



MINISTRY OF
INFRASTRUCTURE AND
METEOROLOGICAL SERVICES

2021/
2022



ANNUAL REPORT



PARLIAMENTARY PAPER NUMBERS 165 OF 2025

REFERRAL LETTER

30th December 2025

Honorable Ratu Filipe Qaraniqio Tuisawau
Minister for Public Works, and Meteorological Services, and Transport
Level 4 Nasilivata House
Ratu Mara Road
Samabula

Dear Sir,

I hereby submit the Ministry's Annual Report containing the Audited Financial Statement for the 2021/2022 Financial Year. This is for Head No. 40 – Ministry of Infrastructure and Meteorological Services.

Yours faithfully



Paula Baleilevuka

PERMANENT SECRETARY

PERMANENT SECRETARY STATEMENT



The 2021–2022 financial year marked a period of significant progress and resilience for the Ministry of Infrastructure and Meteorological Services. As Fiji continued to face the increasing impacts of climate change, including severe weather systems and multiple tropical cyclones, the Ministry remained steadfast in its mandate to protect lives, maintain essential services, and strengthen national preparedness. The Fiji Meteorological Service provided timely forecasts and early warnings that supported communities and response agencies throughout these events.

Despite these challenges, the Ministry achieved key milestones across the water and energy sectors. We successfully commissioned several water supply upgrades, rural schemes, and renewable energy projects aimed at improving reliability, expanding access, and enhancing climate resilience for both urban and rural communities. These investments reflect our commitment to delivering sustainable, efficient, and future-focused infrastructure.

The Ministry also commemorated World Water Day and World Meteorological Day through nationwide activities that highlighted the importance of water security, climate science, and disaster risk reduction. These observances reinforced Fiji's role in advancing global climate action and sustainable development.

I extend my sincere appreciation to our staff, stakeholders, and partners for their dedication and collaboration. Together, we continue to work towards a safer, more resilient, and better-connected Fiji.



for TAITUSI VAKADRAVUYACA

Permanent Secretary

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1. CORPORATE STRATEGIC DIRECTION

Our Vision

Resilient and sustainable infrastructure

Our Mission

Provide an enabling and accommodating environment through research, policy, regulations and strategic insight for implementation of resilient and sustainable infrastructure services in water, sanitation, energy, buildings, roads and hydro-meteorology

Our Values (HILL-TIP)

- Honesty – we commit to an honest day's work
- Integrity – we commit to being impartial in all our service.
- Loyalty – we are committed to serve
- Leadership – we encourage strong and firm leadership
- Teamwork – we value the contribution of all staff irrespective of their appointment and status.
- Innovation – we encourage new ideas and a can do attitude
- Professionalism – we commit to excellence in all that we do

2. TARGETS

The Ministry's deliverables are aligned to Government priorities and Fiji's needs through the national targets contributed to Fiji's commitments to the Sustainable Development Goals (SDGs) particularly SDG 6 (Clean Water and Sanitation) and SDG 7 (Affordable and Clean Energy)

➤ **100% Access to Electricity**

Reliable and affordable electricity access is essential for improved living standards, economic empowerment and social wellbeing. Universal electrification ensures equitable development and supports rural communities through improved education, health and income opportunities.

- Expansion of national grid coverage to additional rural and maritime communities
- Implementation of solar and hybrid electrification systems in remote areas.
- Partnership with private sector and development agencies to fund renewable solutions

Forward Plan of increasing adoption of off-grid renewables systems and strengthening Public-Private Partnerships for energy infrastructure investments.

➤ **100% Renewable electricity sources by 2036**

Transitioning from fossil fuels to domestic renewable energy support energy security, reduces carbon emissions and stabilizes future energy costs.

- Expansion of hydropower generation capacity
- Solar farms and battery storage installation
- Investigation of emerging technologies such as biomass and wind energy]
- Regulatory improvements to attract Independent Power Producers (IPPs)

➤ **100% Access to Clean and Safe Water by 2031**

Safe and reliable water supply is foundation to public health, social equity and climate resilience. Investment in water infrastructure enhances community wellbeing and supports tourism, agriculture and industry.

- Continued upgrade of water treatment plants and reticulation systems.
- Rural water supply programme delivering new schemes and rehabilitation works.
- Strengthened water quality monitoring and compliance initiatives.

➤ **60% Access to Clean Sanitation by 2031**

Access to improved sanitation reduces health risks, protects the environment and support resilient community development.

- Expansion of wastewater networks in major urban centres
- Upgrade to wastewater treatment facilities
- Promotion of safe household sanitation in rural communities.

3. GOVERNING LEGISLATIONS & STATUTORY POLICIES

The Ministry, in accordance with the Legal Notice No. 38 of 2020 has the responsibility for the following acts and legislation;

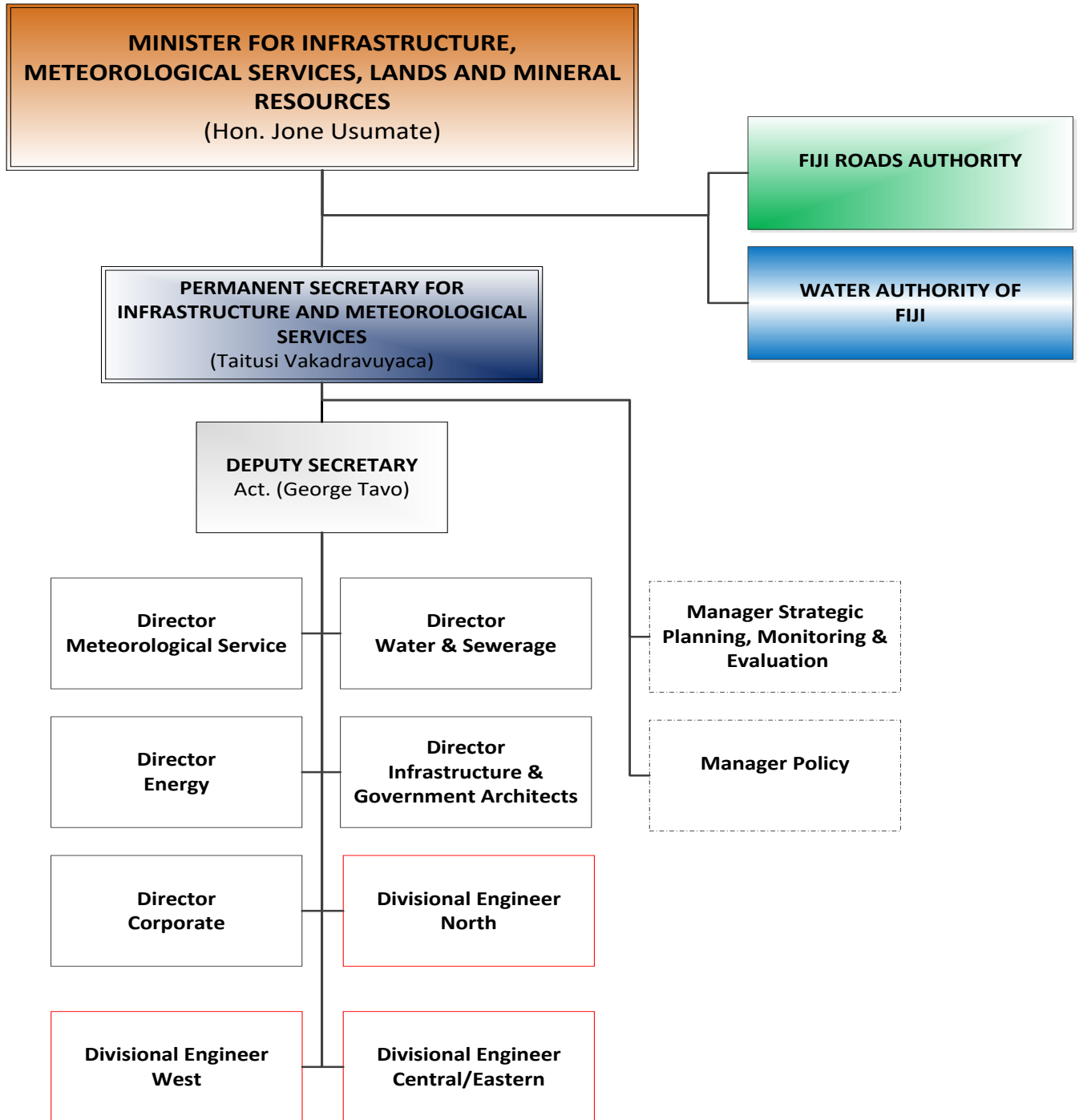
- Architects Act 1959
- Electricity Act 1966
- Engineers Registration Act 1976
- Fiji Roads Authority Act 2012
- Fuel and Power Emergency Act 1974
- Petroleum Act 1938
- Roads Act 1914
- Water Authority of Fiji Act 2007

The legislative and regulatory environment is augmented by the Finance Management Act 2010, the Finance Instructions and Fiji Procurement Act 2010, Employment Relations Act 2007, Health and Safety at Work Act 1996, Fiji National Provident Fund Act 2011.

The Ministry responsible for policy formulation, planning, design, regulatory, coordination and implementation of programs, projects and services relating to infrastructural works utilities (water and electricity), meteorology and hydrology.

We are also responsible for policy and legislative oversight of the Fiji Roads Authority (FRA), the Water Authority of Fiji (WAF) and Energy Fiji Limited (EFL).

4. ORGANIZATION STRUCTURE



5.1. DEPARTMENT OF ENERGY (DOE)

5.1.1 Role

The Department of Energy role is to provide an enabling environment in the;

- a) Policy formulation, regulation and oversight of energy planning,
- b) Promotion of sustainable and renewable energy, electrification in rural and maritime areas,
- c) Ensure the increased rate of Energy Efficiency and conservation.

5.1.2 Service

The Department of Energy key services include:

- Rural Electrification works – Managing Rural Electrification Schemes, including off-grid and small-scale systems. Ensuring that electricity services are extended to remote, maritime and rural communities.
- Energy Efficiency Programs – Promoting best practices, standards and advisory services to reduce energy consumption and wastage.
- Biofuel and Petroleum – Supporting projects and research into biofuels, establishing/ supporting a laboratory to test biofuel properties to ensure that biofuels meet standards and are safe for use, overseeing the importation, storage handling and distribution of petroleum products ensuring quality, safety and compliance.
- Research and Development – feasibility studies for wind, micro hydro, solar, resource potential studies (technical resource mapping, site assessments, environmental and social impact screening). Pilot project design and monitoring, technology assessment and costing and data collection and modelling to inform national energy planning and renewable energy integration.
- Business Models – Developing least-cost electrification options, designing innovative delivery models such PPPs, structuring financing arrangements that combine government seed funding, concessional finance and private capital, advising on tariff design, subsidy targeting and cost-recovery mechanisms.
- Partnership – Facilitating international and bilateral partnerships, convening private sector investors, industrial off-takers and community representatives to align interest and secure project commitments.

5.1.3 Key Highlights

- National Energy Policy (NEP) 2021-2030: Draft National Energy Policy was under stakeholder validation in mid- 2021, aiming to set timelines and priority actions for renewable energy, energy efficiency, and access.
- Department of Energy successfully endorsed the Fiji Electrification Policy, a key strategic framework that guides national efforts toward improving electricity access and energy security. The policy sets out the Government’s commitments to expand reliable, affordable and sustainable electricity supply to all Fijians, with particular focus on rural, maritime and underserved communities.

- Through the Rural Electrification Fund and schemes to install solar or off grid systems in areas are not reached by the main grid.
- Department of Energy continued its Generator Repair Programme to ensure the reliable supply of electricity to rural and maritime communities dependent on diesel-based systems. The programme focused on the inspection, maintenance, and servicing of village and community generators that experienced operational issues due to aging equipment, limited access to spare parts, and increased energy demand.
- Department of Energy assessed ten (10) potential hydro sites through preliminary technical studies that covered hydrological data, community demand, environmental considerations and infrastructure feasibility. Each site was ranked based on cost-effectiveness, projected power generation capacity, accessibility and long-term sustainability.

Providing electricity access to all Fijians by 2026. The Department of Energy has played a major role in electrifying and assisting settlements in the urban, peri-urban and rural communities. The Department with the approval of Cabinet has approved the electricity access timeline be shifted due to the impact of Covid 19. The timeline has approved to be shifted from to 2021-2026. **Figure 1:** Displays the total cost the Department has paid Energy Fiji Limited for implementation of Grid Extension Projects in the past 13 years that has benefited around 23,009 HH total cost of around \$166,214,472. **Figure 2:** Highlights the total costs of \$233,802,616.00 for House Wiring Projects funded by the Department has funded from 2014 to 2021 – 2022 Financial Year. **Figure 3: Displays** the number of Households that could benefit from Grid Extension Projects that have been commissioned in the past 12 years. **Figure 4:** Displays the amount of application received in the past 5 years.

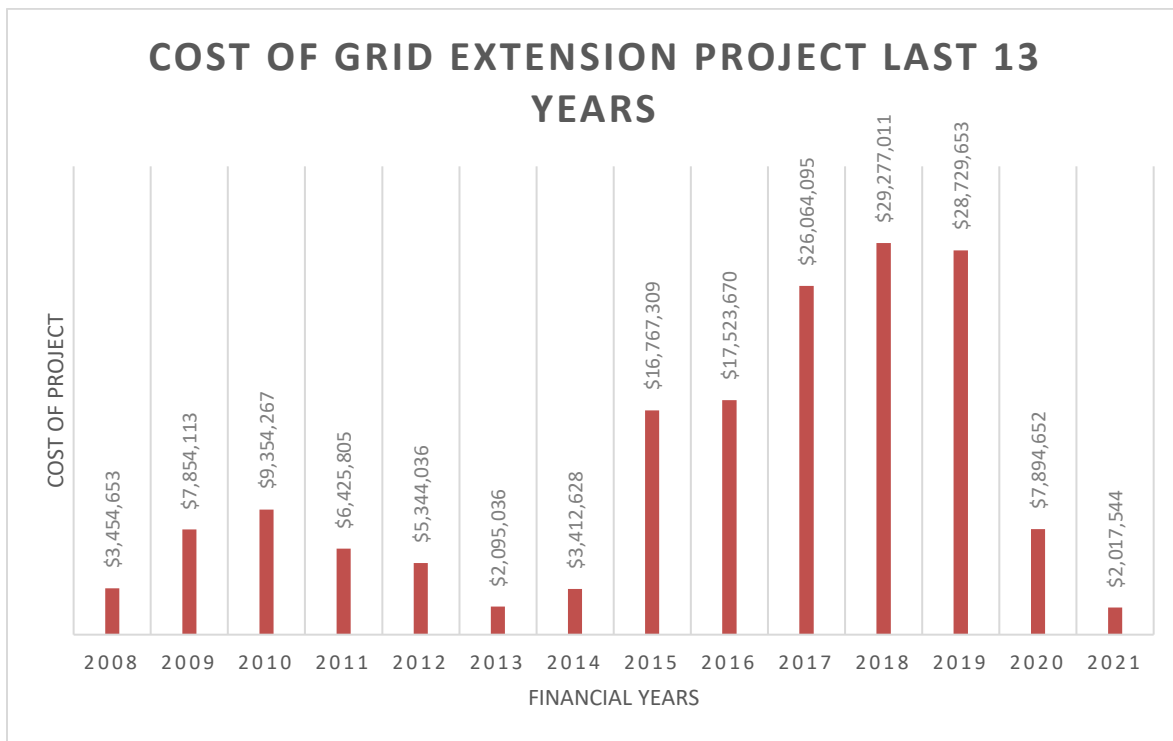


Figure: 1 – The total cost of Grid Extension Projects per year that has been paid to Energy Fiji Limited.

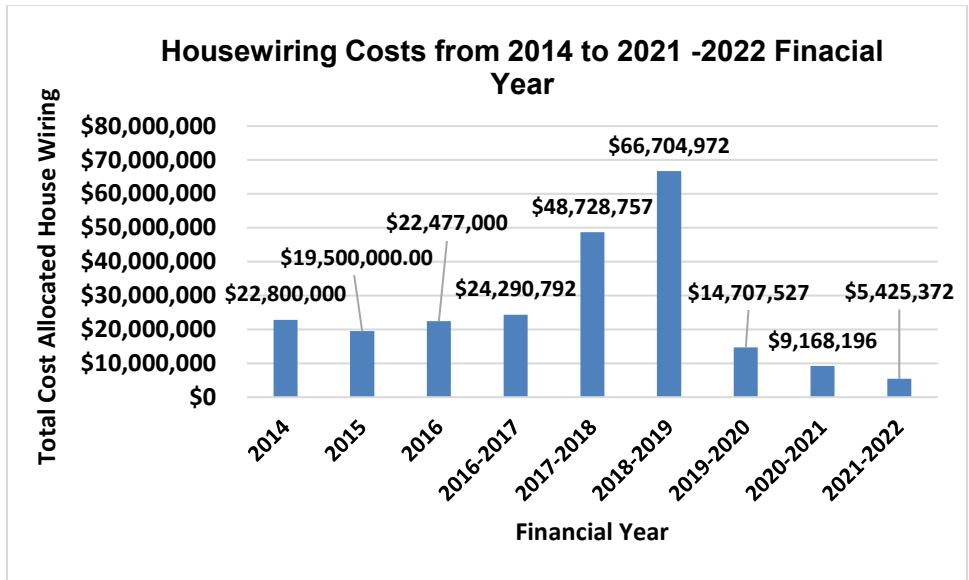


Figure: 2 – The total cost of house wiring per financial year from 2014 to 2021-2022 Financial Year

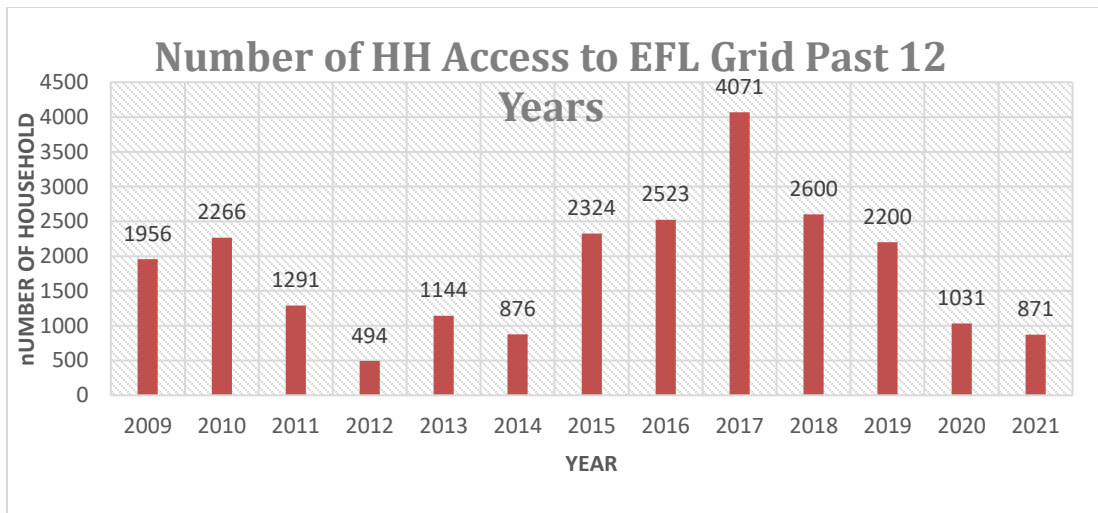


Figure: 3 – The trends of number of Households that have access to the EFL Grid in the past 12 years. This are EFL Grid projects that have been commissioned and funded by the Department of Energy.

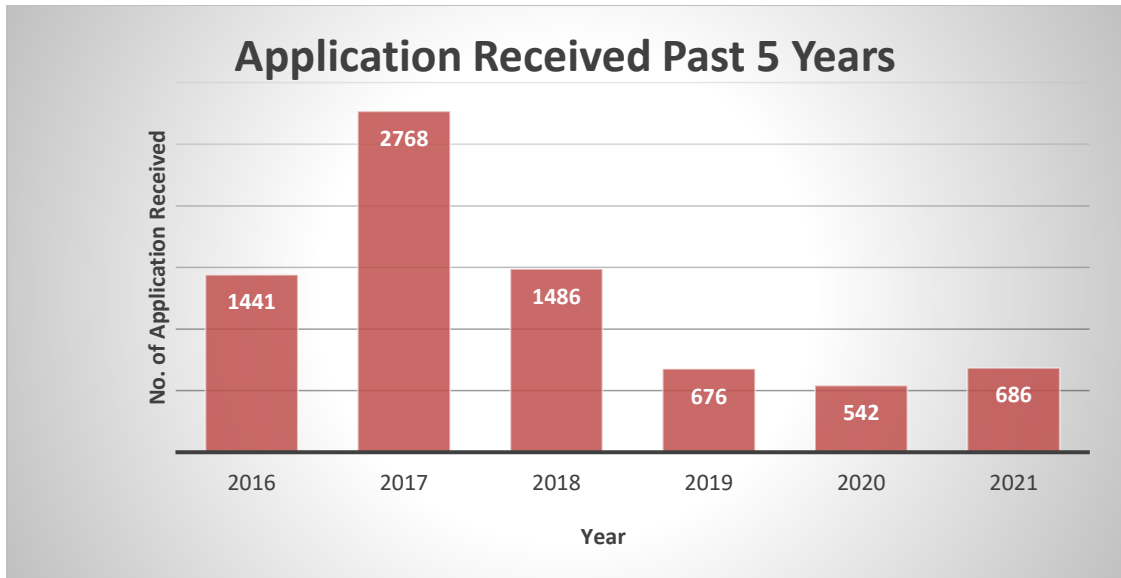


Figure 4 – The trends of number of Applications that the Department has received in the past 5 years.

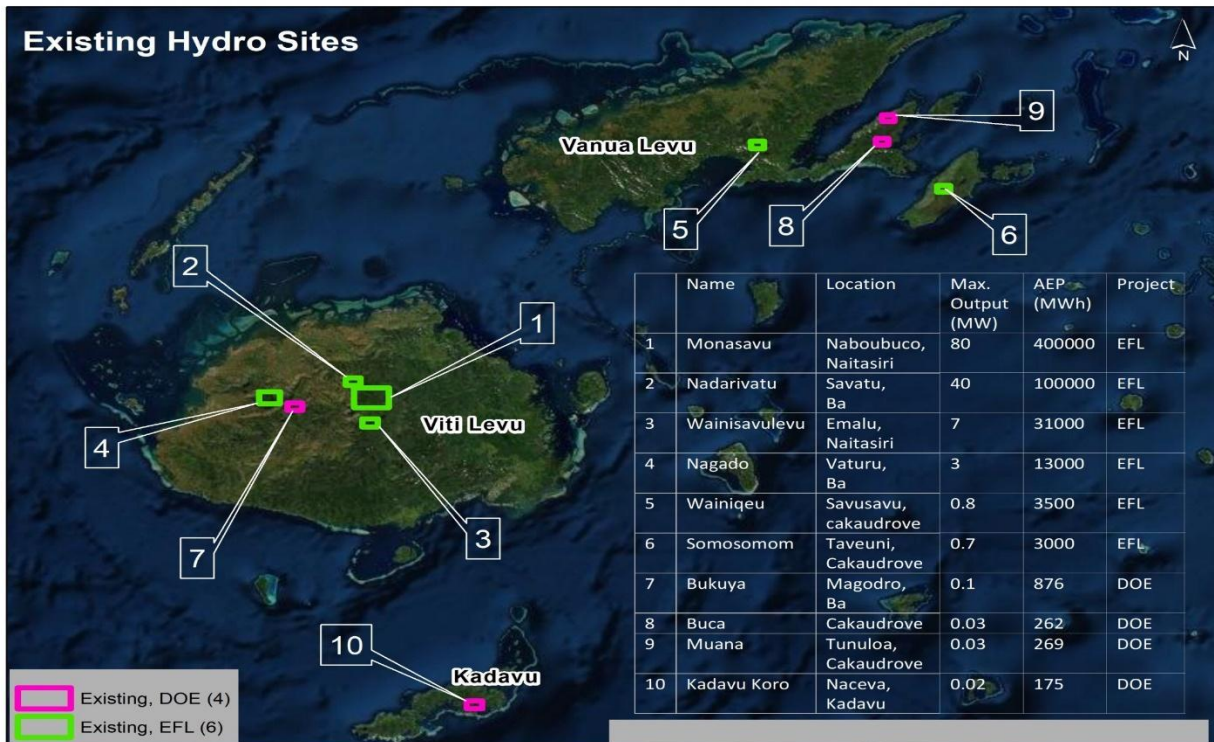


Figure 6: The Existing Hydro Sites in Fiji.

5.1.4 Risks and Challenges

1. Dependence on imported fossil fuels, resulting in high exposure to volatile international oil prices and potential supply disruptions.
2. Weak regulatory and institutional frameworks, including overlapping mandates between the Department of Energy (DOE), Energy Fiji Limited (EFL), and other regulators; outdated policies; and slow implementation of reforms.
3. Limited private sector participation, with few independent power producers and insufficient incentives for renewable energy investments.
4. Climate change and disaster vulnerability, where cyclones, floods, and sea level rise pose significant risks to energy infrastructure, particularly in rural and off-grid areas.
5. Rural electrification sustainability challenges, as remote communities face difficulties in maintaining and affording off-grid or mini-grid systems.
6. Financial constraints and reliance on donor funding, including reduced revenue during COVID-19 and limited access to concessional financing.
7. Ageing infrastructure, with older hydro plants and transmission lines becoming increasingly susceptible to breakdowns and climate-related events.
8. Human resource and skills gaps, particularly shortages of technical expertise in renewable energy technologies and data analytics.
9. COVID-19 impacts, including reduced electricity demand, project delays, and budget constraints resulting from the pandemic.



5.2. DEPARTMENT OF BUILDING AND GOVERNMENT ARCHITECT (DBGA)

5.2.1 Role

The Department of Building and Government Architect (DBGA) is responsible for providing professional and policy advice to Government on architectural and structural design, project costing, and matters related to national building standards. The Department also ensures compliance and resilience in Government infrastructure development.

5.2.2 Services

Key services provided by DBGA include:

- Reviewing and updating the Architects Bill, Engineers Registration Bill, and the National Building Code of Fiji to strengthen resilience in public infrastructure.
- Delivering architectural and structural design services, construction monitoring, contract administration, and cost estimating for Government building, bridges, and civil works projects.
- Reviewing and enhancing Public Works Department (PWD) design standards and construction unit rates to align with modern technology and industry practices.
- Administering the registration of Architects under the Architects Act and enforcing professional legislation.
- Conducting hotel building inspections for taxation verification in collaboration with the Fiji Revenue and Customs Service (FRCS).
- Providing advisory services on building material standards to the Ministry of Trade, Cooperatives, Small and Medium Enterprises, and Communications.
- Supporting research into climate-resilient and low-carbon building materials available locally.
- Providing professional guidance on the accreditation of tertiary architecture programs at local universities and supporting education partnerships with international institutions.

5.2.3 Highlight

During the 2021–2022 financial year, the Department of Building and Government Architect (DBGA) continued to strengthen national infrastructure standards through legislation, policy development, and technical oversight. Key achievements included the endorsement of the Architect’s Act by July 2022, consultations for the review of the Engineer’s Registration Act, and approval of the revised National Building Code—supporting improved compliance and resilience across Fiji’s built environment.

The Department provided timely professional and technical advice to executive management, sector stakeholders, and development partners, ensuring informed decision-making across forums, workshops, and inter-agency meetings.

DBGA also progressed construction and maintenance of public buildings, water systems, and sewer lines in line with PSIP approvals. Major Deliverables included 21 construction and two water/sewer upgrades under DEWW, five construction and two upgrades under DEWCE, and nine construction projects under DEWN.

Support for public sector and rural development remained a priority, with 50 scoping and 50 design/costing assignments completed. Key rural works included Phase 1 of the Nakida Road project, site levelling at Qeledamu–Nadroga, and upgrades to two cane access roads.

The Department strengthened contractor compliance monitoring, issuing 12 Practical Completion certificates and processing corresponding payments. Additionally, all elevator servicing was monitored quarterly, with timely certification and clearance of payments.

5.2.4 Risks and Challenges

DBGA experienced several constraints that impacted service delivery:

- Reduced capital funding for infrastructure development limiting project scope and implementation timelines.
- Reliance on private-sector partnerships due to internal resource limitations.
- Increased outsourcing of design and costing functions to private consultants, contributing to higher project costs and extended delivery timeframes.

5.3. DEPARTMENT OF WATER AND SEWERAGE (DWS)

5.3.1 Role

The Department of Water and Sewerage is responsible for national policymaking, planning, oversight and performance monitoring of the water and sanitation sector across Fiji.

5.3.2 Services

The Department of Water and Sewerage key services include:

- Rural water supply services, including the implementation of rural water schemes, construction and upgrades of gravity-fed systems, rainwater harvesting, boreholes, and reticulation networks; provision of technical assistance and engineering support for community water projects; and emergency restoration of rural water supply following natural disasters.
- Sanitation and wastewater improvement services, involving the facilitation of sanitation projects for underserved communities, support for household sanitation upgrades and sewerage system extensions, and delivery of hygiene and wastewater safety awareness programme.
- Policy and standards development, comprising the formulation of national water and sanitation policies, establishment of standards for water quality, infrastructure design and service delivery, and the provision of regulatory oversight in collaboration with the Water Authority of Fiji (WAF) and the Ministry of Health.
- Sector coordination and investment planning, which includes the alignment of water infrastructure planning with the Water Authority of Fiji (WAF), development partners, provincial authorities and community stakeholders, as well as the development of national water security and resilience strategies.
- Monitoring and compliance services, focusing on the monitoring of performance and quality of water and sewerage systems, assessment of project design and procurement compliance, oversight of implementation activities, and auditing and reporting on WAF service delivery.
- Community capacity building and engagement, including the establishment and training of Village Water Committees, and the delivery of community workshops on water conservation, hygiene and sanitation best practices, and sustainable asset maintenance.

5.3.3 Highlights

The Department of Water and Sewerage (DWS) achieved significant progress from 2021 to 2022 in strengthening Fiji's water governance, rural water support, and national data systems. A major focus was on modernizing the legislative and policy framework. Key developments included the Water and Sewerage Act and Code of Practice (with UNICEF assistance), the National Water Resource Management and Sanitation Policy, the Wastewater Management Policy for Informal Settlements, the Compulsory Water Storage Tank Policy, and the Integrated Water Resource Management Plan, all completed between October and December 2021.

DWS also enhanced national water information management through continuous updates of the National Water Statistics Database, enabling accurate analysis and the production of the Annual National Water Statistics Report.

In supporting rural communities, the Department vetted 20 Water Safety Management Plans, collected and verified data for 50 rural village water schemes, and mapped 20 rural catchments by July 2022. These efforts strengthened rural WASH governance, planning, and climate-resilient water management.

Public awareness initiatives, including World Water Day and water conservation programs, expanded community engagement, with a 10% increase in school participation. Overall, DWS's work laid a strong foundation for improved water security, sanitation, and resource management nationwide.

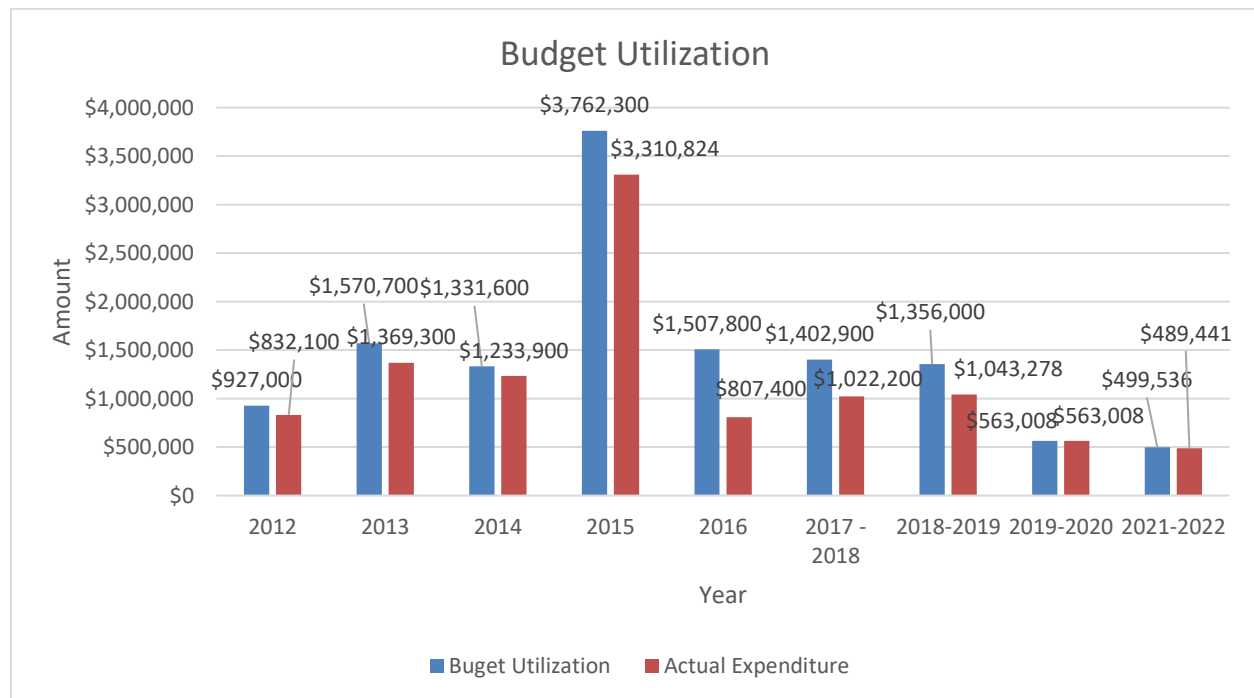


Figure 1: Budget Utilization

- I. The figures below show SEGS 1 and 2, which comprises of Personal Emoluments, FNPF, Wages and Allowances, which is over utilized, SEG 3 had 51% utilization while SEG 4 had 231%. SEG 5 had major goods and services budget and the utilization rate was 231%. The budget allocated for 2021/2022 of \$496,549.00 with 98% of the utilization rate.

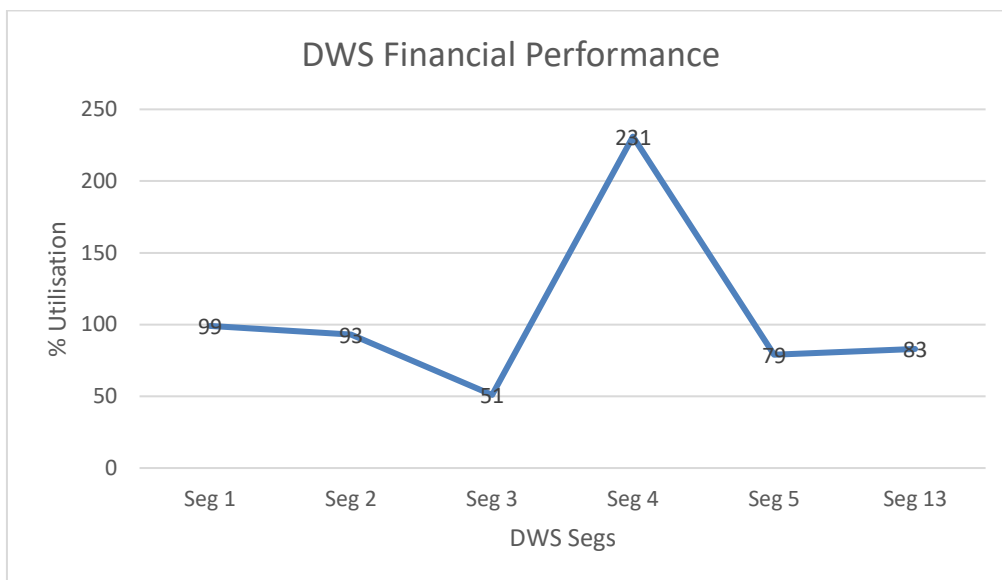


Figure 2 - DWS Actual Utilisation for August 2021 – July 2022

5.3.4 Risks and Challenges

The Department of Water & Sewerage continued to face operational and sector-related challenges that affected water and sanitation service delivery across the country. Key risks and constraints included:

- Budget constraints restricted rural water supply upgrades and delayed implementation of key sanitation projects.
- Limited technical staffing and high turnover affected project planning, design, and monitoring efficiency.
- Many rural water systems required extensive rehabilitation, resulting in frequent service disruptions and higher maintenance demands.
- A need for stronger collaboration and information sharing between stakeholders, including Water Authority of Fiji (WAF), provincial offices, and community groups, often affected timely implementation.
- Limited local capacity for ongoing operation and maintenance of rural systems resulted in sustainability issues post-project completion.



Department of Meteorological Services (DMS)

5.3.4 Role

The Department of Meteorological Services (DMS) is responsible for collecting and managing hydro-meteorological data and providing timely, accurate, and reliable weather, climate, ocean, and hydrological information to the public, stakeholders, and regional partners. The Department also upholds Fiji's obligations under regional and international meteorological agreements.

To deliver on its mandate, DMS:

- Observes and monitors real-time atmospheric and ocean conditions
- Issues forecasts, warnings, and seasonal outlooks
- Provides climate trends and climate change information
- Promotes public awareness and understanding of weather and climate services
- Strengthens service capability through continuous improvement and innovation

5.3.5 Services

The Fiji Meteorological Service (FMS) operates within global frameworks established by the World Meteorological Organization (WMO), International Civil Aviation Organization (ICAO), United Nation Framework Convention on Climate (UNFCCC), Inter-governmental Panel on Climate Change (IPCC), International Maritime Organization (IMO), and national disaster and climate legislation.

The Department also continues to progress the Hydro-meteorological Bill to strengthen service delivery through:

- The Department maintained a comprehensive national observation network, including:
 - Weather radars, automatic weather and observing stations, airport observing systems, climate and synoptic stations, hydrological monitoring stations, sea-level and ocean monitoring systems, and a wind profiler and upper-air station.

- Delivered a wide range of weather and climate services, including public forecasts, aviation and marine products, hazard warnings, seasonal outlooks, technical briefings for disaster management, and the provision of weather charts, maps, and media releases.
- DMS enhanced community awareness and regional collaboration through:
 - Online engagement and public access to real-time weather information
 - Production of climate and ocean outlook videos and awareness materials
 - Strengthened partnerships through Memoranda of Understanding

5.3.6 Highlights

During the financial year, the Department of Meteorological Services achieved several key milestones in strengthening national weather, climate, and hydrological services:

- Enhanced early warning and disaster support through the issuance of timely public weather forecasts, tropical cyclone alerts, marine warnings, and flood advisories, contributing significantly to national preparedness and response efforts.
- Strengthened aviation safety with continued provision of aviation weather products in compliance with ICAO standards, supporting efficient and safe air transport operations.
- Improved climate and ocean services with monthly seasonal climate outlooks, ocean forecasts, and specialized advisories tailored for sectors such as agriculture, water resource management, and humanitarian response.
- Upgraded monitoring and observation systems to improve real-time data acquisition and forecasting accuracy across Fiji and the region.
- Increased public outreach and awareness through online platforms, media releases, educational campaigns, and the production of new awareness and climate information videos.
- Maintained strong regional and international partnerships, reinforcing Fiji's role as the WMO-designated Regional Specialized Meteorological Centre (RSMC) for the Southwest Pacific.
- Progressed legislative modernization with ongoing work on the Hydro-Meteorological Bill to strengthen compliance, governance, and service delivery frameworks.

The figures 1 below shows SEGS 1 and 2, which comprises of Personal Emoluments, FNPF, Wages and Allowances, which is over utilized, SEG 3 had 89% utilization while SEG 4 had 86%. SEG 5 had major goods and services budget and the utilization rate was 79%. SEG 6 had an operating grants and transport was 83% and SEG 7 had 97%. The budget allocated for 2021/2022 of \$5,104,618.00 with 93% of the utilization rate.

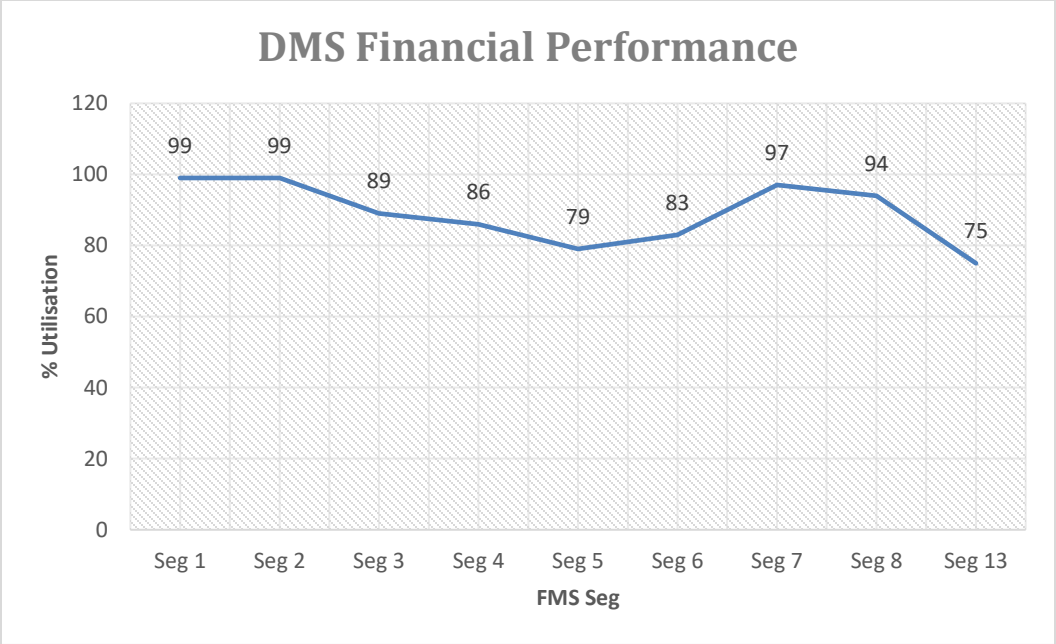


Figure 1 - DMS Actual Utilisation for August 2021 – July 2022

Figure 2 below shows the Department demonstrated strong budget performance across all three key activity areas. Corporate Services and Reporting & Facilities recorded expenditure levels closely aligned to available budgets, indicating effective cost control and prioritisation of essential operational needs. Weather Forecasting Services, which represents the largest budget allocation due to its critical national role, also achieved high utilisation with only moderate underspending, largely attributed to delayed procurement and operational adjustments. Overall, the results reflect sound financial management while ensuring continuity of core service delivery.

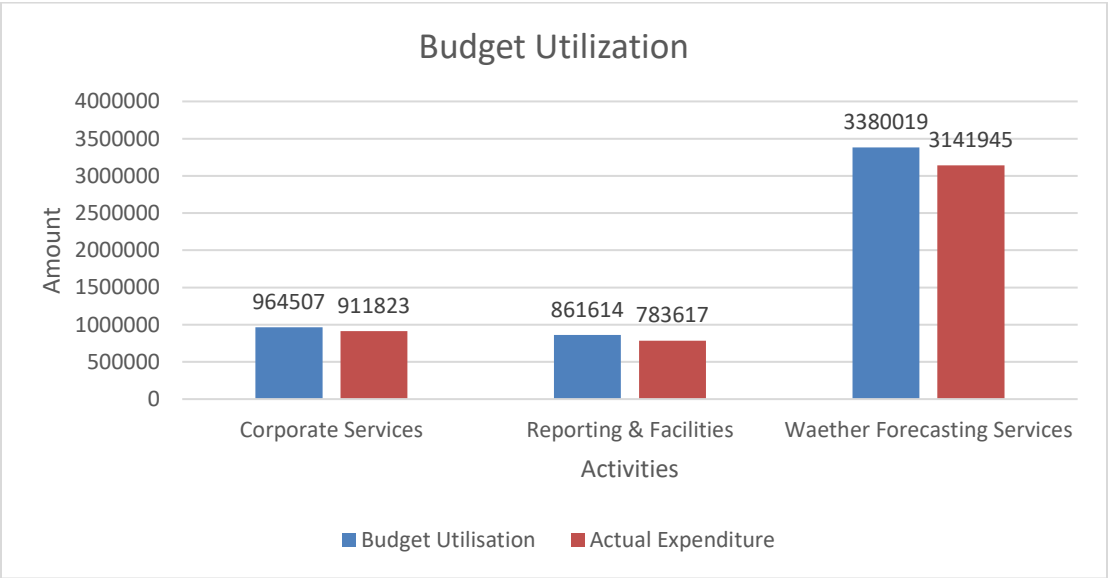


Figure 1 - DMS Budget Utilisation for August 2021 – July 2022

Risks and Challenges

During the reporting period, the Fiji Meteorological Service continued to operate in a complex environment influenced by evolving climate risks, growing service demands, and resource constraints.

Key challenges included:

- Aging monitoring infrastructure leading to recurring maintenance issues and service disruptions in weather observation and communication systems.
- Skills shortages and retention challenges for specialised meteorological, hydrological and climate science personnel, driven by competitive labor markets domestically and within the region.
- Increased operational demands during severe weather events, placing pressure on forecasting staff and emergency response capabilities.
- High reliance on donor-funded projects for modernization efforts, creating uncertainty in long-term sustainability of essential systems.
- Supply chain delays due to COVID-10 affecting procurement of specialized technical equipment and spare parts.

5.4 Department of Works (DOW)

5.4.1 Role

The Department of Works (DOW) provides technical, engineering and infrastructural support to all Government ministries and departments. Its core mandates include:

- Project scoping, planning and design
- Construction, upgrading, operations and maintenance of State-owned infrastructure
- Provision of civil, mechanical and electrical engineering services.
- Maintenance of public buildings and Government facilities to ensure safety, functionality and compliance.

The Department operates in accordance with key regulatory frameworks including the National Building Code of Fiji, Environmental Management Act, Water and Sewerage Act, Fiji Electricity Act, Roads Act 1912, the Fiji Procurement Regulations and Government asset and vehicle policies.

5.4.2 Service

The Department of Works delivers a broad range of services aligned to Government infrastructure priorities. These are categorized into four major service areas:

A. Civil and Structural Works

- Scoping and costing for:
 1. Government building construction and repairs.
 2. Bridge, crossing and jetty construction and rehabilitation.
 3. Rural and farm road development and maintenance
 4. Water system upgrade including sewer relining in State buildings.
 5. Ecological Purification System (EPS) and other water schemes under rural water programme
- Site supervision and project management for new and existing public buildings encompassing carpentry, joinery, plumbing, roofing and general construction trades.

B. Electrical Engineering Services

- Rural Electrification installations and generator sizing under DOE-approved projects
- Electrical installation, reticulation works (HV/LV line extensions)
- Supervision and maintenance of Rural Government Station (RGS) power systems

- Solar Home System wiring and installation
- Upgrade works including:
 - Single-phase to three-phase electrical systems
 - Electrical board upgrades and building rewiring
- Motor rewinding and specialised workshop electrical services

C. Mechanical Engineering Services

- Technical support on Government vehicles, plants, and machinery including:
 - Board of Survey (BOS) inspections
 - Repairs, servicing, and maintenance
 - Vehicle and plant hire services
- Welding and fabrication works for buildings, bridges, walkways, rails, and marine infrastructure
- Ship repair and steam-line maintenance support where required.

D. Building Facilities (HVAC & Facilities Maintenance)

- Repair, servicing, and supervision of Government air-conditioning installations
- Oversight of mechanical and electrical maintenance for State facilities
- Ensuring operational reliability and safe working environments in all Government buildings

5.4.3 Highlights

During the 2021/2022 fiscal year, the Department of Works delivered a wide range of essential government building upgrades, maintenance programs, and infrastructure improvements across Fiji. These initiatives supported improved working and living conditions for civil servants while enhancing the structural integrity and safety of public buildings.

Key achievements included:

- Major upgrading works for the Grade IV Agriculture Officer's Quarters, Lakeba.
- Significant refurbishment and upgrade activities at DECE Yard and Main Office/Showroom, Walu Bay.
- Comprehensive upgrade works on multiple government quarters along Vomo Street, Lautoka, improving residential standards and habitability for government personnel.
- Infrastructure upgrades within the DEW Yard, Lautoka, including the Bure, office building, joinery timber rack, and accommodation facilities.
- Renovations and facility enhancement works at DEN Yard, Labasa, including the Accounts Office and Conference/Training Room.
- Construction of new drainage systems and refurbishment of residential quarters at Vatunibale to mitigate flooding risks and improve housing for government staff.
- Improvements to the District Engineer's Office and its surrounding infrastructure.
- Ongoing upkeep and urgent maintenance interventions to public buildings nationwide, including critical electrical works to ensure operational continuity.
- Relining works undertaken at key facilities, including Vomo Street and Lautoka Police Station in Lautoka, as well as Government Buildings and MRD Office in Suva, to improve service delivery and structural efficiency.

The **Figure 1** illustrates the types of works that have been undertaken in all the division which was reflected in the budget for 2021/2022 Financial Year. **Table 1:** Summarizes the Capital and IDC Projects from all divisions

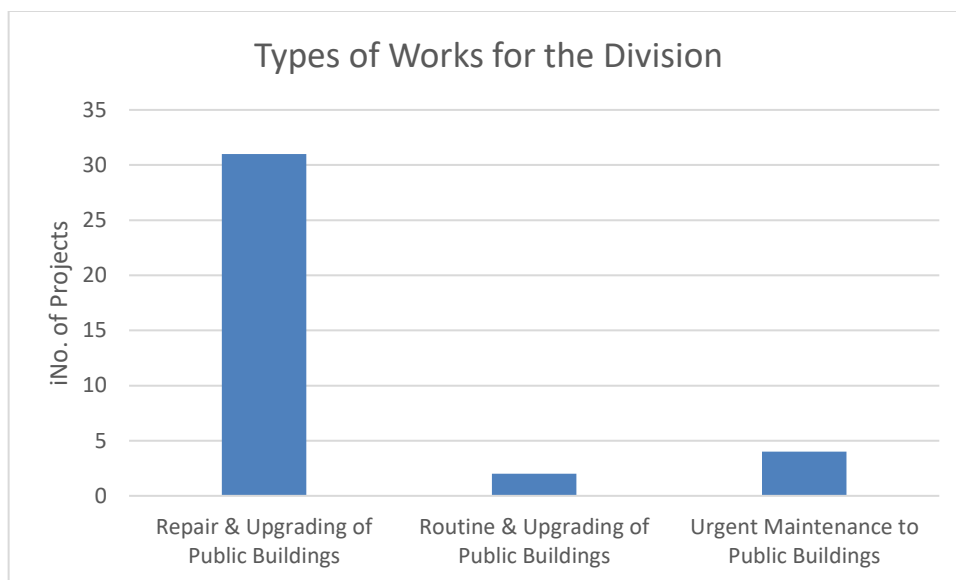


Figure 1: Illustrates the types of work undertaken in the Division.

| No. | Expected Outputs | No. of Projects | Completed | Roll Over Project |
|--------------|---|-----------------|-----------|-------------------|
| 1 | Repair & Upgrading of Public Buildings | 31 | 30 | 1 |
| 2 | Routine & Upgrading of Public Buildings | 2 | 2 | 0 |
| 3 | Urgent Maintenance to Public Buildings | 4 | 4 | 0 |
| Total | | 37 | 36 | 1 |

Table 1: Summary of Capital / IDC Projects.

5.4.4 Risks And Challenges

- Reduction in key technical posts and staff resignation limited the Department's ability to maintain specialist engineering and trade skills required to sustain service standards.
- Ongoing budget cuts restricted the scope of maintenance and upgrading works affecting the ability to respond promptly to project demands.
- The declining condition of the machinery and fleet used to support government projects frequently resulted in breakdowns, higher maintenance costs, and service interruptions.
- Limited availability of construction materials, spare parts, and specialized equipment from suppliers resulted in delays to project implementation.
- Recurring audit findings highlighted gaps in adherence to established financial and procurement processes, indicating a need for strengthened internal controls and accountability.

- Persistent Trading and Manufacturing Account (TMA) losses stemming from posting errors and inconsistent financial reporting reduced the accuracy of revenue and expenditure tracking.
- High volumes of unverified or outstanding electricity bills at Rural Government Stations (RGS) affected revenue generation and required enhanced monitoring and reconciliation.



5.5 DEPARTMENT OF CORPORATE SERVICES

The Ministry successfully delivered core enabling services through Corporate Services Division to support timely and efficient operations:

- **Administrative Support:** All key planning and reporting documents, including the Strategic Development Plan, Corporate Plan, Workforce Plan, Annual and Individual Work Plans, Annual Reports, and Financial Statements, were completed and submitted within required timelines. Parliamentary and cabinet support was provided through 10 parliamentary updates and vetted cabinet papers. Audit queries from oversight agencies were addressed, resulting in an unqualified audit opinion.
- **Monitoring & Evaluation:** A Ministry-wide M&E framework was established, and a Manager for Project Monitoring appointed. Monthly project progress reports were produced to strengthen accountability.
- **Policy Development:** Three new policies—Risk Management, Disaster Recovery, and Transport—were introduced, while HR and Finance Manuals were updated to align with central agency requirements.
- **Recruitment & Workforce:** Vacancy rates were maintained below 5%, and recruitment processes complied with guidelines, ensuring all appointees met vaccination and CAREFiji requirements.
- **Staff Engagement & Wellness:** Individual Work Plans were aligned with business plans and the Corporate Plan. Staff assessments were completed on schedule, 10 performance management training sessions delivered, and 80% staff participation achieved in wellness activities. Two CSR programs were successfully implemented.
- **Occupational Health & Safety:** An OHS policy was developed and implemented, all sites certified as OHS and COVID-compliant, and training conducted in OHS, First Aid, and Fire Warden responsibilities. Two fire drills were completed.
- **Modernization & Technology:** Seven years of historical records were digitized and archived. HRMIS was implemented with 500 staff profiles and contracts loaded. IT support was maintained, shared drive access proposed, and online presence enhanced through regular website updates, monthly media releases, quarterly newsletters, and active social media engagement.
- **Customer Service:** A complaints dashboard was developed, SOPs updated, and quarterly customer service analysis reports produced.
- **Asset Management:** Assets were maintained according to approved plans, annual Board of Survey conducted, registers updated, and annual asset status reports submitted.

FINANCIAL STATEMENTS



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P. O. Box 2214, Government Buildings
Suva. Fiji



OFFICE OF THE AUDITOR GENERAL

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File: 592

16 August 2023

The Honourable Ro Filipe Tuisawau
Minister for Public Works, Transport and Meteorological Services
Nasilivata House
SUVA

AS
Pls action as necessary
Emphasis of Material
23/8/23

Dear Honourable Tuisawau

MINISTRY OF INFRASTRUCTURE AND METEOROLOGICAL SERVICES
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

Audited financial statements for the Ministry of Infrastructure and Meteorological Services for the year ended 31 July 2022 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 Ministry for necessary action.

Yours sincerely

Sairusi Dukuno
ACTING AUDITOR-GENERAL

cc: Mr. Taitusi Vakadravuyaca, The Permanent Secretary for Infrastructure and Meteorological Services.

Encl.

20/08
PAO
FY14 and discussion work PS next week.

**MINISTRY OF INFRASTRUCTURE AND
METEOROLOGICAL SERVICES**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

MINISTRY OF INFRASTRUCTURE AND METEOROLOGICAL SERVICES
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

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INDEPENDENT AUDITOR'S REPORT

Ministry of Infrastructure and Meteorological Services

Report on the Audit of the Financial Statements

I have audited the financial statements of the Ministry of Infrastructure and Meteorological Services, which comprise the Statement of Receipts and Expenditure, Appropriation Statement, Statement of Losses, Trading and Manufacturing Accounts, Trust Fund Account Statement of Receipts and Payments for the financial year ended 31 July 2022, and the notes to the financial statements including a summary of significant accounting policies.

In my opinion, the accompanying financial statements are prepared, in all material respects, in accordance with the Financial Management Act 2004 and Finance Instructions 2010.

Basis of Opinion

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

Emphasis of Matter

I draw attention to the following:

1. Note 5(h) of the financial statements discloses an unreconciled variance of \$1,405,134 that existed between the TMA balance sheet cash at balance and bank reconciliation balance since 2006. The unreconciled recurring variance relates to prior years (2006-2010) misappropriation that is under Fiji Independent Commission Against Corruption (FICAC) investigation and pending Court's deliberations and verdicts. These unreconciled recurring variances continue to exist for the financial year 31/07/22. Consequently, the audit could not confirm the accuracy and completeness of the Cash at bank balance of \$2,781,029 stated in the Consolidated TMA balance sheet as at 31 July 2022.
2. Note 5 of the financial statements discloses a consolidation of the seventeen (17) Trading and Manufacturing Accounts into Divisions. The change in the format of the presentation has resulted in the limited information being disclosed in the financial statements for each type of TMA in terms of its performance and cash flows. In additions, the explanations for variances noted in the note are not meaningful as comparatives for 2021 have not been reflected in the financial statement.

Emphasis of Matter (con't)

3. Note 9 of the financial statements discloses the pending review of cost structure for Fiji Meteorological Office. Cabinet decisions (05) 310 of 2005 states that Civil Aviation Authority of Fiji and Fiji Airports Limited to reimburse the 50% cost to Fiji Meteorological Services relating to the Nadi and Nausori Terminal. In addition, it stated that review of the structure of the cost be carried out by the Fiji Meteorological Office. The Ministry is yet to enter into a contract agreement for the provisions of weather services to the aviation industry. Due to non-review of the cost structure, Fiji Airports Limited is only paying \$50,000 monthly.

My opinion is not modified in respect of these matters.

Responsibility of the Management and those charged with governance for the financial statements

The Management of the Ministry are responsible for the preparation and fair presentations of these financial statements in accordance with the Financial Management Act 2004 and the Finance Instructions 2010, and for such internal control as the Management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Management are responsible for overseeing the Ministry's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

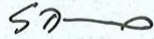
As part of an audit in accordance with ISA, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Ministry's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management of Ministry.

Auditor's Responsibilities for the Audit of the Financial Statements (con't)

- Evaluate the overall presentations, structure and content of the financial statements including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentations.

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.



Sairusi Dukuno
ACTING AUDITOR-GENERAL



Suva, Fiji
16 August 2023

**MINISTRY OF INFRASTRUCTURE AND METEOROLOGICAL SERVICES
MANAGEMENT CERTIFICATE
FOR THE YEAR ENDED 31 JULY 2022**

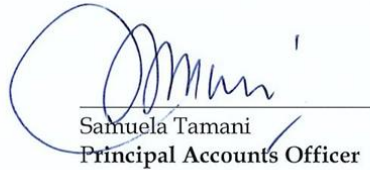
We certify that these financial statements:

- (a) fairly reflect the financial operations and performance of the Ministry of Infrastructure and Meteorological Services and its financial position for the year ended 31 July 2022; and
- (b) have been prepared in accordance with the requirements of the Financial Management Act 2004, Finance Instructions 2010 and Finance (Amendment) Instructions 2016.



Taitusi Vakadravuyaca
Permanent Secretary

Date: 10/8/23



Samuela Tamani
Principal Accounts Officer

Date: 10/8/23

MINISTRY OF INFRASTRUCTURE AND METEOROLOGICAL SERVICES
STATEMENT OF RECEIPTS AND EXPENDITURE - HEAD 40
FOR THE YEAR ENDED 31 JULY 2022

| | Notes | 31 July 2022 (\$) | 31 July 2021 (\$) |
|------------------------------------|-------|-------------------------|-------------------------|
| REVENUE | | | |
| Agency Revenue | | | |
| Miscellaneous Revenue | 3(a) | 277,762 | 299,913 |
| Commission | 3(b) | 2,384 | 2,990 |
| Reimbursement Met Services | | - | 124,641 |
| Reimbursement Others | 3(c) | 749,270 | - |
| OPR in Previous Years | 3(d) | 313,241 | 134,721 |
| Total Agency Revenue | | 1,342,657 | 562,265 |
| TOTAL REVENUE | | 1,342,657 | 562,265 |
| EXPENDITURE | | | |
| Operating Expenditure | | | |
| Established Staff | 3(e) | 9,562,817 | 10,297,919 |
| Government Wage Earners | 3(f) | 2,409,077 | 2,767,167 |
| Travel & Communications | 3(g) | 796,475 | 884,908 |
| Maintenance & Operations | 3(h) | 2,920,566 | 3,130,856 |
| Purchase of Goods and Services | 3(i) | 809,665 | 792,721 |
| Operating Grants and Transfers | 3(j) | 35,026 | 63,121 |
| Special Expenditures | 3(k) | 93,896 | 270,082 |
| Total Operating Expenditure | | 16,627,522 | 18,206,774 |
| Capital Expenditure | | | |
| Construction | 3(l) | 1,078,878 | 695,290 |
| Purchases | | - | - |
| Grants and Transfers | 3(m) | 2,855,489 | 5,305,655 |
| Total Capital Expenditure | | 3,934,367 | 6,000,945 |
| Value Added Tax | 3(n) | 459,844 | 450,726 |
| TOTAL EXPENDITURE | | 21,021,733 | 24,658,445 |

MINISTRY OF INFRASTRUCTURE AND METEOROLOGICAL SERVICES
 STATEMENT OF RECEIPTS AND EXPENDITURE - HEAD 41
 FOR THE YEAR ENDED 31 JULY 2022

HEAD 41 WATER AUTHORITY OF FIJI

| | 31 July 2022 (\$) | 31 July 2021 (\$) |
|------------------------------------|---------------------------|---------------------------|
| EXPENDITURE | | |
| Operating Expenditure | | |
| Operating Grants and Transfers | <u>84,671,136</u> | <u>74,707,602</u> |
| Total Operating Expenditure | <u>84,671,136</u> | <u>74,707,602</u> |
| Capital Expenditure | | |
| Grants and Transfers | <u>115,008,482</u> | <u>85,909,012</u> |
| Total Capital Expenditure | <u>115,008,482</u> | <u>85,909,012</u> |
| TOTAL EXPENDITURE | <u>199,679,618</u> | <u>160,616,614</u> |

MINISTRY OF INFRASTRUCTURE AND METEOROLOGICAL SERVICES
 STATEMENT OF RECEIPTS AND EXPENDITURE - HEAD 43
 FOR THE YEAR ENDED 31 JULY 2022

HEAD 43 FIJI ROADS AUTHORITY

| | 31 July 2022 (\$) | 31 July 2021 (\$) |
|------------------------------------|-------------------------|-------------------------|
| REVENUE | | |
| Agency Revenue | | |
| Depot Rental Income | - | 81,605 |
| TOTAL REVENUE | <u>-</u> | <u>81,605</u> |
| EXPENDITURE | | |
| Operating Expenditure | | |
| Operating Grants and Transfers | <u>12,859,732</u> | <u>14,191,952</u> |
| Total Operating Expenditure | <u>12,859,732</u> | <u>14,191,952</u> |
| Capital Expenditure | | |
| Grants and Transfers | <u>334,107,389</u> | <u>262,933,340</u> |
| Total Capital Expenditure | <u>334,107,389</u> | <u>262,933,340</u> |
| TOTAL EXPENDITURE | <u>346,967,121</u> | <u>277,125,292</u> |

**MINISTRY OF INFRASTRUCTURE AND METEOROLOGICAL SERVICES
APPROPRIATION STATEMENT - HEAD 40
FOR THE YEAR ENDED 31 JULY 2022**

| SEG | Item | Budget Estimate | Appropriation Changes | Revised Estimate | Actual Expenditure | Lapsed Appropriation |
|-----|------------------------------------|-------------------|-----------------------|-------------------|--------------------|----------------------|
| | | (\$) | (\$) | (\$) | (\$) | (\$) |
| | Operating Expenditure | | | (a) | (b) | (a)-(b) |
| 1 | Established Staff | 10,113,533 | (532,232) | 9,581,301 | 9,562,817 | 18,484 |
| 2 | Government Wage Earner | 2,355,772 | 59,192 | 2,414,964 | 2,409,077 | 5,887 |
| 3 | Travel and Communications | 636,000 | 237,828 | 873,828 | 796,475 | 77,353 |
| 4 | Maintenance & Operations | 2,699,600 | 363,129 | 3,062,729 | 2,920,566 | 142,163 |
| 5 | Purchase of Goods & Services | 865,040 | 73,680 | 938,720 | 809,665 | 129,055 |
| 6 | Operating Grants & Transfers | 57,000 | (15,820) | 41,180 | 35,026 | 6,154 |
| 7 | Special Expenditures | 325,000 | (198,240) | 126,760 | 93,896 | 32,864 |
| | Total Operating Expenditure | 17,051,945 | (12,463) | 17,039,482 | 16,627,522 | 411,960 |
| | Capital Expenditure | | | | | |
| 8 | Construction | 1,050,000 | 60,000 | 1,110,000 | 1,078,878 | 31,122 |
| 9 | Purchases | - | - | - | - | - |
| 10 | Grants & Transfers | 4,917,151 | (70,938) | 4,846,213 | 2,855,489 | 1,990,724 |
| | Total Capital Expenditure | 5,967,151 | (10,938) | 5,956,213 | 3,934,367 | 2,021,846 |
| 13 | Value Added Tax | 492,808 | 23,401 | 516,209 | 459,844 | 56,365 |
| | TOTAL EXPENDITURE | 23,511,904 | - | 23,511,904 | 21,021,733 | 2,490,171 |

Details of Appropriation Changes

The Ministry of Finance approved the following transfer of funds during the year.

| Virement No. | From | To | Amount (\$) |
|--------------|----------------|-----------------|-------------|
| V40001 | SEG 8 | SEG 2 | 104,191 |
| V40002 | SEG 7 | SEG 13 | 8,468 |
| V40003 | SEG 10 | SEG 10 | 51,592 |
| V40004 | SEG 10 | SEG 4 SEG 13 | 70,938 |
| V40005 | SEG 1 SEG 2 | SEG 1 SEG 2 | 118,963 |

MINISTRY OF INFRASTRUCTURE AND METEOROLOGICAL SERVICES
APPROPRIATION STATEMENT - HEAD 40 (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

The Permanent Secretary for Ministry of Infrastructure and Meteorological Services approved the following transfer of funds during the year.

| Virement No. | From | To | Amount (\$) |
|---------------------|-------------|-----------------------------------|--------------------|
| DV4001 | SEG 5 | SEG 4 | 19,265 |
| | SEG 13 | SEG 13 | |
| DV4002 | SEG 4 | SEG 4 | 11,630 |
| | SEG 5 | SEG 5 | |
| | SEG 13 | SEG 13 | |
| DV4003 | SEG 3 | SEG 3 | 45,000 |
| | SEG 5 | SEG 4 | |
| | SEG 6 | SEG 5 | |
| DV4004 | SEG 1 | SEG 3 SEG 4 SEG 5 SEG 13 | 166,153 |
| DV4005 | SEG 1 | SEG 3 SEG 4 SEG 5 SEG 13 | 230,159 |
| | SEG 2 | | |
| | SEG 4 | | |
| | SEG 5 | | |
| | SEG 6 | | |
| | SEG 13 | | |
| DV4006 | SEG 7 | SEG 3 SEG 4 SEG 5 SEG 8 | 189,771 |
| DV4007 | SEG 1 | SEG 3 SEG 4 SEG 5 | 176,615 |
| | SEG 2 | | |
| | SEG 3 | | |
| | SEG 4 | | |
| | SEG 5 | | |
| | SEG 6 | | |
| DV4008 | SEG 1 | SEG 4 SEG 5 | 38,597 |
| | SEG 2 | | |
| | SEG 4 | | |
| | SEG 5 | | |
| DV4009 | SEG 3 | SEG 3 SEG 4 SEG 13 | 69,781 |
| | SEG 4 | | |
| | SEG 5 | | |
| | SEG 13 | | |

**MINISTRY OF INFRASTRUCTURE AND METEOROLOGICAL SERVICES - WATER
AUTHORITY OF FIJI
APPROPRIATION STATEMENT - HEAD 41
FOR THE YEAR ENDED 31 JULY 2022**

| SEG | Item | Budget Estimate | Appropriation Changes | Revised Estimate | Actual Expenditure | Lapsed Appropriation |
|-----|------------------------------------|--------------------|-----------------------|--------------------|--------------------|----------------------|
| | | (\$) | (\$) | (\$) | (\$) | (\$) |
| | Operating Expenditure | | | | | |
| 6 | Operating Grants & Transfers | 80,727,914 | 3,943,274 | 84,671,188 | 84,671,136 | 52 |
| | Total Operating Expenditure | 80,727,914 | 3,943,274 | 84,671,188 | 84,671,136 | 52 |
| | Capital Expenditure | | | | | |
| 10 | Grants & Transfers | 114,469,418 | 841,013 | 115,310,431 | 115,008,482 | 301,949 |
| | Total Capital Expenditure | 114,469,418 | 841,013 | 115,310,431 | 115,008,482 | 301,949 |
| | TOTAL EXPENDITURE | 195,197,332 | 4,784,287 | 199,981,619 | 199,679,618 | 302,001 |

Details of Appropriation Change

The cabinet via written opinion on 27 July 2022 approved the redeployment of funds from Head 50 to Head 41 to supplement both operating and capital grant allocations with a total sum of \$4,784,287.

| Description | Amount (\$) | Payment details |
|---------------|------------------|---|
| Opening Grant | 1,084,287 | Payment for outstanding water arrears for Government Quarters and Schools. |
| Capital Grant | 2,200,000 | Transfer cost of water infrastructure from FNPF to WAF. |
| | 1,500,000 | Direct payment for ADB loan component on the new Rewa River Water Supply Scheme Project |
| Total | 4,784,287 | |

MINISTRY OF INFRASTRUCTURE AND METEOROLOGICAL SERVICES - FIJI
ROADS AUTHORITY
APPROPRIATION STATEMENT - HEAD 43
FOR THE YEAR ENDED 31 JULY 2022

| SEG | Item | Budget Estimate | Appropriation Changes | Revised Estimate | Actual Expenditure | Lapsed Appropriation |
|-----|------------------------------------|--------------------|-----------------------|--------------------|--------------------|----------------------|
| | | (\$) | (\$) | (\$) | (\$) | (\$) |
| | Operating Expenditure | | | | | |
| 6 | Operating Grants & Transfers | 13,059,732 | - | 13,059,732 | 12,859,732 | 200,000 |
| | Total Operating Expenditure | 13,059,732 | - | 13,059,732 | 12,859,732 | 200,000 |
| | Capital Expenditure | | | | | |
| 10 | Grants & Transfers | 325,121,326 | 23,017,261 | 348,138,587 | 334,107,389 | 14,031,198 |
| | Total Capital Expenditure | 325,121,326 | 23,017,261 | 348,138,587 | 334,107,389 | 14,031,198 |
| | TOTAL EXPENDITURE | 338,181,058 | 23,017,261 | 361,198,319 | 346,967,121 | 14,231,198 |

Details of Appropriation Change

The cabinet via written opinion on 27 July 2022 approved the redeployment of funds from Head 50 to Head 43 with a sum of \$23,017,261 to supplement the capital grant allocation.

| Description | Amount (\$) | Details |
|---------------|-------------------|--|
| Capital Grant | 2,938,781 | Upgrade of roads at the Wainibuku and Matavolivoli Subdivisions. |
| | 20,000,000 | Supplement Capital Grant Allocation. |
| | 78,480 | Compensation payment to Mataqali Lomanikoro, Naceva, Kadavu |
| Total | 23,017,261 | |

MINISTRY OF INFRASTRUCTURE AND METEOROLOGICAL SERVICES
DEPARTMENT OF ENERGY TRUST STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 JULY 2022

| | Notes (4) | 31 July 2022 (\$) | 31 July 2021 (\$) |
|---|--------------|-------------------------|-------------------------|
| Opening Balance at 1 st August | | 3,228,672 | 2,907,001 |
| RECEIPTS | | | |
| Bond | | 82,892 | 248,207 |
| Solar Home | | 32,082 | 82,415 |
| Bank Interest | | 2,969 | 3,099 |
| Total Receipts | | 117,943 | 333,721 |
| PAYMENTS | | | |
| Refund of Performance Bond | | 109,105 | 11,935 |
| Bank Fees | | 34 | 115 |
| House wiring Refunds | | 132 | - |
| Refund of Solar Deposits | | 1,046 | - |
| Refund of house wiring Retention to CFA | | 312,995 | - |
| Transfer of unsubstantiated balances to CFA | | 2,293,549 | - |
| Total Payments | | 2,716,861 | 12,050 |
| NET (Deficit)/Suplus | | (2,598,918) | 321,671 |
| Closing Balance as at 31st July | | 629,754 | 3,228,672 |

**MINISTRY OF INFRASTRUCTURE AND METEOROLOGICAL SERVICES
STATEMENT OF LOSSES
FOR THE YEAR ENDED 31 JULY 2022**

Losses of Money

There was no loss of money recorded for the year ended 31 July 2022.

Losses of Revenue

There was no loss of revenue recorded for the year ended 31 July 2022.

Losses of Assets (other than Money)

There was no reported losses (other than Money) recorded for the year ending 31 July 2022.

MINISTRY OF INFRASTRUCTURE AND METEOROLOGICAL SERVICES
CONSOLIDATED TMA TRADING ACCOUNT
FOR THE YEAR ENDED 31 JULY 2022

| | Notes | 31 July 2022 (\$) | 31 July 2021 (\$) |
|--|-------|-------------------------|-------------------------|
| Sales | 5(c) | 2,839,143 | 2,532,059 |
| Opening Finished Goods | | 107,314 | 117,167 |
| <i>Add:</i> Cost of Manufactured Goods | | <u>1,931,649</u> | <u>1,827,022</u> |
| Goods available for Sale | | 2,038,963 | 1,944,189 |
| <i>Less:</i> Closing Finished Goods | | <u>89,309</u> | <u>107,314</u> |
| Cost of Finished Goods Sold | 5(d) | <u>1,949,654</u> | <u>1,836,875</u> |
| Gross Profit Transferred to P&L A/C | 5(e) | <u>889,489</u> | <u>695,184</u> |

MINISTRY OF INFRASTRUCTURE AND METEOROLOGICAL SERVICES
CONSOLIDATED TMA PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 JULY 2022

| | Notes | 31 July 2022 (\$) | 31 July 2021 (\$) |
|---|-------|-------------------------|-------------------------|
| Income | | | |
| Gross Profit transferred from Trading Account | | 889,489 | 695,184 |
| Other Income | | (230) | 306 |
| Total Income | | <u>889,259</u> | <u>695,490</u> |
| Expenses | | | |
| Travel and Communication | | 35,595 | 35,709 |
| Maintenance and Operation | | 885,138 | 638,090 |
| Purchase of Goods and Service | | 48,476 | 12,450 |
| Special Expenses | | 381 | 486 |
| Total Expenses | 5(f) | <u>969,590</u> | <u>686,735</u> |
| Net (Loss)/Profit | 5(g) | <u>(80,331)</u> | <u>8,755</u> |

MINISTRY OF INFRASTRUCTURE AND METEOROLOGICAL SERVICES
CONSOLIDATED TMA BALANCE SHEET
FOR THE YEAR ENDED 31 JULY 2022

| | | 31 July 2022 (\$) | 31 July 2021 (\$) |
|--------------------------------|--------------|-------------------------|-------------------------|
| | Notes | | |
| Assets | | | |
| TMA Dominion Cash | 5(h) | 2,781,029 | 2,767,216 |
| Accounts Receivables | 5(i) | 65,887 | 78,567 |
| Inventory | 5(j) | 208,014 | 222,376 |
| Total Assets | | <u>3,054,930</u> | <u>3,068,159</u> |
| Liabilities | | | |
| Deposits and Deductions | 5(k) | (523) | 38,116 |
| Unearned Revenue | 5(l) | 347,434 | 241,693 |
| Total Liabilities | | <u>346,911</u> | <u>279,809</u> |
| Net Assets | | <u>2,708,019</u> | <u>2,788,350</u> |
| Equity | | | |
| TMA Accumulated Deficit | 5(m) | (1,501,237) | (1,420,906) |
| TMA Surplus Transferred to CFA | 5(n) | 4,209,256 | 4,209,256 |
| Total Equity | | <u>2,708,019</u> | <u>2,788,350</u> |

**MINISTRY OF INFRASTRUCTURE AND METEOROLOGICAL SERVICES
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

NOTE 1: REPORTING ENTITY

The Ministry has authority for the Departments of Public Works, Energy, Water and Sewerage, and Meteorological Services. It also oversees the Water Authority of Fiji and the Fiji Roads Authority.

The Department of Works is the only engineering arm of Government, and is responsible for planning, designing, building, operating, maintaining and upgrading Government buildings, quarters, and electrical services, and for providing electricity in five rural government stations.

The Department of Energy focuses on policy directions which include the provision of electricity services to remote and rural areas; research and development of renewable energy sources such as geothermal, wind, hydro, biofuel and biomass; research into alternative fuels for the transport and industrial sectors and for land transport.

The Department of Water and Sewerage is responsible for the development of the water supply and sanitation sector policies to ensure the provision of safe, clean drinking water and efficient sanitation services to all communities.

NOTE 2: STATEMENT OF ACCOUNTING POLICIES

(a) Basis of Accounting

In accordance with Government accounting policies, the special purpose financial statements of the Ministry of Infrastructure and Meteorological Services is prepared on cash basis of accounting. All payments related to purchases of fixed assets have been expensed.

The financial statements are presented in accordance with the Financial Management Act, the requirements of Section 71(1) of the Finance Instructions 2010 and Finance Management (Amendment) Act 2016. The preparation and presentation of a Statement of Assets and Liabilities is not required under the current Government accounting policies, except for that of the Trading and Manufacturing Accounts.

(b) Accounting for Value Added Tax (VAT)

All income is inclusive of VAT while all expenses are VAT exclusive. The Ministry on a monthly basis takes out VAT Output on total money received for expenditure from Ministry of Finance. VAT Input on the other hand is claimed on payments made to the suppliers and sub-contractors for expenses incurred.

The VAT payment as per the Statement of Receipts and Expenditures relates to the VAT input claimed on payments made to the suppliers and sub-contractors for expenses incurred. Actual amount paid to FRCS during the year represent the difference between VAT Output and VAT Input.

MINISTRY OF INFRASTRUCTURE AND METEOROLOGICAL SERVICES
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 JULY 2022

(c) Comparative Figures

Where necessary, amounts relating to prior years have been reclassified to facilitate comparison and achieve consistency in disclosure with current year amounts.

(d) Revenue Recognition

Revenue is recognised when actual cash are received by the Ministry.

NOTE 3: SIGNIFICANT VARIATIONS

- (a) Miscellaneous revenue decreased by 7% due to Covid-19 restrictions on collection of revenue on Rural Government Stations which were in arrears.
- (b) Commission revenue decreased is due to reductions in borrowings by the public officers from private institutions hence reductions in Commission earned by the Ministry for facilitating the transactions on behalf of the private financial institutions.
- (c) The reimbursement of revenue to Ministry for the encashment of bank guarantee held with Westpac Bank for DNR contract No. WSC 14-06.
- (d) The overpayment recovery increased from \$134,721 to \$313,241 due to reimbursement of \$312, 995 from Energy Trust Account for the various house wiring project retention being held in Trust Account while the payment of retention component was being made from budgetary allocation.
- (e) Established staff costs decreased from \$10,297,919 to \$9,562,817 due to increase in vacant positions and no budgetary allocation for allowances.
- (f) Government Wage earners costs decreased from \$2,767,167 to \$2,409,077 due to vacant positions and no budgetary allocation for allowances.
- (g) Travel and Communications decreased from \$884,908 to \$796,475 due to cost cutting measures being implemented in telecommunication cost.
- (h) Maintenance and Operations costs decreased from \$3,130,856 to \$2,920,566 due to the one-off purchase of solar home system spare parts and component in 2021 and there was no purchases for the current financial year.
- (i) Purchase of Goods and Services increased from \$792,721 to \$809,665 due to increase in security services cost, hire of plant and specialised vehicle and purchase of IT equipment spares.

**MINISTRY OF INFRASTRUCTURE AND METEOROLOGICAL SERVICES
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 JULY 2022**

NOTE 3: SIGNIFICANT VARIATIONS Cont'd

- (j) Operating Grants and Transfers decreased from \$63,121 to \$35,026 due to the decline in funds used for World Meteorological Organisation subscription.
- (k) Special Expenditure decreased from \$270,082 to \$93,896 due to one off village project (Nakida Village Pilot Cut project) and climate change resilient renewable energy project cost incurred in 2021. There was no such disbursement done for the current financial year. The other decrease was due to the decline in fund used for sustainable energy financing project.
- (l) Capital Construction increased from \$695,290 to \$1,078,878 due to increase in Repair and Upgrade of Public Buildings, Routine and Special Upgrade of Public Buildings and payment for completion and commissioning of the Accredited Biofuel Laboratory.
- (m) Capital Grants and Transfers decreased from \$5,305, 655 to \$2,855,489 due to the decrease in Capital grants allocation and utilisation for rural electrification projects.
- (n) VAT expenditure increased from \$450,726 to \$459,844 due to increase in spending for vatable standard expenditure groups.

NOTE 4: TRUST FUND ACCOUNT

The Ministry's Department of Energy Trust Fund Account is guided by the Rural Electrification Policy (REP) 2016 approved by the Minister for Infrastructure.

The policy was silent with respect to changing supply between diesel and solar schemes or incorporating either system to one another to improve overall reliability of supply for example in the cases of hybrid systems.

The revised REP of 2016 constitutes a number of important changes that harmonizes with the Green Growth development model pursued by the nation in line with the vision of the UN framework of "Energy for All", that electricity is now a basic necessity for life and sustainable development. These vital changes include:

- Waiver of community contribution to reciprocate community contribution in kind;
- Removal of finite assistance for diesel schemes recipients making them eligible for electrification via renewable based technologies like solar home systems;
- Increase in the Energy Fiji Limited's annual Rural Electrification Fund;
- Increase in validity of EFL Rural Electrification scheme quotations; and
- The handover of Solar Home Systems ownership and maintenance to community's and recipients.

**MINISTRY OF INFRASTRUCTURE AND METEOROLOGICAL SERVICES
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 JULY 2022**

The trust fund is used to deposit the receipts from the Rural Electrification Customers from the following operational activities:

- Solar Home Systems (SHS)
- EFL House Wiring
- Performance Bond for House wiring, supply of materials for 3200 SHS
- Bio Gas

NOTE 5: TRADING AND MANUFACTURING ACCOUNT

TMA (Trading and Manufacturing Account) is established under the Revolving Fund Account for the purpose of trading or production of goods and services for sale to other departments, statutory bodies or individuals. Trading involves the buying and selling of goods. Manufacturing involves the conversion of one type of good or material to another through the application of labour and facilities.

Since government is a non-profit organization, the immediate objective is to serve the requirements of ministries and departments and statutory bodies and at least recouping costs. Profitability is secondary objective to the extent that it will justify increasing or broadening government services to meet the demands of users.

The Ministry after discussion with the Asset Monitoring Unit at the Ministry of Economy changed the TMA presentation to a consolidated report format with Divisional reports as breakdown. There was a need to change the format as it is not prudent to prepare a statement of Assets and Liabilities for each of the 17 TMA activities as there are only four actual bank accounts for the 17 activities. The three divisions are Divisional Engineer Central Eastern (DECE), Divisional Engineer Northern (DEN), and Divisional Engineer Western (DEW). The details of the Consolidated TMA Balances are as follows:

NOTE 5: TRADING AND MANUFACTURING ACCOUNT (CONT'D)

| <u>Manufacturing Account</u> | <u>MIMS</u> | <u>DECE</u> | <u>DEW</u> | <u>DEN</u> |
|-----------------------------------|------------------|----------------|----------------|----------------|
| | (\$) | (\$) | (\$) | (\$) |
| Raw Materials (opening) | 115,045 | 71,625 | 24,634 | 18,786 |
| Add Purchases | 943,122 | 442,381 | 249,262 | 251,479 |
| Less Raw Materials (closing) | 107,162 | 77,960 | - | 29,202 |
| Raw Materials Used | 951,005 | 436,046 | 273,896 | 241,063 |
| | | | | |
| Add Work in Progress (opening) | 17 | 17 | - | - |
| | | | | |
| <u>Direct Costs</u> | | | | |
| Direct Labour | 992,170 | 350,097 | 415,058 | 227,015 |
| | | | | |
| Less Work in Progress (closing) | 11,543 | 11,543 | - | - |
| Cost of Manufactured Goods | 1,931,649 | 774,617 | 688,954 | 468,078 |
| To Trading A/C | | | | |

MINISTRY OF INFRASTRUCTURE AND METEOROLOGICAL SERVICES
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
 FOR THE YEAR ENDED 31 JULY 2022

NOTE 5: TRADING AND MANUFACTURING ACCOUNT (CONT'D)

Trading Account

| | | | | |
|--|------------------|----------------|----------------|----------------|
| Sales | 2,839,143 | 1,086,547 | 1,184,306 | 568,290 |
| Stock of Finished Goods (opening) | 107,314 | 33,744 | 48,942 | 24,628 |
| Add: Cost of Manufactured Goods | 1,931,649 | 774,617 | 688,954 | 468,078 |
| Less Stock of Finished Goods (closing) | 89,309 | 36,140 | 22,405 | 30,764 |
| Cost of Finished Goods Sold | 1,949,654 | 772,221 | 715,491 | 461,942 |
| Gross Profit Transferred to P&L A/C | 889,489 | 314,326 | 468,815 | 106,348 |

Income

| | | | | |
|---------------------|----------------|----------------|----------------|----------------|
| Gross Profit | 889,489 | 314,326 | 468,815 | 106,348 |
| Other Income | (230) | 19 | (1) | (248) |
| Total Income | 889,259 | 314,345 | 468,814 | 106,100 |

Expenses

| | | | | |
|------------------------------|-----------------|----------------|-----------------|---------------|
| | (\$) | (\$) | (\$) | (\$) |
| Travel & Communication | 35,595 | 27,184 | 3,491 | 4,920 |
| Maintenance & operation | 885,138 | 251,411 | 549,326 | 84,401 |
| Purchase of Goods & Services | 48,476 | 44,479 | - | 3,997 |
| Special Expenses | 381 | 374 | - | 7 |
| Total Expenses | 969,590 | 323,448 | 552,817 | 93,325 |
| Net Loss | (80,331) | (9,103) | (84,003) | 12,775 |

MINISTRY OF INFRASTRUCTURE AND METEOROLOGICAL SERVICES
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
 FOR THE YEAR ENDED 31 JULY 2022

NOTE 5: TRADING AND MANUFACTURING ACCOUNT (CONT'D)

Balance Sheet

| | | | | |
|-----------------------------|------------------|------------------|----------------|----------------|
| TMA Dominion Cash CNB Suva | 2,781,029 | 1,787,031 | 341,227 | 652,771 |
| Accounts Receivable | 65,887 | 54,938 | - | 10,949 |
| Raw Materials | 107,162 | 77,959 | - | 29,203 |
| Work In Progress | 11,543 | 11,543 | - | - |
| Finished Goods | 89,309 | 36,140 | 22,405 | 30,764 |
| Total Current Assets | 3,054,930 | 1,967,611 | 363,632 | 723,687 |

| | | | | |
|---------------------|------------------|------------------|----------------|----------------|
| Total Assets | 3,054,930 | 1,967,611 | 363,632 | 723,687 |
|---------------------|------------------|------------------|----------------|----------------|

Liabilities

| | | | | |
|----------------------------------|----------------|----------------|---------------|-----------------|
| Accounts Payable | - | - | - | - |
| Accrued Expenses/Deferred Income | 347,434 | 262,775 | 84,659 | - |
| Deposits & Deductions | (523) | 59,455 | (37,288) | (22,690) |
| Total Liabilities | 346,911 | 322,230 | 47,371 | (22,690) |

| | | | | |
|-------------------|------------------|------------------|----------------|----------------|
| NET ASSETS | 2,708,019 | 1,645,381 | 316,261 | 746,377 |
|-------------------|------------------|------------------|----------------|----------------|

Equity

| | | | | |
|--------------------------------|------------------|------------------|----------------|----------------|
| Accumulated TMA Surplus | (1,501,237) | (2,722,463) | 1,654,121 | (432,895) |
| TMA Surplus transferred to CFA | 4,209,256 | 4,367,844 | (1,337,860) | 1,179,272 |
| TOTAL EQUITY | 2,708,019 | 1,645,381 | 316,261 | 746,377 |

Balance Sheet Variations

- There has been a decrease in direct labour cost from \$1,139,268 to \$992,170 due to strict control of overtime work and engagements.
- The 6% increase in cost of manufactured goods from \$1,827,022 to \$1,931,649 is due to the increase in the number of jobs received for the financial year.
- There was an increase in sales by 12% in 2022 compared to 2021 due to increase in the number of jobs received within the financial year.
- The increase in cost of finished goods sold by 6% is largely due to the increase in cost of manufactured goods.
- The increase in gross profit by 28% is due to the increase in sales by 12% and reduction in finished goods held in stock by 17%.

MINISTRY OF INFRASTRUCTURE AND METEOROLOGICAL SERVICES
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 JULY 2022

NOTE 5: TRADING AND MANUFACTURING ACCOUNT (CONT'D)

- (f) There increase in total expenses by 41 % in 2022 is due to the increase of maintenance and operational costs and purchase of goods and services during the Covid 19 period.
- (g) The TMA incurred an overall net loss of \$80,331 in 2022 compared to net profit of \$8,755 in 2021. The net loss was a result of increase in the overall expenditure. This was the impact in the increase in cost/price of goods and services due to the global pandemic.
- (h) The cash at bank comprises of four bank accounts, two bank accounts at DEWCE and one each at DEWW and DEWN. The unsubstantiated recurring variance of \$1,405,134 appearing in the Cash at Bank reconciliation relates to prior year's (2006 - 2010) misappropriation that is under Fiji Independent Commission Against Corruption (FICAC) investigation and pending Court's deliberations and verdicts.

The Ministry had made a formal submission to the Solicitor General's Office on 13th September 2017 to seek approval for writing-off of these unsubstantiated variances as these losses are deemed irrecoverable. On 22/2/18, the Office of the Solicitor General advised the Ministry that the unsubstantiated variance amount in the TMA is more than \$50,000, the request for write-off must be referred to the Minister for Finance under Section 57(c)(3) of the Finance Instructions 2010. On 19/3/18, the Ministry had written to Ministry of Finance for write off of the unsubstantiated variances based on the Solicitor General's opinion. On 4/7/18, Ministry of Finance requested the Ministry to provide the status of the various cases from FICAC.

The Ministry had a meeting with and written to FICAC on 23/7/18 on the status of the case and a formal progress status was provided to Ministry of Finance. There has been no response from Ministry of Finance since the submissions were made.

The Ministry had written again to Ministry of Finance on the 26/11/19 requesting for write off however till to date there is no response to our request.

The Ministry had requested an additional update on the cases on 13/07/23 which they have responded to our request and the status of the case is shown below;

**MINISTRY OF INFRASTRUCTURE AND METEOROLOGICAL SERVICES
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 JULY 2022**

| Case No. | Allegation | Prosecution Stage |
|-----------------|---|--|
| HAC 53/14 | Case against Ana Laqere & 11 others (PWD 2 Professional) | Hearing in this matter is completed and is pending for Judgment. The matter is listed to be called on the 11 August 2023 |
| HAC 99/14 | Case against Ana Laqere & 11 others (PWD 3 Crazy & Entire Stationeries) | This case Hearing is already fixed for 31 October to 3 November 2023 and 20 November to 01 December 2023. Further matter is adjourned to 21 August 2023 for mention to check on revised Pre Trial-Conference. |
| HAC 193/14 | Vaciseva Lagai & 8 others (PWD 5 Mass Stationery) | Hearing of Prosecution case is completed and there is a case to Answer. Matter is adjourned to 18 July 2023 for mention to fix a case for defense case. |
| CF: 955/15 | Jaswant Kumar & 5 others (PWD 6 Jaswant Kumars Hardware) | The matter will be called on 14 November 2022 to fix a hearing date for next year. The company Director is deceased (that is Jaswant Kumar). Matter is adjourned to 20 July 2023 for mention to check on Prosecutions position on 2nd Accused. |

- (i) The Accounts Receivables represents amounts invoiced to customers of Plant Hire, Workshop Wages, and Fuel and Oil TMA's which are yet to be received at balance date. The Accounts Receivable have reduced to \$65,887 in 2022 compared to \$78,567 in 2021, a reduction of 16% due to better monitoring of debtors which includes government ministries and other departments within the Ministry of Infrastructure and Meteorological Services.

Out of \$65,887, the sum of \$9,161 is the accounts receivable balances for the current financial year 2021-2022 while the balance of \$56,726 is the carried forward balance from previous financial years 2017-2020. All accounts receivable balance from previous years have been identified and substantiated, as shown below;

MINISTRY OF INFRASTRUCTURE AND METEOROLOGICAL SERVICES
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
 FOR THE YEAR ENDED 31 JULY 2022

NOTE 5: TRADING AND MANUFACTURING ACCOUNT (CONT'D)

| Invoice/JV Ref | Description | Amount (\$) | Debtor |
|--|--|------------------|--------------------|
| DECE | | | |
| MS127/16-17 | Relocation of Office Stationary | 3,352.11 | Public Enterprise |
| INV047632/16-17 | Wailagilala Light House Works | 1,796.76 | MSAF |
| M101/16-17 | Servicing of Bua College Generator | 6,780.16 | Energy |
| INV047611/18-19 | Clearing works at Chauhan Memorial | 3,889.28 | Chauhan Memorial |
| INV050831/18-19 | Hire of Vehicle to Koro | 2,171.91 | Housing |
| INV047629/18-19 | Veiraisi Drainage Project | 19,100.14 | Housing |
| MS071/19-20 | Fabrication & Installation of Light Guard at St Giles | 3,415.00 | Electrical Section |
| MS139/19-20 | Overtime Works - CWM Chimney | 2,027.58 | Electrical Section |
| MS083/19-20 | Repairing and Servicing of Air Con at DECE Bldgs Office | 741.00 | DECE Works |
| MS084/19-20 | Repairing and Servicing of Air Con at Accounts [Reception] | 343.50 | DECE Works |
| MS085/19-20 | Repairing/Servicing of Air Con - Accounts | 1,068.00 | DECE Works |
| MS086/19-20 | Repairing and Servicing of Air Con at Govt Bldgs Mtc | 741.00 | DECE Works |
| MS106/19-20 | Inspection of air con unit (Rakiraki & Lautoka High Court) | 350.00 | Judicial |
| DECE Outstanding Debtors from prior years | | 45,776.44 | |
| DEN | | | |
| JV413209/2017 | Fuel Charges | 371.05 | DEN Works |
| JV413203/2017 | Workshop and Plant Hire Charges | 4,111.42 | DEN Works |
| JV415483/2020 | Workshop Charges | 13.50 | DEN Works |
| M/INV0206726/18 | Plant Hire Charges | 1,143.42 | DEN Works |
| M/INV0206758/18 | Plant Hire Charges | 5,059.83 | DEN Works |
| INV206725/2017 | Plant Hire Charges | 250.00 | DEN Works |
| DEN Outstanding Debtors from prior years | | 10,949.22 | |
| TOTAL AR BALANCES FROM PRIOR YEARS | | 56,725.66 | |

As at 19/07/2023, the other departments within the Ministry has settled the prior year accounts receivable balance of \$15,116 to DECE. However, the Ministry will continue to recover the previous year accounts receivable balances from other Ministries. Also Ministry will identify those debts that are unrecoverable and will seek Ministry of Finance approval to write off those debt.

**MINISTRY OF INFRASTRUCTURE AND METEOROLOGICAL SERVICES
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FOR THE YEAR ENDED 31 JULY 2022**

NOTE 5: TRADING AND MANUFACTURING ACCOUNT (CONT'D)

- (j) The Inventory represents raw materials, work in progress and finished goods for joinery, plumber shop, fuel and oil, lube bay and block shed TMA's. There was a reduction of 6% of Inventory from 2021 to 2022 due to strict monitoring of holding inventories.
- (k) The Deposit and Deductions represents amounts deducted from the salaries and wages of employee's and payable to other institutions such as rates, housing loans, employees fnpf and VAT on revenue. VAT on revenue has been verified and adjusted by the Ministry as these were unsubstantiated postings prior to the year 2009.

However, the Ministry exhausted all avenues to reconcile and substantiate these balances, but the exercise was futile as records and data could not be ascertained to validate the VAT figure. Eventually approval was sought through discussions with the Ministry of Finance for adjustments to be made between VAT balances and equity account. Point to be noted is that the VAT figures were reconciled in conjunction with Fiji Revenue and Customs Services through numerous meetings, discussions and mutual reconciliations.

- (l) The Unearned Revenue comprises of revenue received in advance for works received by respective client ministries to be completed in the 2022-2023 financial year. The client Ministries consist of the Ministry of Agriculture, Ministry of Rural Development, Dravo Methodist Church, I-Taukei Affairs Board and other Departments within the Ministry of Infrastructure and Meteorological Services.

The Consolidated TMA Unearned Revenue increased to \$347,434 in 2022 compared to \$241,693 in 2021. There was an increase of 44% due to surge in revenue received in advance on work to be implemented in the next financial year. As such, transaction of this nature is a liability hence recorded under deferred income.

- (m) The TMA accumulated Losses represents accumulation of profits and losses over the years.
- (n) The TMA Surplus transferred to consolidated fund comprises of the surplus cash ceilings remitted to the Ministry of Economy.

The activities of the TMA are as follows:

Joinery

TMA Joinery receives bulk of its work from the Building Section in the form of Capital Works Projects, Maintenance of public buildings, interior fit-outs and furnishing of these quarters. These buildings are standard designed structures for residential quarters, office accommodation and other institutional buildings. The Joinery also fabricates wall framings, roof trusses, fixtures, manufacturing of all types of furniture and dressed timber of required sizes as per details in the standard design. The section has also ventured in other forms of seeking jobs for the Unit by engaging in the manufacturing of chapel seats, coffin boxes etc.

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
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NOTE 5: TRADING AND MANUFACTURING ACCOUNT (CONT'D)

Plumber shop

TMA Plumbing receives bulk of its work from the Building Section in the form of Capital Works Projects, Maintenance of public buildings. These buildings are standard designed structures for residential quarters, office accommodation and other institutional buildings. The Plumber shop also fabricates water tanks, ridge caps, Barge flashings, roof trusses, fixtures, manufacturing of all types of flashings to buildings and required sizes as per details in the standard design.

Fuel and Oil

Fuel and Oil is one of the basic core values of operation within the Ministry of Infrastructure and Meteorological Services especially the Department of Works in the Central/Eastern. It serves as a backbone, set to a higher standard for effective improvement of our daily operation. It also enhances a better service delivery required as a business entity to display its potential and quality service to its customers.

The products which consist of diesel, petrol, brake fluid, premix, SAE 30, TELUS 46 and many more is brought from Total Fiji at a retail price. The major customer is Plant Pool with other Government Departments and Ministries taking a minimum percentage from the overall sales.

Lube Bay

The core role of the Lube Bay is to provide lubrication services to the customers to ensure it fulfils customer satisfaction concurrently ensure a healthy income for the Business sustainability. It consists of a wide range of product which are bought at a lesser price and in return sold out to customers at a market price. Lube Bay is open to all government vehicles and at present the major customer is plant pool and few other ministries and departments.

Plant Hire

The main role of this business unit is to provide a reliable and cost-effective means of transportation to customers ensuring that it meets customer expectations in terms of service delivery and in concurrence with the workers fulfilment of attaining a healthy income and proper Fleet Management System. Periodically, the Unit's principal earning source is derived from the hiring of all of its resources ranging from light vehicles, heavy vehicles, heavy machineries and plants. In such way, the Unit is able to satisfy its workers through the provision of a persistent wage and meeting certain expenditures ensuring the overall financial status is well retained.

**MINISTRY OF INFRASTRUCTURE AND METEOROLOGICAL SERVICES
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 JULY 2022**

NOTE 5: TRADING AND MANUFACTURING ACCOUNT (CONT'D)

Workshop Wages

Workshop wages TMA consists of Machine/ Fitting Shop, Light & Heavy Garage, Tractor Shop, Welding and Fabrication (Boiler shop) and Refrigeration & Air-conditioning services. The Workshop provides mechanical services to Plant Pool, Water & Sewerage, Buildings, Hospitals and other client ministries in delivering of capital and on - going projects. The Workshop can provide widest range of engineering services available in the country. The major customer is plant pool and other ministries and departments.

Blocks Shed

The Block shed TMA was setup to support the needs of the Building and Roads Section in terms of facilitating the supply of concrete products (blocks, V - drains, road curbs, marker posts, slabs and other non-structural concrete products needed for building and road construction. That was during the time when the Roads Section was still part of Department of Works.

These buildings are either residential Quarters accommodation for government officials, government office buildings and institutional buildings. That traditional role has remained since its inception until this day. The volume of work that the Block shed TMA undertakes each year varies depending on the needs of other government ministries and department.

NOTE 6: DONOR FUNDS GRANT RECEIVED FROM UNITED NATIONS CHILDREN'S FUND (UNICEF)

The Department of Water and Sewerage received grant totalling \$269,716 from UNICEF to support the Rural Water Point Survey (RWPS) for all the villages, settlements in 14 province of Fiji and for World Water Day 2022. A total of \$126,305 was utilised by the Department for the rural water point survey project during the financial year. The remaining balance of \$143,411 were returned to Ministry of Finance and will be utilised to continue with the project in the next financial year.

NOTE 7: SIGNIFICANT SAVINGS - HEAD 43 - FIJI ROADS AUTHORITY

Significant savings for the financial year ended 31 July 2022 are as follows:

| Head | Item | Revised Budget (\$) | Actual Expenditure (\$) | Savings (\$) | Savings (%) |
|----------------------|----------------------------|---------------------|-------------------------|--------------|-------------|
| Fiji Roads Authority | Capital Grants & Transfers | 348,138,587 | 334,107,389 | 14,031,198 | 4% |

The savings are mainly due to savings in direct payment allocation which is administered by Debt Unit Team of the Ministry of Finance.

**MINISTRY OF INFRASTRUCTURE AND METEOROLOGICAL SERVICES
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
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NOTE 8: PROJECT FUNDS DISBURSED TO ENERGY FIJI LIMITED

In the financial year 2021-2022 a total of \$6.1 million was budgeted under Head 50 for House wiring/Grid Extension Project. The Ministry of Finance paid total of \$5,482,067 for 46 rural electrification projects to Energy Fiji Limited for implementation. The detail breakdown of payment made from Ministry of Finance are as follows.

| Date | Payee | Amount (\$) |
|--------------|-----------------|------------------|
| 17/03/2022 | Energy Fiji Ltd | 2,978,040 |
| 08/04/2022 | Energy Fiji Ltd | 107,126 |
| 25/05/2022 | Energy Fiji Ltd | 2,396,901 |
| Total | | 5,482,067 |

The Energy Fiji Limited chairs regular monthly meetings with Department of Energy and Ministry of Finance to discuss all projects progress. All works scheduled have timelines and are contracted. Usually for small works the timelines are for 18-36 months and large grid extension have works divided into phases having timelines of at least 36 months.

The usual practice is that Energy Fiji Limited starts with its detail designing and tender process as soon as the payments are made to them. The commencement dates are always mentioned on the discussion templates in line with the final contract during the meetings. The project progress is discussed, and solutions are made for any problem incurred.

Some of the obstacles in the construction of grid extension projects are:

- Weather Conditions
- No road access or poor road condition
- Way leaves and land consent
- Availability of construction materials
- Lack of contractors
- Procurement lines (transformers/poles from overseas)

NOTE 9: REVIEW OF COST STRUCTURE -FIJI METEOROLOGICAL OFFICE

The Department of Meteorological Services is currently working closely with the World Meteorological Services (WMO) who have agreed to provide the necessary resources and the expertise for the Cost Recovery exercise to be undertaken by the Fiji Meteorological Services.

This collaboration only commenced last year 2022 and will be carried out in phases. Currently, the WMO has approved the Terms of Reference for work to be undertaken by the selected consultant. The WMO is now at the procurement stage and the tender closed on 03/08/2023 for the engagement of a suitable candidate for the consultant. As per the terms of reference the consultant should start from September 2023 for duration of four (4) months to develop a framework for cost recovery for Aeronautical Meteorological Services in Fiji.

