,465,092	29
Total expense		5,622,654	68,412
Operating loss		(436,313)	464,593
Other comprehensive income		-	-
Total comprehensive income		(436,313)	464,593

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 11 to 18.

BIOSECURITY AUTHORITY OF FIJI
 STATEMENT OF FINANCIAL POSITION
 AS AT 31 DECEMBER 2011

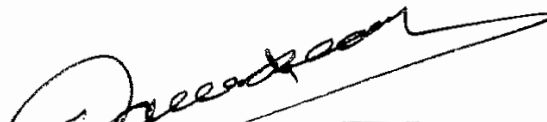
	Notes	12 Months Ended 31 December 2011 \$	1 Month Ended 31 December 2010 \$
ASSETS			
Current assets			
Cash and cash equivalents	4	657,283	585,971
Trade and other receivables	5	297,661	12,153
Total current assets		954,944	598,124
Non-current assets			
Property, plant and equipment	6	4,636,528	-
Bonds and deposits		8,829	-
Total non-current assets		4,645,357	-
Total assets		5,600,301	598,124
LIABILITIES			
Current liabilities			
Trade payables, accruals and other liabilities	7	741,183	133,531
Employee entitlements	8	194,310	-
Total current liabilities		935,493	133,531
Non-current liabilities			
Deferred income	9	805,750	-
Total non-current liabilities		805,750	-
Total liabilities		1,741,243	133,531
Net assets		3,859,058	464,593
CAPITAL AND RESERVES			
Capital contribution	10	3,830,778	-
Accumulated funds		28,280	464,593
Total capital and reserves		3,859,058	464,593

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 11 to 18.

For and on behalf of the Board of Directors.


 Director

8/8/15
 Date


 Director

08:06:2015
 Date

BIOSECURITY AUTHORITY OF FIJI
 STATEMENT OF CHANGES IN CAPITAL AND RESERVES
 FOR THE YEAR ENDED 31 DECEMBER 2011

	Capital Contribution \$	Accumulated Funds \$	Total \$
At 1 December 2010			
Profit for the period	-	464,593	464,593
At 31 December 2010 (1 Month Ended)	-	464,593	464,593
Capital contribution	3,830,778	-	3,830,778
Loss for the year	-	(436,313)	28,280
At 31 December 2011 (12 Months Ended)	<u>3,830,778</u>	<u>28,280</u>	<u>3,859,058</u>

The statement of changes in capital and reserves is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 11 to 18.

BIOSECURITY AUTHORITY OF FIJI
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED 31 DECEMBER 2011

	Note	12 Months Ended 31 December 2011 \$	1 Month Ended 31 December 2010 \$
Cash flows from operating activities			
Receipts from government and for services provided		4,900,833	586,000
Payments to suppliers and employees		(3,938,037)	(29)
Net cash flows from operating activities		<u>962,796</u>	<u>585,971</u>
Cash flows from investing activities			
Purchase of property, plant and equipment		(891,484)	-
Net cash flows used in investing activities		<u>(891,484)</u>	<u>-</u>
Net increase in cash		71,312	585,971
Cash and cash equivalents at the beginning of the year		585,971	-
Cash and cash equivalents at the end of the year	4	<u><u>657,283</u></u>	<u><u>585,971</u></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 11 to 18.

BIOSECURITY AUTHORITY OF FIJI
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

1 GENERAL INFORMATION

Biosecurity Authority of Fiji is a government owned entity incorporated and operates under the Biosecurity Promulgation 2008. The Authority is an independent legal entity wholly owned by, and reporting to, the Government of the Fiji. The address of the Authority's registered office is Level 3 FNPF Provident Plaza 1, Ellery Street, Suva, Fiji. The principal places of operations for the Authority are all ports of entry into Fiji. The significant accounting policies, which have been adopted in the preparation of these financial statements, are noted below.

The Authority is governed by the Biosecurity Promulgation of 2008. The principal activity of the Authority is to protect Fiji's agricultural sector from the introduction and spread of animal and plant pests and diseases, facilitate access to viable agro-export markets access and ensure compliance of Fiji's agro-exports to overseas market requirement.

The financial statements were approved by the board of directors and authorised for issue on 8 June 2015.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of accounting

The financial statements of Biosecurity Authority of Fiji have been prepared in accordance with the 'International Financial Reporting Standard for Small and Medium-sized Entities' (IFRS for SMEs), as issued by the International Accounting Standards Board. They have been prepared under the historical cost convention, unless otherwise stated.

The preparation of financial statements in conformity with the IFRS for SMEs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Authority's accounting policies. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimations are significant to the financial statements are disclosed in Note 2.

2.20 Foreign currency translation

(a) *Functional and presentation currency*

Items included in the financial statements of the Authority are measured using the currency of the primary economic environment in which the Authority operates ("the functional currency"). The financial statements are presented in 'Fijian dollars' (FJD), which is the Authority's functional and presentation currency.

(b) *Transactions and balances*

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

2.3 Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less.

2.4 Trade receivables

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Authority will not be able to collect all amounts due according to the original terms of the receivables.

2.5 Impairment of non-financial assets

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired the carrying value of the asset (or cash generating unit (CGU) to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.6 Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Authority adds to the carrying amount of an item of property, plant and equipment the cost of replacing parts of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the Authority. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimate useful lives range as follows:

Plant and equipment	18% - 40%
Furniture, fixtures and fittings	12%
Motor Vehicles	18%
Buildings	2.5%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

2.7 Trade payables

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost.

2.8 Employee entitlements

Employee entitlements comprise of wages and salaries and annual leave. Liabilities for wages and salaries and annual leave are recognised and are measured as the amount unpaid at the reporting date at current pay rates in respect of employee services up to that date.

2.9 Provisions

Provisions are recognised when: the Authority has a present legal or constructive obligation as a result of past events; it is probable that a transfer of economic benefits will be required to settle the obligation; and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

2.10 Income tax

The Authority is exempt from income tax under section 17 of the Income Tax Act 1976. Hence income tax is not separately accounted for in the Authority's financial statements.

2.11 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefit will to the entity and the revenue can be reliably measured. Income comprises of services revenue from the provision of biosecurity services and is brought to account on an accrual basis.

2.12 Grant income contributions by the Government of Fiji

Based on the Cabinet's approval in 2008, grants and/or special funding from the Government of Fiji is treated as income contribution.

The cost of assets funded by grants are capitalised to fixed assets and the corresponding credit is taken as a deferred grant income. The fixed assets are depreciated over their estimated useful lives. The benefit arising from the grants being the recoupment through depreciation, is credited to revenue over the useful lives of those assets.

BIOSECURITY AUTHORITY OF FIJI
 NOTES TO THE FINANCIAL STATEMENTS (continued)
 FOR THE YEAR ENDED 31 DECEMBER 2011

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

2.13 Capital contribution by the Government of Fiji

Based on a Cabinet approval in 2008, property, plant and equipment given by the Government of Fiji has been treated as capital contribution in these financial statements.

2.14 Deferred income

The cost of assets purchased from the grant provided by the Fiji Government has been capitalised to property, plant and equipment and the corresponding credit has been taken up as deferred income. These property, plant and equipment are being depreciated over their estimated useful lives and the benefit arising from the grant being the recoupment of depreciation is credited to revenue.

2.15 Comparatives

Where necessary comparatives figures have been adjusted to conform with changes in presentation in the current year. Current year results are for the period 1 January 2011 to 31 December 2011. Prior period results are for the period 1 December 2010 to 31 December 2010.

2.16 Reporting currency

All figures are reported in Fijian currency.

	2011	2010
	\$	\$
3 OPERATING PROFIT/(LOSS)		
Operating profit has been calculated after deducting the following:		
Auditors' remuneration for audit services	25,000	-
Bad debts	115,703	-
Board expenses	2,498	-
Consultancy expenses	122,576	-
Depreciation expense	85,734	-
4 CASH AND CASH EQUIVALENTS		
Cash at bank	657,031	585,971
Cash on hand	252	-
	<u>657,283</u>	<u>585,971</u>
5 TRADE AND OTHER RECEIVABLES		
Trade receivables	365,299	12,153
Provision for doubtful debts	(111,034)	-
	<u>254,265</u>	<u>12,153</u>
Prepayments	43,236	-
Staff debtors	160	-
	<u>297,661</u>	<u>12,153</u>

BIOSECURITY AUTHORITY OF FIJI
 NOTES TO THE FINANCIAL STATEMENTS (continued)
 FOR THE YEAR ENDED 31 DECEMBER 2011

6 PROPERTY, PLANT AND EQUIPMENT

	Land & Buildings	Plant & Equipment	Furniture, Fixtures & Fittings	Motor Vehicles	Total
	\$	\$	\$	\$	\$
Cost					
At 1 January 2011	-	-	-	-	-
Additions - Contributed by the Government of Fiji	2,940,500	753,293	59,760	77,225	3,830,778
- Assets purchased	47,479	281,850	10,242	551,913	891,484
At 31 December 2011	2,987,979	1,035,143	70,002	629,138	4,722,262
Accumulated Depreciation					
At 1 January 2011	-	-	-	-	-
Annual Depreciation	761	31,456	346	53,171	85,734
At 31 December 2011	761	31,456	346	53,171	85,734
Carrying amount at 31 December 2011	2,987,218	1,003,687	69,656	575,967	4,636,528

The property, plant and equipment contributed by the Government of Fiji have been brought into account based on an independent valuation carried out by Landworths PRC (Registration No. 107). These assets were given to the Biosecurity Authority of Fiji in mid December 2011. The additions to property, plant and equipment in 2011 have been purchased through the grant income provided by the Government of Fiji.

BIOSECURITY AUTHORITY OF FIJI
 NOTES TO THE FINANCIAL STATEMENTS (continued)
 FOR THE YEAR ENDED 31 DECEMBER 2011

	2011	2010
	\$	\$
7	TRADE PAYABLES, ACCRUALS AND OTHER LIABILITIES	
	21,168	-
Trade payable	165,617	-
Accrued expenses	531,941	65,148
VAT Payable	3,603	68,383
Employee overtime costs payable	18,854	-
Other payables	<u>741,183</u>	<u>133,531</u>
8	EMPLOYEE ENTITLEMENTS	
	194,310	-
Annual leave	<u>194,310</u>	<u>-</u>

The above annual leave obligation is expected to be settled within 12 months and are measured as the amount unpaid at the reporting date at pay rates in respect of employee services up to that date.

	2011	2010
	\$	\$
9	DEFERRED INCOME	
	891,484	-
Deferred income relating to property, plant & equipment	(85,734)	-
Less: amortisation	<u>805,750</u>	<u>-</u>

10	CAPITAL CONTRIBUTION	
	3,830,778	-
Capital contribution by the Government of Fiji	<u>3,830,778</u>	<u>-</u>

Property, plant and equipment provided by the Government of Fiji have been treated as capital contribution and recorded in capital and reserves.

11	CONTINGENCIES	
(a)	Contingent liabilities	
	There were no contingent liabilities as at 31 December 2011 (2010: Nil)	
(b)	Contingent assets	
	There were no contingent assets as at 31 December 2011 (2010: Nil)	

BIOSECURITY AUTHORITY OF FIJI
 NOTES TO THE FINANCIAL STATEMENTS (continued)
 FOR THE YEAR ENDED 31 DECEMBER 2011

12 COMMITMENTS

(a) Capital Commitments

There were no capital commitments as at 31 December 2011.

(b) Operating lease commitments

The Authority leases the office premises from Ram Sami Reddy Investment Limited under a formalised agreement. Under the agreement, lease payments of \$977.50 is payable every month. The lease is for a period of 5 years expiring on 31 October 2016.

The future minimum lease payments under the above non-cancellable operating lease are as follows:

	2011	2010
	\$	\$
No later than 1 year	11,730	-
Later than 1 year but no later than 5 years	44,965	-
	<u>56,695</u>	<u>-</u>

13 RELATED PARTY TRANSACTIONS

(a) The names of persons who were directors of the Authority at any time during the financial year are as follows:

Mr. Mason Smith (Chairman)
 Mr. Ronald Dass
 Mr. Jalal Ud Dean
 Mr. Hiagi Foraete

(b) Transactions with related parties

The Authority received \$2,446,721 (2010: \$520,889) as grant income and \$3,830,778 (2010: Nil) worth of property, plant and equipment as capital contribution from the Government of Fiji during the year.

(c) Owing from related parties

There were no amounts owing from related parties as at 31 December 2011 (2010: Nil).

(d) Owing to related parties

There were no amounts owing to related parties as at 31 December 2011 (2010: Nil).

BIOSECURITY AUTHORITY OF FIJI
 NOTES TO THE FINANCIAL STATEMENTS (continued)
 FOR THE YEAR ENDED 31 DECEMBER 2011

13 RELATED PARTY TRANSACTIONS - continued

(e) Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

During the financial year, the following persons were the executives identified as key management personnel, with the greatest authority and responsibility for the planning, directing and controlling the activities of the Authority:

- Elvis Silvestrini (Chief Executive Officer)
- Waisiki Gonemaituba (Deputy Chief Executive Officer)
- Matai Matakitoa (Manager Finance & IT)
- Kulinio Kaukimoce (Manager Corporate)
- Suliasi Tawake (Manager Operations)
- Ilaisa Dakaica (Manager Standards, Policy & Compliance)

The compensation paid or payable to key management personnel for employee services is shown below:

	2011	2010
	\$	\$
Key management compensation	303,126	-
	<u>303,126</u>	<u>-</u>

14 EVENTS SUBSEQUENT TO BALANCE DATE

Apart from the matters specifically referred to in the financial statements, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the board of directors, to affect significantly the operations of the Authority, the results of those operations, or the state of affairs of the Authority.



2012 Financials

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File: 1360

5 July 2016

Chairman of the Board
Biosecurity Authority of Fiji
Level 3 – Plaza 1
FNPF Building
SUVA

Dear Sir

BIOSECURITY AUTHORITY OF FIJI
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

Audited financial statements for the Biosecurity Authority of Fiji for the year ended 31 December 2012 together with my audit report on them are enclosed.

Particulars of any errors and omissions arising from the audit have been forwarded to the management of the Authority for their actions.

Yours sincerely

Atunaisa Nadakuitavuki
for AUDITOR GENERAL

Encl.

BIOSECURITY AUTHORITY OF FIJI
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

**BIOSECURITY AUTHORITY OF FIJI
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

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Statement of financial position	8
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Statement of cash flows	10
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**BIOSECURITY AUTHORITY OF FIJI
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2012**

In accordance with a resolution of the Board of Directors, the directors herewith submit the statement of financial position at 31 December 2012, the related statements of profit or loss and other comprehensive income, changes in capital and reserves and cash flow for the year ended on that date and report as follows:

Whilst every effort has been made to give a true and fair view of the results of the Authority for the year ended 31 December 2012, a signatory to this Directors' Report has signed the report on the condition that he does not accept any personal liability whatsoever in signing the Directors' Report. The signatory, Mr. Xavier Riyaz Khan, was not a Director of the Authority in the period of this report.

1 Directors

The following were directors of the Authority at any time during the financial year and up to the date of this report:

Mr. Mason Smith (Chairman) - Resigned 12/05/12
Mr. Ronald Dass
Mr. Hiagi Foraete
Ms. Josephine Smith - Moffat - Appointed 29/06/12
Mr. Jalal Ud Dean - Appointed 29/06/11

2 Principal Activities

The Authority is governed by the laws stated in the Biosecurity Promulgation of 2008. The principal activity of the Biosecurity Authority of Fiji is to protect Fiji's agricultural sector from the introduction and spread of animal and plant pests and diseases, facilitate access to viable agro-export markets access and ensure compliance of Fiji's agro-exports to overseas market requirement.

3 Operating Results

The profit recorded by the Authority for the year was \$2,417,170 (2011: loss of \$436,313)

4 Reserves

The directors of the Authority recommend that no amounts be transferred to reserves in respect of the year ended 31 December 2012.

5 Assets

The directors took reasonable steps before the Authority's financial statements were made out to ascertain that the assets of the Authority were shown in the accounting records at a value equal to or below the value that would be expected to be realised 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 assets in the financial statements misleading.

6 Bad and Doubtful Debts

The directors took reasonable steps before the Authority's financial statements were made out, 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.

**BIOSECURITY AUTHORITY OF FIJI
DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2012**

7 Other Circumstances

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

8 Unusual Transactions

The results of the Authority'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.

9 Directors' Benefits

No director of the Authority 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 shown in the Authority accounts) by reason of a contract made by the Authority or a related corporation with the director or with a firm of which he is a member, or with a Authority in which he has a substantial financial interest.

10 Related Party Transactions

In the opinion of the directors all related party transactions have been adequately recorded in the books of the Authority and reflected in the financial statements.

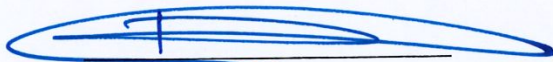
11 Basis of Accounting

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

12 Events Subsequent to Balance Date

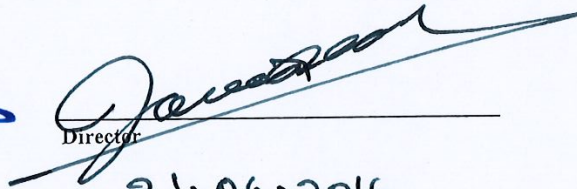
Since the end of the financial year, the directors are not aware of any matter or circumstance not otherwise dealt with in the report of the Authority accounts that has significantly or may significantly affect the operations of the Authority, the results of those operations, or the state of affairs of the authority in subsequent financial years.

For and on behalf of the Board of Directors.



Director

21/06/16
Date



Director

21.06.2016
Date

**BIOSECURITY AUTHORITY OF FIJI
STATEMENT BY DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2012**

In the opinion of the directors:

- (a) the accompanying statement of comprehensive income is drawn up so as to give a true and fair view of the results of the Authority for the year ended 31 December 2012;
- (b) the accompanying statement of financial position is drawn up so as to give a true and fair view of the state of the Authority's affairs as at 31 December 2012;
- (c) the accompanying statement of changes in capital and reserves is drawn up so as to give a true and fair view of the movement in capital and reserves for the year ended 31 December 2012;
- (d) the accompanying statement of cash flows is drawn up so as to give a true and fair view of the cash flows of the Authority for the year ended 31 December 2012;
- (e) at the date of this statement there are reasonable grounds to believe the Authority will be able to pay its debts as and when they fall due; and
- (f) all related party transactions have been adequately recorded in the books of the Authority.

For and on behalf of the Board of Directors.



Director

21/06/16

Date



Director

21.06.2016

Date

OFFICE OF THE AUDITOR GENERAL

Excellence in Public Sector Auditing



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INDEPENDENT AUDITOR'S REPORT

To the Board of Biosecurity Authority of Fiji

Report on the Financial Statements

I have audited the accompanying financial statements of Biosecurity Authority of Fiji (“the Authority”), which comprises the statement of financial position as at 31 December 2012, and the statement of comprehensive income, the statement of changes in capital & reserves, the statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information as set out on Notes 1 to 14.

Director's and Management's Responsibility for the Financial Statements

The Directors and Management of the Authority are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards for Small and Medium-sized Entities (“IFRS for SMEs”) and the Biosecurity Promulgation 2008. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I have conducted the audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, I consider the internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Audit Opinion

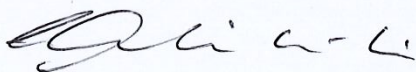
In my opinion:

- a) proper books of account have been kept by the Authority so far as it appears from my examination of those books; and

- b) the accompanying financial statements which have been prepared in accordance with International Financial Reporting Standards for Small and Medium-sized Entities:
- i. are in agreement with the books of account; and
 - ii. to the best of my information and according to the explanations given to me:
 - a) give a true and fair view of the state of affairs of the Biosecurity Authority of Fiji as at 31 December 2012 and its financial performance, changes in capital and reserves and cash flows for the year ended on that date; and
 - b) give the information required by the Biosecurity Promulgation 2008.

Without qualifying the opinion expressed above, I draw attention to the following matters:

- Not all properties, owned or leased, by the Quarantine and Inspection Division of the Ministry of Agriculture have been appropriately transferred to the Authority according to Schedule 4 of the Biosecurity Promulgation 2008.
- Leave was poorly administered and may impact the appropriateness of the provision for leave entitlement for the year ended 31 December 2012.
- The basis for which provision of doubtful debts was determined was inconsistent as there was no policy to provide proper guidance for the basis of allowance on irrecoverable debts.
- The Authority engaged an accounting firm in 2016 to conduct a fraud audit into various areas of operations. The impact, if any, of the outcome of the fraud audit on the financial statements for the year ended 31 December 2012 could not be presently determined.



Atunaisa Nadakuitavuki
for **AUDITOR GENERAL**



Suva, Fiji
5 July 2016

**BIOSECURITY AUTHORITY OF FIJI
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2012**

	Notes	2012 \$	2011 \$
Revenue			
Revenue		5,434,923	2,731,478
Grant income		2,914,710	2,446,721
Sundry income		33,342	8,142
Total revenue		<u>8,382,975</u>	<u>5,186,341</u>
Expenses			
Depreciation expenses	3	486,961	85,734
Employee costs		4,198,849	3,071,828
Other operational and administrative expenses		1,279,995	2,465,092
Total expense		<u>5,965,805</u>	<u>5,622,654</u>
Operating profit /(loss)		2,417,170	(436,313)
Other comprehensive income		-	-
Total comprehensive income / (loss)		<u><u>2,417,170</u></u>	<u><u>(436,313)</u></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 11 to 17.

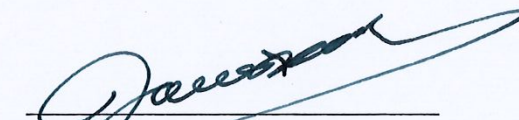
**BIOSECURITY AUTHORITY OF FIJI
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2012**

	Note	2012 \$	2011 \$
ASSETS			
Current assets			
Cash and cash equivalents	4	2,725,753	657,283
Trade and other receivables	5	662,265	297,661
Total current assets		<u>3,388,018</u>	<u>954,944</u>
Non-current assets			
Property, plant and equipment	6	4,512,209	4,636,528
Bonds and deposits		8,938	8,829
Total non-current assets		<u>4,521,147</u>	<u>4,645,357</u>
Total assets		<u>7,909,165</u>	<u>5,600,301</u>
LIABILITIES			
Current liabilities			
Trade payables, accruals and other liabilities	7	312,686	741,183
Employee entitlements	8	392,209	194,310
Total current liabilities		<u>704,895</u>	<u>935,493</u>
Non-current liabilities			
Deferred income	9	928,042	805,750
Total non-current liabilities		<u>928,042</u>	<u>805,750</u>
Total liabilities		<u>1,632,937</u>	<u>1,741,243</u>
Net assets		<u>6,276,228</u>	<u>3,859,058</u>
CAPITAL AND RESERVES			
Capital contribution	10	3,830,778	3,830,778
Accumulated funds		2,445,450	28,280
Total capital and reserves		<u>6,276,228</u>	<u>3,859,058</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 11 to 17.

For and on behalf of the Board of Directors.


Director 21/12/2012
21/12/2012
Date


Director
21.06.2016
Date

BIOSECURITY AUTHORITY OF FIJI
STATEMENT OF CHANGES IN CAPITAL AND RESERVES
FOR THE YEAR ENDED 31 DECEMBER 2012

	Capital Contribution	Accumulated Funds	Total
	\$	\$	\$
At 1 December 2011	-	464,593	464,593
Capital contribution	3,830,778	-	3,830,778
Loss for the year	-	(436,313)	(436,313)
At 31 December 2011	<u>3,830,778</u>	<u>28,280</u>	<u>3,859,058</u>
Capital contribution	-	-	-
Profit for the year	-	2,417,170	2,417,170
At 31 December 2012	<u><u>3,830,778</u></u>	<u><u>2,445,450</u></u>	<u><u>6,276,228</u></u>

The Statement of Changes in Equity is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 11 to 17.

**BIOSECURITY AUTHORITY OF FIJI
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2012**

	Note	2012 \$	2011 \$
Cash flows from operating activities			
Receipts from government and for services provided		8,140,663	4,900,833
Payments to suppliers and employees		<u>(5,709,551)</u>	<u>(3,938,037)</u>
Net cash flows from operating activities		<u>2,431,112</u>	<u>962,796</u>
Cash flows from investing activities			
Purchase of property, plant and equipment		<u>(362,642)</u>	<u>(891,484)</u>
Net cash flows used in investing activities		<u>(362,642)</u>	<u>(891,484)</u>
Net increase in cash		2,068,470	71,312
Cash and cash equivalents at the beginning of the year		<u>657,283</u>	<u>585,971</u>
Cash and cash equivalents at the end of the year	4	<u><u>2,725,753</u></u>	<u><u>657,283</u></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 11 to 17.

BIOSECURITY AUTHORITY OF FIJI
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

1 GENERAL INFORMATION

Biosecurity Authority of Fiji is a government owned entity incorporated and operates under the Biosecurity Promulgation 2008. The Authority is an independent legal entity wholly owned by, and reporting to, the Government of Fiji. The address of the Authority's registered office is Level 3 FPNP Provident Plaza 1, Ellery Street, Suva, Fiji. The principal places of operations for the Authority are all ports of entry into Fiji. The significant accounting policies, which have been adopted in the preparation of these financial statements, are noted below.

The Authority is governed by the Biosecurity Promulgation of 2008. The principal activity of the Authority is to protect Fiji's agricultural sector from the introduction and spread of animal and plant pests and diseases, facilitate access to viable agro-export markets access and ensure compliance of Fiji's agro-exports to overseas market requirement.

The financial statements were approved by the board of directors and authorised for issue on 21 June 2016.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of accounting

The financial statements of Biosecurity Authority of Fiji have been prepared in accordance with the 'International Financial Reporting Standard for Small and Medium-sized Entities' (IFRS for SMEs), as issued by the International Accounting Standards Board. They have been prepared under the historical cost convention, unless otherwise stated.

The preparation of financial statements in conformity with the IFRS for SMEs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Authority's accounting policies. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimations are significant to the financial statements are disclosed in Note 2.

2.2 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of the Authority are measured using the currency of the primary economic environment in which the Authority operates ("the functional currency"). The financial statements are presented in 'Fijian dollars' (FJD), which is the Authority's functional and presentation currency.

(b) Transactions and balances

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

2.3 Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less.

2.4 Trade receivables

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Authority will not be able to collect all amounts due according to the original terms of the receivables.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

2.5 Impairment of non-financial assets

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired the carrying value of the asset (or cash generating unit (CGU) to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.6 Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Authority adds to the carrying amount of an item of property, plant and equipment the cost of replacing parts of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the Authority. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimate useful lives range as follows:

Plant and equipment	18% - 40%
Furniture, fixtures and fittings	12%
Motor Vehicles	18%
Buildings	2.5%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

2.7 Trade payables

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost.

2.8 Employee entitlements

Employee entitlements comprise of wages and salaries and annual leave. Liabilities for wages and salaries and annual leave are recognised and are measured as the amount unpaid at the reporting date at current pay rates in respect of employee services up to that date.

2.9 Provisions

Provisions are recognised when: the Authority has a present legal or constructive obligation as a result of past events; it is probable that a transfer of economic benefits will be required to settle the obligation; and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

2.10 Income tax

The Authority is exempt from income tax under section 17 of the Income Tax Act 1976. Hence income tax is not separately accounted for in the Authority's financial statements.

2.11 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the entity and the revenue can be reliably measured. Income comprises of services revenue from the provision of biosecurity services and is brought to account on an accrual basis.

BIOSECURITY AUTHORITY OF FIJI
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2012

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

2.12 Grant income contributions by the Government of Fiji

Based on the Cabinet's approval in 2008, grants and/or special funding from the Government of Fiji is treated as income contribution.

The cost of assets funded by grants are capitalised to fixed assets and the corresponding credit is taken as a deferred grant income. The fixed assets are depreciated over their estimated useful lives. The benefit arising from the grants being the recoupment through depreciation, is credited to revenue over the useful lives of those assets.

2.13 Capital contribution by the Government of Fiji

Based on a Cabinet approval in 2008, property, plant and equipment given by the Government of Fiji has been treated as capital contribution in these financial statements.

2.14 Deferred income

The cost of assets purchased from the grant provided by the Fiji Government has been capitalised to property, plant and equipment and the corresponding credit has been taken up as deferred income. These property, plant and equipment are being depreciated over their estimated useful lives and the benefit arising from the grant being the recoupment of depreciation is credited to revenue.

2.15 Comparatives

Where necessary comparative figures have been adjusted to conform with changes in presentation in the current year. Current year results are for the period 1 January 2012 to 31 December 2012. Prior period results are for the period 1 January 2011 to 31 December 2011.

2.16 Reporting currency

All figures are reported in Fijian currency.

	2012	2011
	\$	\$
3 OPERATING PROFIT/(LOSS)		
Operating profit has been calculated after deducting the following:		
Auditors' remuneration for audit services	-	25,000
Bad debts	-	115,703
Board expenses	2,971	2,498
Consultancy expenses	27,365	122,576
Depreciation expense	486,961	85,734
Staff Salaries and wages	3,282,067	2,259,178
FNPF	227,025	242,356
FNU Levy	37,243	25,605
4 CASH AND CASH EQUIVALENTS		
Cash at bank	2,724,773	657,031
Cash on hand	980	252
	<u>2,725,753</u>	<u>657,283</u>
5 TRADE AND OTHER RECEIVABLES		
Trade receivables	632,368	365,299
Provision for doubtful debts	(85,572)	(111,034)
	546,796	254,265
Prepayments	111,279	43,236
Staff debtors	4,190	160
	<u>662,265</u>	<u>297,661</u>

BIOSECURITY AUTHORITY OF FIJI
 NOTES TO THE FINANCIAL STATEMENTS (continued)
 FOR THE YEAR ENDED 31 DECEMBER 2012

6 PROPERTY, PLANT AND EQUIPMENT

	Land & Buildings	Plant & Equipment	Furniture, Fixtures & Fittings	Motor Vehicles	Total
	\$	\$	\$	\$	\$
Cost					
At 1 January 2011	-	-	-	-	-
Additions - Contributed by the Government of Fiji	2,940,500	753,293	59,760	77,225	3,830,778
- Assets purchased	47,479	281,850	10,242	551,913	891,484
At 31 December 2011	2,987,979	1,035,143	70,002	629,138	4,722,262
Accumulated Depreciation					
At 1 January 2011	-	-	-	-	-
Annual Depreciation	(761)	(31,456)	(346)	(53,171)	(85,734)
At 31 December 2011	(761)	(31,456)	(346)	(53,171)	(85,734)
Cost					
At 1 January 2012	2,987,979	1,035,143	70,002	629,138	4,722,262
Additions - Assets purchased	-	196,134	16,187	150,321	362,642
At 31 December 2012	2,987,979	1,231,277	86,189	779,459	5,084,904
Accumulated Depreciation					
At 1 January 2012	(761)	(31,456)	(346)	(53,171)	(85,734)
Annual Depreciation	(60,325)	(280,870)	(8,678)	(137,088)	(486,961)
At 31 December 2012	(61,086)	(312,326)	(9,024)	(190,259)	(572,695)
Carrying amount at 31 December 2011	2,987,218	1,003,687	69,656	575,967	4,636,528
Carrying amount at 31 December 2012	2,926,893	918,951	77,165	589,200	4,512,209

BIOSECURITY AUTHORITY OF FIJI
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2012

	2012	2011
	\$	\$
7 TRADE PAYABLES, ACCRUALS AND OTHER LIABILITIES		
Trade payable	100,932	21,168
Accrued expenses	146,436	165,617
VAT Payable	47,283	531,941
Employee overtime costs payable	-	3,603
Other payables	18,035	18,854
	<u>312,686</u>	<u>741,183</u>

8 EMPLOYEE ENTITLEMENTS

Annual leave	392,209	194,310
	<u>392,209</u>	<u>194,310</u>

The above annual leave obligation is expected to be settled within 12 months and are measured as the amount unpaid at the reporting date at pay rates in respect of employee services up to that date.

9 DEFERRED INCOME

	2012	2011
	\$	\$
Deferred income relating to property, plant & equipment donated	1,254,126	891,484
Less: amortisation	(326,084)	(85,734)
	<u>928,042</u>	<u>805,750</u>

10 CAPITAL CONTRIBUTION

Capital contribution by the Government of Fiji	3,830,778	3,830,778
--	-----------	-----------

Property, plant and equipment provided by the Government of Fiji have been treated as capital contribution and recorded in capital and reserves.

11 CONTINGENCIES

(a) Contingent liabilities

There were no contingent liabilities as at 31 December 2012 (2011: Nil)

(b) Contingent assets

There were no contingent assets as at 31 December 2012 (2011: Nil)

12 COMMITMENTS

(a) Capital Commitments

There were no capital commitments as at 31 December 2012. (2011: Nil)

(b) Operating lease commitments

The Authority leases the office premises from Ram Sami Reddy Investment Limited under a formalised agreement. Under the agreement, lease payments of \$977.50 is payable every month. The lease is for a period of 5 years expiring on 31 October 2016.

BIOSECURITY AUTHORITY OF FIJI
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2012

12 COMMITMENTS - continued

- (b) Operating lease commitments - continued

The future minimum lease payments under the above non-cancellable operating lease are as follows:

	2012	2011
	\$	\$
No later than 1 year	11,730	11,730
Later than 1 year but no later than 5 years	33,235	44,965
	<u>44,965</u>	<u>56,695</u>

13 RELATED PARTY TRANSACTIONS

- (a) The names of persons who were directors of the Authority at any time during the financial year are as follows:

Mr. Mason Smith (Chairman) - Resigned 12/05/2012
 Mr. Ronald Dass
 Mr. Hiagi Foraete
 Mr. Josephine Smith-Moffat - Appointed 29/06/2012
 Mr. Jalal Ud Dean - Appointed 29/06/2011

- (b) Transactions with related parties

The Authority received \$2,914,710 (2011: \$2,446,721) as grant income and there was no amount received as capital contribution (2011: \$3,830,778) from the Government of Fiji during the year.

- (c) Owing from related parties

There were no amounts owing from related parties as at 31 December 2012 (2011: Nil).

- (d) Owing to related parties

There were no amounts owing to related parties as at 31 December 2012 (2011: Nil).

- (e) Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

During the financial year, the following persons were the executives identified as key management personnel, with the greatest authority and responsibility for the planning, directing and controlling the activities of the Authority:

Elvis Silvestrini (Chief Executive Officer)
 Waisiki Gonemaituba (Deputy Chief Executive Officer)
 Matai Matakotoga (Manager Finance & IT)
 Kulinio Kaukimoce (Manager Corporate)
 Suliasi Tawake (Manager Operations)
 Ilaisa Dakaica (Manager Standards, Policy & Compliance)

BIOSECURITY AUTHORITY OF FIJI
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2012

13 RELATED PARTY TRANSACTIONS - continued

(e) Key management personnel - continued

The compensation paid or payable to key management personnel for employee services is shown below:

	2012	2011
	\$	\$
Key management compensation	<u>408,813</u>	<u>303,126</u>
	408,813	303,126

14 EVENTS SUBSEQUENT TO BALANCE DATE

Apart from the matters specifically referred to in the financial statements, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the board of directors, to affect significantly the operations of the Authority, the results of those operations, or the state of affairs of the Authority.



2013 Financials

BIOSECURITY AUTHORITY OF FIJI
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

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BIOSECURITY AUTHORITY OF FIJI
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2013

In accordance with a resolution of the Board of Directors, the directors herewith submit the statement of financial position of the Biosecurity Authority of Fiji ("the Authority") as at 31 December 2013; the related statement of comprehensive income, statement of changes in capital and reserves and statement of cash flows for the year ended on that date and report as follows:

Directors

The names of the directors in office at the date of this report are:

- Mr. Ajith Kodagoda - chairman
- Mr. Jalal Ud Dean
- Ms. Valarie Narain
- Ms. Reshmi Kumari
- Ms. Sandeep Singh

Principal activities

The Authority is governed by the laws stated in the Biosecurity Promulgation of 2008. The principal activity of the Biosecurity Authority of Fiji is to protect Fiji's agricultural sector from the introduction and spread of animal and plant pests and diseases, facilitate access to viable agro-export markets access and ensure compliance of Fiji's agro-exports to overseas market requirements.

Results

The Authority recorded a net surplus of \$1,664,677 (2012: \$2,417,170) for the year ended 31 December 2013. The Authority is exempt from income tax under section 17 of the Income Tax Act 1976.

Reserves

The directors of the Authority recommend that no amounts be transferred to reserves in respect of the year ended 31 December 2013 (2012: \$nil).

Bad and doubtful debts

Prior to the completion of the authority's financial statements, the directors took reasonable steps to ascertain that action had been taken in relation to writing off of bad debts and making of provision for doubtful debts. In the opinion of the directors, adequate provision has been made for doubtful debts.

As 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 provision for doubtful debts in the authority, inadequate to any substantial extent.

Non-current assets

Prior to the completion of the financial statements of the authority, the directors took reasonable steps to ascertain whether any non-current assets were unlikely to be realised in the ordinary course of business compared to their values as shown in the accounting records of the authority. Where necessary these assets have been written down or adequate provision has been made to bring the values of such assets to an amount that they might be expected to realise.

As at the date of this report, the directors are not aware of any circumstances, which would render the values attributed to non-current assets in the authority's financial statements misleading.

BIOSECURITY AUTHORITY OF FIJI
DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2013

Unusual transactions

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

Events subsequent to balance date

Significant turnaround noted in staff including key management personnel subsequent to end of the financial year.

Apart from the exception above, no matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the authority, the results of those operations, or the state of affairs of the authority in future financial years.

Other circumstances

As at the date of this report:

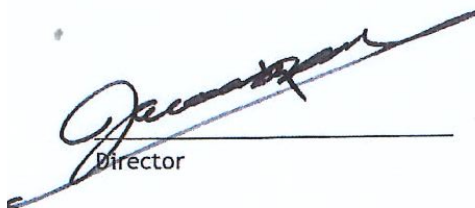
- (i) no charge on the assets of the authority has been given since the end of the financial year to secure the liabilities of any other person;
- (ii) no contingent liabilities have arisen since the end of the financial year for which the authority could become liable; and
- (iii) no contingent liabilities or other liabilities of the authority has become or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the authority to meet its obligations as and when they fall due.

As at the date of this report, the directors are not aware of any circumstances that have arisen, not otherwise dealt with in this report or the authority's financial statements, which would make adherence to the existing method of valuation of assets or liabilities of the authority misleading or inappropriate.

Directors' benefits

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than those included in the aggregate amount of emoluments received or due and receivable by directors shown in the financial statements or received as the fixed salary of a full-time employee of the authority or of a related authority) by reason of a contract made by the authority or by a related authority with the director or with a firm of which he/she is a member, or with a authority in which he/she has a substantial financial interest.

For and on behalf of the Board of Directors and in accordance with a resolution of the directors dated this ^{10th} day of November 2020.



Director



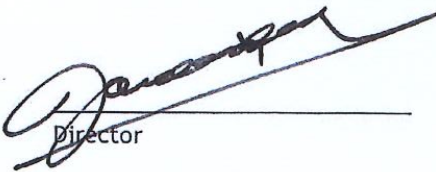
Director

BIOSECURITY AUTHORITY OF FIJI
STATEMENT BY DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2013


In accordance with a resolution of the Board of Directors of Biosecurity Authority of Fiji, we state that in the opinion of the directors:

- (i) the accompanying statement of comprehensive income of the authority is drawn up so as to give a true and fair view of the results of the authority for the year ended 31 December 2013;
- (ii) the accompanying statement of changes in capital and reserves of the authority is drawn up so as to give a true and fair view of changes in capital and reserves of the authority for the year ended 31 December 2013;
- (iii) the accompanying statement of financial position of the authority is drawn up so as to give a true and fair view of the state of affairs of the authority as at 31 December 2013;
- (iv) the accompanying statement of cash flows of the authority is drawn up so as to give a true and fair view of the cash flows of the authority for the year ended 31 December 2013;
- (v) at the date of this statement there are reasonable grounds to believe the authority 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 authority.

For and on behalf of the Board of Directors and in accordance with a resolution of the directors dated this 10th day of November 2020.



Director



Director

OFFICE OF THE AUDITOR GENERAL

Promoting Public Sector Accountability and Sustainability through our Audits



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Biosecurity Authority of Fiji

Report on the Audit of the Financial Statements

Opinion

I have audited the accompanying financial statements of Biosecurity Authority of Fiji ("the Authority"), which comprise the statement of financial position as at 31 December 2013, the statement of comprehensive income, and the statement of changes in equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, I do not express an opinion on the financial statements.

Basis for Disclaimer of Opinion

- 1) Grant income amounting to \$1,722,171 and deferred income amounting to \$1,032,739 is recorded in the Authority's books of account for which management was unable to explain or provide relevant supporting documents to substantiate these balances. Furthermore, management has not carried out assessment for amortization of deferred income during the year. Accordingly, I am unable to ascertain the accuracy of grant income amounting to \$1,722,171 recorded in the books of account of the Authority for the year ended 31 December 2013 and deferred income balance amounting to \$1,032,739, recorded in the books of account as at 31 December 2013.
- 2) Disclosure of Capital contribution of \$3,830,778 as provided in Note 10 is a departure from *International Accounting Standards 20 - Accounting for Government Grants and Disclosure of Government Assistance* and Note 1(g) and Note 2 of the financial statements.
- 3) The Authority has not maintained an effective system of internal control over recording of operating revenue totalling \$5,573,326 as at 31 December 2013 until their initial entry in the accounting records. Grant agreement for income received during the year was not made available for audit review.
- 4) Nine payment vouchers totaling \$332,351 were not available for my audit review and verification in current year. Accordingly, there is an uncertainty that all expenses were brought into account or were disclosed accurately during year ended 31 December 2013.
- 5) Solicitor's confirmation as at 31 December 2013 were not provided during the audit. Accordingly, I am unable to determine if any adjustments, or disclosures is required to be made in the financial statements of the Authority for the year ended 31 December 2013 in relation to contingent liability review.
- 6) As at 31 December 2013, VAT Payable of \$47,341 was disclosed in the financial statements. However, an unreconciled and unexplained difference of \$321,467 between taxable supplies as per the VAT returns and financial statements was noted. In addition, detailed reconciliations for the year under review were not made available during the audit.

Basis for Disclaimer of Opinion (con't)

- 7) Not all properties, owned or leased, by the Quarantine and Inspection Division of the Ministry of Agriculture have been appropriately transferred to the Authority according to Schedule 4 of the Biosecurity Act 2008.
- 8) Payroll reconciliations were not provided for audit. In addition, there was a variance of \$70,121 between Pay Global system and books of accounts.
- 9) Provision for doubtful debts assessment on an annual basis has not been carried out and provision for doubtful debts balance is carried forward from prior year.
- 10) The Authority engaged an accounting firm in 2016 to conduct a fraud audit into various areas of operations. The impact, if any, of the outcome of the fraud audit on the financial statements for the year ended 31 December 2013 could not be presently determined.

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 Authority in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA Code) together with the ethical requirements that are relevant to 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.

Responsibilities of the management and those charged with governance for financial statements

The management is responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standards and for such internal control as the management of the Authority 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, the management of the Authority is responsible for assessing the Authority'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 Authority either intend to liquidate or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Authority'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. However, because of the matters described in the Basis for Disclaimer of Opinion section of my report, I was unable to provide a basis for an audit opinion of these financial statements.

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


Ajay Nand
AUDITOR-GENERAL



Suva, Fiji
13 November 2020

**BIOSECURITY AUTHORITY OF FIJI
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Note	2013	2012
Revenues		\$	\$
Operating revenue		5,573,326	5,434,923
Grant income		1,722,171	2,914,710
Sundry income		30,951	33,342
		<u>7,326,448</u>	<u>8,382,975</u>
Expenses			
Depreciation expenses		(511,446)	(486,961)
Employee costs		(3,771,182)	(4,198,849)
Other operational and administrative expenses	3	(1,379,143)	(1,279,995)
		<u>(5,661,771)</u>	<u>(5,965,805)</u>
Net operating surplus for the year		<u>1,664,677</u>	<u>2,417,170</u>

The accompanying notes form an integral part of this Statement of Comprehensive Income.

BIOSECURITY AUTHORITY OF FIJI
STATEMENT OF CHANGES IN CAPITAL AND RESERVES
FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	2013 \$	2012 \$
Capital contribution			
Balance at the beginning of the year		3,830,778	3,830,778
Balance at the end of the year	10	<u>3,830,778</u>	<u>3,830,778</u>
Accumulated funds			
Balance at the beginning of the year		2,445,450	28,280
Net operating surplus for the year		1,664,677	2,417,170
Balance at the end of the year		<u>4,110,127</u>	<u>2,445,450</u>
Total capital contribution and accumulated funds		<u><u>7,940,905</u></u>	<u><u>6,276,228</u></u>

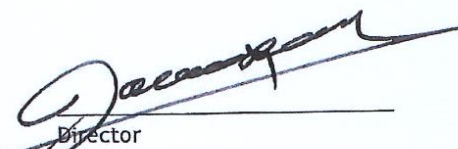
The accompanying notes form an integral part of this Statement of Changes in Capital and Reserves.

BIOSECURITY AUTHORITY OF FIJI
 STATEMENT OF FINANCIAL POSITION
 AS AT 31 DECEMBER 2013

	Notes	2013 \$	2012 \$
Current assets			
Cash and cash equivalents	4	4,682,632	2,725,753
Trade receivables	5	422,385	546,796
Other receivables and prepayments	6	<u>175,278</u>	<u>115,469</u>
		<u>5,280,295</u>	<u>3,388,018</u>
Non-current assets			
Property, plant and equipment	7	4,354,989	4,512,209
Bonds and deposits		<u>28,586</u>	<u>8,938</u>
		<u>4,383,575</u>	<u>4,521,147</u>
Total assets		<u>9,663,870</u>	<u>7,909,165</u>
Current liabilities			
Trade and other payables	8	372,394	312,686
Employee benefit liability	9	<u>317,832</u>	<u>392,209</u>
		<u>690,226</u>	<u>704,895</u>
Non-current liabilities			
Deferred income	11	<u>1,032,739</u>	<u>928,042</u>
		<u>1,032,739</u>	<u>928,042</u>
Total liabilities		<u>1,722,965</u>	<u>1,632,937</u>
Net assets		<u>7,940,905</u>	<u>6,276,228</u>
Capital and reserves			
Capital contribution	10	3,830,778	3,830,778
Accumulated funds		<u>4,110,127</u>	<u>2,445,450</u>
Total capital and reserve		<u>7,940,905</u>	<u>6,276,228</u>

The accompanying notes form an integral part of this statement of financial position.

For and on behalf of the Board of Directors and in accordance with a resolution of the directors.


 Director


 Director

**BIOSECURITY AUTHORITY OF FIJI
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Note	2013 \$	2012 \$
Cash flows from operating activities			
Receipts from government and for services provided		7,555,556	8,140,663
Payments to suppliers and employees		<u>(5,244,451)</u>	<u>(5,709,551)</u>
Net cash flows provided by Operating Activities		<u>2,311,10</u>	<u>2,431,112</u>
Cash flows from investing activities			
Payment for property, plant and equipment		<u>(354,226)</u>	<u>(362,642)</u>
Net cash flows used in Investing Activities		<u>(354,226)</u>	<u>(362,642)</u>
Net increase in cash and cash equivalents		1,956,879	2,068,470
Cash and cash equivalents at the beginning of the year		<u>2,725,753</u>	657,283
Cash and cash equivalents at the end of the year	4	<u>4,682,632</u>	<u>2,725,753</u>

The accompanying notes form an integral part of this Statement of Cash Flows.

BIOSECURITY AUTHORITY OF FIJI
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

1. General information

Biosecurity Authority of Fiji is a government owned entity incorporated and operates under the Biosecurity Promulgation 2008. The authority is an independent legal entity wholly owned by, and reporting to, the Government of Fiji. The address of the authority's registered office is level 3 FNPF Provident Plaza 1, Ellery Street, Suva, Fiji. The principal places of operation for the authority are all ports of entry into Fiji. The significant accounting policies, which have been adopted in the preparation of these financial statements, are noted below.

The authority is governed by the Biosecurity Promulgation of 2008. The principal activity of the authority is to protect Fiji's agricultural sector from the introduction and spread of animal and plant pests and diseases, facilitate access to viable agro-export markets access and ensure compliance of Fiji's agro-exports to overseas market requirement.

The financial statements were approved by the board of directors and authorised for issue on 10th Nov 2020.

2. Summary of significant accounting policies

The financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities issued by the International Accounting Standards Board. They are presented in Fiji dollars.

a) Basis of accounting

The financial statements have been prepared under the convention of historical cost accounting and do not take into account changing money value or current valuations of non-current assets unless stated otherwise.

b) Trade and other receivables

Sales are on the basis of normal credit terms, and receivables do not bear interest. Where credit is extended beyond normal credit terms, receivables are measured at amortised cost using the effective interest rate method. At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in profit or loss.

c) Property, plant and equipment

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

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

• Plant & equipment	18%- 40 %
• Furniture, fixture and fittings	12%
• Motor vehicle	18%
• Buildings	2.5%

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

BIOSECURITY AUTHORITY OF FIJI
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2013

2. Summary of significant accounting policies (continued)

d) Trade and other payables

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

e) Impairment of assets

At each reporting date, property, plant and equipment, intangible assets, and investments in associates are reviewed to determine whether there is any indication that those assets have suffered 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 any 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 recognised immediately in statement of comprehensive income.

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.

f) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the entity and the revenue can be reliably measured. Income comprises of services revenue from the provision of biosecurity services and is brought to account on an accrual basis.

g) Deferred income

The cost of assets purchased from the grant provided by the Fiji Government has been capitalised to property, plant and equipment and the corresponding credit has been taken up as deferred income. These property, plant and equipment are being depreciated over their estimated useful lives and the benefit arising from the grant being the recoupment of depreciation is credited to revenue.

h) Grant income contributions by the Government of Fiji

Based on the Cabinet's approval in 2008, grants and/or special funding from the Government of Fiji is treated as income contribution.

The cost of assets funded by grants are capitalised to fixed assets and the corresponding credit is taken as a deferred grant income. The fixed assets are depreciated over their estimated useful lives. The benefit arising from the grants being the recoupment through depreciation, is credited to revenue over the useful lives of those assets.

i) Capital contribution by the Government of Fiji

Based on a Cabinet approval in 2008, property, plant and equipment given by the Government of Fiji has been treated as capital contribution in these financial statements.

BIOSECURITY AUTHORITY OF FIJI
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2013

2. Summary of significant accounting policies (continued)

j) Employee entitlements

Employee entitlements comprise of wages and salaries and annual leave. Liabilities for wages and salaries and annual leave are recognised and are measured as the amount unpaid at the reporting date at current pay rates in respect of employee services up to that date.

k) Income tax

The authority is exempt from income tax under section 17 of the Income Tax Act 1976. Hence income tax is not separately accounted for in the authority's financial statement.

l) Foreign currencies

Foreign currency transactions are translated to Fiji dollars at rates of exchange ruling at the dates of the transactions. Amounts receivable and payable in foreign currencies are converted to Fiji currency at the rates of exchange ruling at the balance sheet date. All exchange gains or losses whether realised or unrealised are included in the statement of comprehensive income.

m) Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less. For the purpose of statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above.

n) Comparative figures

Comparative figures have been amended where necessary, for changes in presentation in the current period.

	2013	2012
3. Other operational and administrative expenses	\$	\$
Accounting and audit services	54,632	-
Board expenses	11,004	2,971
Consultancy expenses	-	27,365
Other operating expense	1,313,507	1,249,659
Total operating expenses	<u>1,379,143</u>	<u>1,279,995</u>
4. Cash and cash equivalents		
Cash at bank	4,681,252	2,724,773
Cash on hand	1,380	980
	<u>4,682,632</u>	<u>2,725,753</u>
5. Trade receivables		
Trade receivables	507,957	632,368
Less: provision for doubtful debts	(85,572)	(85,572)
	<u>422,385</u>	<u>546,796</u>

BIOSECURITY AUTHORITY OF FIJI
 NOTES TO THE FINANCIAL STATEMENTS (continued)
 FOR THE YEAR ENDED 31 DECEMBER 2013

	2013	2012
	\$	\$
6. Other receivables and prepayments		
Prepayments and other receivable	172,354	111,279
Staff debtors	2,924	4,190
	<u>175,278</u>	<u>115,469</u>

7. Property, plant and equipment

	Land and buildings	Plant and equipment	Furniture fixtures and fittings	Motor vehicle	Total
<u>Cost</u>	\$	\$	\$	\$	\$
At 31 December 2011	2,987,979	1,035,143	70,002	629,138	4,722,262
Additions	-	196,134	16,187	150,321	362,642
At 31 December 2012	2,987,979	1,231,277	86,189	779,459	5,084,904
Additions	-	327,915	19,876	6,435	354,226
At 31 December 2013	<u>2,987,979</u>	<u>1,559,192</u>	<u>106,065</u>	<u>785,894</u>	<u>5,439,130</u>
<u>Depreciation</u>					
At 31 December 2011	761	31,456	346	53,171	85,734
Depreciation charge	60,325	280,870	8,678	137,088	486,961
At 31 December 2012	61,086	312,326	9,024	190,259	572,695
Depreciation charge	60,325	303,258	10,451	137,412	511,446
At 31 December 2013	<u>121,411</u>	<u>615,584</u>	<u>19,475</u>	<u>327,671</u>	<u>1,084,141</u>
<u>Net book value:</u>					
At 31 December 2013	<u>2,866,568</u>	<u>943,608</u>	<u>86,590</u>	<u>458,223</u>	<u>4,354,989</u>
At 31 December 2012	<u>2,926,893</u>	<u>918,951</u>	<u>77,165</u>	<u>589,200</u>	<u>4,512,209</u>

8. Trade and other payables	\$	\$
Trade creditors	92,827	100,932
Accruals	201,366	146,436
Value added tax payable	47,341	47,283
Other payables	30,860	18,035
	<u>372,394</u>	<u>312,686</u>

9. Employee benefit liability

Annual leave	<u>317,832</u>	<u>392,209</u>
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The above annual leave obligation is expected to be settled within 12 months and are measured as the amount unpaid at the reporting date at pay rates in respect of employee services up to that date.

10. Capital contribution

Capital contribution by the Government of Fiji	<u>3,830,778</u>	<u>3,830,778</u>
--	------------------	------------------

Property, plant and equipment provided by the Government of Fiji have been treated as capital contribution and recorded in capital and reserves.

BIOSECURITY AUTHORITY OF FIJI
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2013

	2013	2012
11. Deferred income	\$	\$
Deferred income relating to property, plant and equipment	1,623,883	1,254,126
Less: amortisation	(591,144)	(326,084)
	<u>1,032,739</u>	<u>928,042</u>

12. Commitments

(a) Capital commitments

There were no capital commitments as at 31 December 2013 (2012: \$nil).

(b) Operating lease commitments

The authority leases the office premises from Ram Sami Reddy Investment Limited and FNPF under a formalised agreement. Under the agreement, lease payments of \$850 and \$7,810 are payable every month respectively.

The future minimum lease payments under the above non-cancellable operating lease are as:

	\$	\$
No later than 1 year	103,920	11,730
Later than 1 year but no later than 5 years	42,130	33,235
	<u>146,050</u>	<u>44,965</u>

13. Contingencies

(a) Contingent liabilities

There were no contingent liabilities as at 31 December 2013 (2012: \$nil).

(b) Contingent assets

There were no contingent assets as at 31 December 2013 (2012: \$nil).

14. Related party disclosures

(a) The names of persons who were directors of the authority at any time during the financial year are as follows:

- Mr. Jalal Ud Dean (appointed 29 June 2013)
- Mr. Xavier Riyaz Khan (resigned 31 March 2017)
- Mr. Ronald Dass (resigned 13 May 2014)
- Mr. Hiagi M Foraete (resigned 1 February 2013)
- Ms. Josephines Smith Moffat (resigned 28 June 2013)
- Mr. Asim Mohammed (resigned 31 October 2013)
- Mr. Michael Monk (resigned 19 July 2014)
- Mr. Simon Cole (resigned 20 February 2014)

(b) Transactions with related parties

The authority received \$1,722,171 (2012:\$2,914,710) as grant income and there was no amount received as capital contribution from the Government of Fiji during the year.

BIOSECURITY AUTHORITY OF FIJI
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2013

14. Related party disclosures (continued)

(c) Owing from related parties

There were no amounts owing from related parties as at 31 December 2013 (2012: \$nil).

(d) Owing to related parties

There were no amounts owing to related parties as at 31 December 2013 (2012: \$nil).

(e) Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

During the financial year, the following persons were the executives identified as key management personnel, with the greatest authority and responsibility for the planning, directing and controlling the activities of the authority:

- Elvis Silvestrini - Chief Executive Officer
- Waisiki Gonemaituba - Deputy Chief Executive Officer
- Matai Matakitoa - Manager Finance and Information Technology
- Kulinio Kaukimoce - Manager Corporate
- Suliasi Tawake - Manager Operations
- Ilaisa Dakaica - Manager Standards, Policy and Compliance

The compensation paid or payable to key management personnel for employee services is shown below:

	\$	\$
Key management compensation	390,122	408,813

15. Subsequent events

Significant turnaround noted in staff including key management personnel subsequent to end of the financial year.

Apart from the exception above, no matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the authority, the results of those operations, or the state of affairs of the authority in future financial years.