



Fiji Institute of Accountants

Annual Report 2011

Vision Statement

To be the leading professional body in Fiji, promoting the Accounting Profession and providing business leadership.

Mission Statement

- We will encourage and expect of our members high ethical standards and delivery of quality services in their respective fields
- We will provide high quality continuing education and services to our members to enhance their skills, knowledge and working opportunities
- We will actively contribute to the communities in which we live and work representing the views of our members to the governmental, regulatory and other bodies, while accepting our public interest role in society
- We will create an awareness of the role of accountants and promote the profession in Fiji.

President's Report

Recently I had the profound privilege of meeting Silas Yang, the executive chairman of PwC, who shared his views on how outward and global looking the accounting profession is. We discussed the critical role the profession is playing in creating and sustaining value and how it was transforming to keep pace with the times in order to address national and global challenges. As I reflect on that conversation, I am pleased to say that the Institute has been very active in its efforts to keep pace with the changing times.

The Institute's leadership and influence in key economic policy matters kept the Business and Government Committee busy with consultations with Fiji Revenue and Customs Authority on the draft Income Tax and Capital Gains Tax Decrees. The Institute made a comprehensive submission to the Government on the National Budget 2012. The submission focused on promoting investment and economic activity; reforming the public sector; developing Fiji's agricultural potential including food security and energy alternatives; promoting small and medium enterprises (SMEs); and improving the tax regime. It is pleasing to note that some of the Institute's recommendation on, for example, simplifying tax systems for micro enterprises was considered in National Budget 2012.

Speaking of SMEs, policy makers around the world are now making a concerted effort to build capacity for this sector, which is considered to be the engine room of economic growth. To support compliance and rigor in financial reporting while appreciating the resource challenges of SMEs in Fiji, the Institute adopted IFRS for SMEs in July 2010, effective January 2011. To ensure that our members are equipped with current knowledge of international accounting standards, the Institute conducted a well attended technical workshop on Transition to IFRS for SME later in the year.

In April, the Institute made a comprehensive submission to Minter Ellison, the firm hired by the Government to draft the new Companies decree.

The Institute organized a professional development seminar to raise members' awareness on it. Unfortunately the permit for the seminar was revoked. The draft Companies decree was yet to be finalized as at December 2011.

At the heart of the FIA logo is "Na Dina Ga"- a beacon which reminds our members to act with integrity, to protect public interest and inspire public confidence. Following global trends, our members now have a greater obligation to adhere to the code of ethics. During the year the Institute adopted the International Federation of Accountant's Code of Ethics 2010 which strengthens the independence requirements of our members, in particular, the Certificate of Public Practice holders (CPP). Prior to its adoption, a workshop was conducted for CPPs to acquaint them with the new independence requirements under the revised Code. The revised Code comes into effect from January 2012.

The membership of the Institute grew over the year. This augurs well for the Institute given the quality of its academic requirements and knowing that employers are always looking for good quality accounting professionals. For the first time, the Fiji National University's Bachelor of Commerce (Accounting) and Bachelor in Accounting have been accredited for the Institute's general academic requirements.

The Institute continued to provide professional development workshops and seminars to assist its members in achieving mandatory CPE hours and to keep up to date with changes in the profession so that they continually improve their performance as accountants. A total of 12 seminars, 2 workshops



and, the annual Congress were held during the year covering a range of topics. Four of the seminars were held in the West.

The Institute's marketing and promotion initiatives gained momentum during the year. Many schools invited the Institute to be present at their open days and careers expos. I would like to thank our members who volunteered and reached well over 5000 students, at these events, assisting the Institute in promoting the accounting profession.

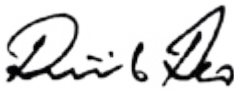
To reach out to our members more frequently, the Institute's first newsletter, Littera, was launched in July. I hope members now have greater access to the Institute's key news and activities. A media consultant has been engaged by the Institute to assist with overall communications strategy.

A review of the Institute's Corporate Plan was initiated during the year to keep with the changing times. The

review would have finished by the time you read this annual report. I would like to thank members and key stakeholders who participated in the review process.

Finally, as you go to polls to elect three Council members at the AGM, I wish to remind you of the importance of your vote to ensure the Institute has a strong Council which advances the leadership and contribution of the Institute in our communities.

It has been a privilege and honor to be the President of the Institute for 2011/12 and I would like to wish the incoming President the very best for 2012/13.



Divik Deo
President

THE COUNCIL FOR 2011/2012

President:
Mr Divik Deo

Vice President:
Mr Camacakau Raimuria

Treasurer:
Mr Sikeli Tuinamuana

Members:
Ms Lisa Apted
Mr Nitin Gandhi
Mr Iowane Naiveli
Mr Uday Sen
Ms Stella Simpson (née Tiko) (to January)
Mr Atunaisa Nadakuitavuki (to October)
Mr Asit Sen (from October)
Mr Rajesh Lal (from March)

Regional And International Events In 2011

The Vice President of the Institute, Mr Camacakau Raimuria attended the CAPA Meeting held in Brisbane, Australia from 6th – 10th September, a meeting attended by 1,200 delegates from more than 30 countries.

Annual General Meeting

The Annual General Meeting for 2011 was held on 10th June at the Shangri-la Fijian Resort and Spa on Yanuca Island near Sigatoka and it was attended by

a total of seventy-six members of whom seventy-one were full Chartered Accountant members, three were Provisional Members and the remaining two were Affiliate Accountants. Mr Ross Jackson, President of the New Zealand Institute of Chartered Accountants, who was attending the Congress as a guest of the Institute, also attended by invitation.

Three valid nominations were received for Category B for the Council position that would be rendered vacant by the recent resignation of Mr Ashwin Singh, whose term of office was due to expire, and the other two Council members who had completed their three years in office had been automatically renominated

under Rule 9. In the voting for Category B, Atunaisa Nadakuitavuki was elected in a close fought contest, with the other two contenders for Category B being automatically eligible to contest Category C. In the voting for Category C, Lisa Apted was re-elected by a substantial majority. The following persons were therefore re-elected or elected for a term of three years: Iowane Naiveli in Category A, Atunaisa Nadakuitavuki in Category B and Lisa Apted in Category C.

Pradeep Patel was reappointed as the Institute's Auditor, for a second year, with the Council expressing appreciation to him for his services in the past year.

The Council

As mentioned in the preceding section both Iowane Naiveli and Lisa Apted were re-elected and Atunaisa Nadakuitavuki was elected, for a period of 3 years, at the Annual General Meeting in June.

Following the Annual General Meeting, at a special Council Meeting, Divik Deo and Camacakau Raimuria were elected, as President and Vice President respectively for the year 2011/2012. Sikeli Tuinamuana was re-elected as Treasurer for the same period.

The Council held 12 meetings during the year of which 11 were regular monthly meetings and one was a special one to elect the President, Vice President and Treasurer for the year and also to appoint members of the Investigation and the Disciplinary Committees, following the Annual General Meeting. Ten of the twelve meetings were held in Suva and two in the West.

The Council decided in 2002 that a record should be kept of the attendance by members at Council meetings during each year. This is reproduced for 2011 in the following table:

Divik Deo	11 out of 12	91.7%
Camacakau Raimuria	12 out of 12	100.0%
Sikeli Tuinamuana	11 out of 12	91.7%
Lisa Apted	9 out of 12	75.0%
Nitin Gandhi	6 out of 12	50.0%
Iowane Naiveli	10 out of 12	83.3%
Uday Sen	11 out of 12	91.7%
Stella Simpson	8 out of 12	66.6%
Atunaisa Nadakuitavuki	4 out of 5	80.0%
Asit Sen	1 out of 1	100.0%
Ashwin Singh	0 out of 3	00.0%

Atunaisa Nadakuitavuki joined the Council in June replacing Ashwin Singh who had resigned from Council in March. Atunaisa Nadakuitavuki, however, resigned in October and **Asit Sen** was appointed to replace him on Council and Investigation and Journal & Website Committees.

Congress 2011

The Annual Congress for the year 2011 was held, over the two-day period 10th - 11th June at the Shangri-la Fijian Resort. This was the eighth time in the Institute's history that the Congress had been held at the Shangri-la Fijian Resort. On eleven occasions, including nine years from 1997, the Congress had been held at the Sheraton Fiji, in large measure governed by the fact that only the Sheraton Fiji at that stage possessed a large enough conference Hall. Currently, only these two venues and the Sofitel Resort & Spa have a Conference Hall large enough to accommodate the total numbers of those attending Congress

The theme chosen by the Council and the Organising Committee for the 2010 Congress was **“Partners for Investment and Growth”** and the Opening Speech was once again delivered by **Commodore Voreqe Bainimarama**, Fiji's Prime Minister. The following programme featured four speakers, and two panel discussions, on the first day and three speakers and a panel discussion on the second day.

The four speakers featured on the first day addressed a number of local and international topics:

“Opportunities and Challenges in Asia, India and China” by Ms Tracey Le, replacing Mr Quentin Quin, Senior Investment Officer with the IFC Office in Sydney;

“Future Investment and Growth in Fiji” by Mr Barry Whiteside, Governor of the Reserve Bank of Fiji;

“Fiji’s Future Economic Potential” by Ms Emma Veve, Senior Country Specialist with the Asian Development Bank’s Sub Regional Office in Suva; and

“The Namosi Copper Mining Project” by Mr Ron Douglas, Executive General Manager Projects and Studies with Newcrest Mining Ltd.
On the second day, three speakers were featured with very diverse topics:

“Governance and Corruption” by Ms Suliana Siwatibau, a Director of Transparency International Fiji;

“Teak Forests: A New Experience for Fiji” by Mr Roderic Evers, Managing Director of Future Forests Fiji; and

“Fiji and the World of ICT” by Mr S Zain Khan, President and Managing Consultant with Alliance Consulting Group of Canada.

A total of 567 persons attended, comprising 316 delegates (of whom 162 were members and 154 non members), 133 partners and 118 children.

Mr Ross Jackson, President of the New Zealand Institute of Chartered Accountants and Ms Penny Egan, National Deputy President of CPA Australia – two of the three sister accounting organisations in Australia and New Zealand - also attended.

No Communique was issued at the end of the Congress.

The Act, Rules And By-Laws

The Committee held extended meetings during 2004, 2005 and 2006 to review a considerable number of proposals for possible amendments to the FIA Act, the Rules and the By-Laws, and these were adopted by a large majority at a Special General Meeting held on 27th April 2006.

Copies of the revised annotated versions of the FIA Act and Rules, together with introductory summaries and a detailed commentary on all the proposed amendments, have been submitted to Government on

more than one occasion - the first being on 21st June 2006, the most recent on 28th April 2010.

Three Council members, Uday Sen, Divik Deo and Iowane Naiveli, also met with the Attorney General on 15th December 2010 to discuss the proposed amendments, but no subsequent legislative provisions had been published or enacted by the end of 2011. Two other efforts were made in July and August to ascertain the progress being made, but neither produced positive results.

The Council has also considered and endorsed amendments to most of the By-Laws, including the Code of Ethics. Council had previously agreed to adopt the international Code of Ethics produced by IFAC from 1st July 2008, together with a supplement containing material from the FIA’s own previous Code that is not currently included in the IFAC Code. Council has subsequently adopted the latest revised version of the IFAC Code, which becomes effective from 1st January 2012. One presentation on the new version of the IFAC Code was made by Mr Nitin Gandhi during the March Technical Workshop and a workshop for CPP members from SMP firms was delivered in October.

Education And Membership

During the course of 2011, the Education, Membership and Admission Committee, which is now also responsible for the administration of the post Graduate Professional Programme, considered and recommended to Council the admission of the following, all of whom were subsequently approved by the Council:

- 18 Chartered Accountants (of whom 11 were previously Provisional Members and 2 were Affiliate Accountants)
- 64 Provisional Members (of whom 10 were previously Affiliate Accountants)
- 37 Affiliate Accountants

The following table reflects the variations in the level of new admissions to membership in recent years:

The number of new chartered accountants and affiliate accountants and, in consequence, the total

Year	Chartered Accountants	Provisional Members	Affiliate Accountants	Total
2005	36	42	30	108
2006	24	47	29	100
2007	37	66	34	137
2008	42	66	53	161
2009	36	74	61	171
2010	7	75	40	122
2011	18	64	37	119

numbers of persons admitted during 2010 and 2011 have markedly reduced and the marked reduction in chartered accountants is almost certainly due to the more stringent requirements set for this category of membership, including the increased post graduate academic requirements as well as the mentored practical experience.

During the latter part of 2010, the Institute engaged the services of Professor Keith Houghton of the Australian National University in Canberra, in succession to Professor Roger Hopkins, who has retired, to undertake an accreditation exercise of the main tertiary academic institutions in Fiji from which the FIA draws its members. He paid a brief familiarisation visit to Fiji in late October 2010 meeting with officials, staff and students at the three Universities. He returned for a detailed review of the courses staffing and facilities offered by the three Fiji universities in February 2011 (for the Fiji National University) and in August (for the other two universities).

Following completion of the 2011 accreditation exercise, BCom and BAcc courses offered by Fiji National University have been accredited for a period of 3½ years from 1st July 2011, and the BCom course offered by University of Fiji and the BA in Accounting and BCom courses offered by the University of the South Pacific have been accredited for a period of 3 years from 1st January 2012. The Council has also accredited USP’s Post Graduate Diploma in Professional Accounting for a period of 3 years from 1st January 2012.



Mr Quentin Quin



Ms Suliana Siwatibau



Mr S. Zain Khan

The current requirements for the different categories of membership are as follows:

For **Affiliate Accountants**, the basic requirement is either the Diplomas in Accounting, issued by the University of the South Pacific, the University of Fiji and the Fiji National University, or Advanced Diplomas in Accounting issued by TAFE through the National Training and Productivity Centre (NTPC) at the Fiji National University. Students who graduate with a degree majoring in accounting from the USP, UOF or FNU but who have not completed the full set of 20 academic units required by the FIA for its Provisional Members would also qualify for admission as Affiliate Accountants provided that they have substantially completed at least the equivalent of those academic courses required for recognised diplomas.

For **Provisional Members**, the basic academic requirement is for either a BA, BCom or BAcc Degree from USP, UOF or FNU majoring in Accounting and the completion of 14 specified and 6 elective academic units – the electives in any discipline.

For full **Chartered Accountant members**, the minimum academic undergraduate requirements continue to be the same as for Provisional Members, but with effect from 1st January 2010, Chartered Accountants were required to complete an extra four additional post graduate units either from the CPA Programme or from the USP's new Post Graduate Diploma in Professional Accounting.

Applicants for admission as Chartered Accountants have in the past been required to complete three years' practical experience under the supervision and guidance of a Chartered Accountant member, after completing their 20 academic units. This will continue to be the case in future but future applicants will be required to demonstrate a proficiency in at least three out of six specified areas of practical experience and, out of the minimum period of three years practical experience, two years at least will need to be served under a mentor. Two workshops on the subject of Mentoring were delivered by Mr Nitin Gandhi in July: one in Suva; one in the West.

Awards and Medals

In the interests of promoting the study of, and the

highest standards of excellence and achievement among students in accounting, the Institute has, in the past, offered sponsorship by way of cash awards to students attending two tertiary institutions in Fiji that provided courses in accounting, the University of the South Pacific and Fiji Institute of Technology.

Cash awards for students attending the **University of the South Pacific** graduating in Accounting and Financial Management have regularly accompanied Gold Medals awarded by the University itself. An award was made in 2011- in respect of the academic year 2010 – to **Ms Ashmeeta Singh** for being the most outstanding student in accounting and financial management.

No cash award or gold medal has been awarded by Fiji Institute of Technology, now renamed as the Fiji National University, for Accounting excellence for some years.

For 2011, the Institute for the first time provided a cash prize to the most outstanding student who had graduated in Accounting from the **University of Fiji, Mr Chirag Jeetendra Parmar**.

Professional Development

The single most valuable service provided by the Institute for all its members is the professional development programme, which offers members opportunities to update their professional skills and knowledge of developments in the international and local accounting field.

In line with International Education Standards (IESs) issued by the International Federation of Accountants, members of the accounting bodies that are full members of IFAC are expected to complete not less than 40 hours of professional education annually or a minimum of 120 hours over a three-year period. At the FIA Annual General Meeting held in June 2008, a motion was passed to increase the minimum number of CPE hours from 30 to 40 annually or to 120 over a three-year period, with effect from 1st January 2009.

To enable all FIA members to complete the new current required minimum number of hours of **“structured”** Continuing Professional Education of either 30 hours annually or 90 hours over a three-year period, the

Professional Development Committee had planned both a very varied and comprehensive programme for 2011 consisting of 10 half-day Seminars and 2 one-and-a-half day Technical Workshops. Four of the Seminars organised for Suva were repeated in the West. The Western Division Committee also organised one seminar of its own in the West that was, unfortunately, cancelled.

The 8 organised activities, together with the five CPE hours that could be earned by those who attended FIA's Annual Congress in June offered FIA members the opportunity to complete no less than a total of 38 hours of structured continuing professional education (CPE).

[Two of the Seminars listed below as professional development – one on Mentoring and one on provisions of the most recent IFAC Code of Ethics – were actually run for other Committees.]

The programme organised for 2011 provided opportunities for FIA members to gain CPE hours by attending various professional development activities as follows:

Seminar	January 25th and February 18th	2½
Seminar	March 1st and March 4th	2½
Workshop	March 11th-13th	6½
Seminar	April 28th	2½
Seminar	May 31st and June 3rd	2½
Congress	June 9th-12th	5
Seminar	July 22nd and 26th	2½
Seminar	August 23rd	2½
Workshop	September 16th-18th	6½
Seminar	October 18th	2½
Seminar	October 19th	2½
Total		38

A pattern established in many previous years, reflecting the fact that the Institute's professional development programme appeals to a wider audience than just its own members is evident from the record of participation at the various activities demonstrated in the following table:

It is encouraging to note that - for 2011 – a total of four professional development activities was mounted in the Western Division organised by a new Committee appointed in 2010, attracting a record (for the West) number of participants

A two-day “Congress” was also organised by CPA Australia in July 2011 at the Sheraton Resort with the

			Delegates		
			Members	Non Members	Total
Seminar	Suva	January 25th	30	33	63
Seminar	Nadi	February 18th	19	6	25
Seminar	Suva	March 1st	41	52	93
Seminar	Nadi	March 4th	17	25	42
Workshop	Natadola	March 12th-13th	104	75	179
Seminar	Suva	April 28th	39	41	80
Seminar	Suva	May 31st	47	63	110
Seminar	Nadi	June 3rd	21	23	44
Congress	Fijian	June 9th-12th	162	154	316
Seminar	Nadi	July 22nd	12	4	16
Seminar	Suva	July 26th	30	4	34
Seminar	Suva	August 23rd	21	25	46
Workshop	Wrwk	September 16th-18th	77	78	155
Seminar	Suva	October 18th	9	18	27
Seminar	Suva	October 19th	8	3	11

Theme “Re-emerging – Creating a Successful Business in Challenging Times by Thinking Differently”. FIA members were also invited to attend. No professional development FIA activities were organised for the month of December.

Once again, the seminars and workshops programme featured a substantial number of sessions on accounting standards, and this is reflective of the popularity expressed by a majority of the delegates attending technical workshops in their choice of topics for any future sessions. The Institute is also the only organisation in Fiji providing for specialist training in this field.

Seminars

The topics and presenters for the eight Seminars for 2011 were as follows:

January 25th and February 18th
“IFRS for SMEs Section 29 – Income Tax”
Presented by Professor Michael White of the University of the South Pacific

March 1st and March 4th
“Tax Changes and Developments”
Presented by Mr Pradeep Patel, Partner in G Lal & Co

April 28th
“Consumer Law”
Presented by Mr Richard Naidu and Ms Nehla Basawaiya, Partner and Senior Associate of the law firm of Munro Leys respectively.

May 31st and June 3rd
“Capital Gains Tax Decree”
Presented by Mr Pradeep Patel, Partner in G Lal & Co

July 22nd and 26th
Mentoring Workshop
Presented by Mr Nitin Gandhi, Partner in PricewaterhouseCoopers

August 23rd
“The Dynamics of Property in Economic Development”
Presented by Mr Joe Singh, an Independent Consultant.

October 18th
“The New Hydro Project”
Presented by Mr Hasmukh Patel, Chief Executive Officer of the Fiji Electricity Authority

October 19th
Workshop for CPP members “The IFAC Code of Ethics: Challenges Facing SMP Firms”
Presented by Mr Nitin Gandhi, Partner of PricewaterhouseCoopers

Two seminars organised for November were cancelled after permits for them were revoked:

November 14th
“Provisions of the new Draft Companies Decree”
Presented by Mr Richard Naidu, Partner of the law firm of Munro Leys.

November 18th
“Implications of the Income Tax Re-Write Project”
Presented by Ms Nehla Basawaiya, Senior Associate with the law firm of Munro Leys

Workshops

Two Technical Workshops were arranged for 2011 - the first being held at the Intercontinental Fiji Golf Resort and Spa at Natadola in March and the second held at the Warwick Fiji Resort in September.

The pattern for the programme for the first March Technical Workshop in 2011 was very similar to that used for the March Workshops in 2008 and 2009, with most of the actual working part of the Workshop compressed into a single day, on the Saturday and only one plenary session on the Sunday morning. The working programme was restricted to 3 plenary sessions and 2 break-out sessions. This pattern was repeated for the September Technical Workshop.

The time allowed for the plenary sessions was one hour and, for each of the break-out sessions, one and three-quarter hours.

The first Technical Workshop for 2011 was held at the Intercontinental Fiji Golf Resort and Spa at Natadola – a new venue for the Institute and, as it turned out, a very popular one with all the participants, with excellent conference facilities. The Workshop was held from the 11th – 13th March incorporating 3 plenary and 2 “break-out” sessions covering the following topics:

The three Plenary sessions were:
“The New IFAC Code of Ethics”
Presented by Mr Nitin Gandhi, Partner in the firm of PricewaterhouseCoopers;
“The South Pacific Stock Exchange”
Presented by Ms Jinita Prasad, Chief Executive of the South Pacific Stock Exchange; and
“Leveraging and Accounting for IT Business Value”
Presented by Dr Aklesh Prasad of the University of the South Pacific

and the two “Break-Out” sessions were:
“IFRS for SMEs Section 20 - Leases”
Presented by Mr Nacanieli Rika, PhD Student at the Australian National University; and
“Strategic Management Accounting”
Presented by Mr Pradeep Lal, Chief Financial Officer for Vodafone Fiji Ltd.

A total of 264 people attended of whom 179 were delegates, 48 were partners and 37 were children.

A second Technical Workshop was held at the Warwick Fiji Resort on 16th to 18th September 2011, that was run in conjunction with CPA Australia, incorporating 3 Plenary and 2 “Break- Out” sessions (one plenary session being run on the Sunday morning):

The three Plenary sessions were:
“The Effects of the Global Financial Crisis on Fair Value Accounting”
Presented by Ms Rajni Mala, PhD Student at Macquarie University, Sydney;
“Sustainability of the Telecommunications Market”
Presented by Mr Rohan Mail, Chief Executive Officer of Telecom Fiji Ltd and
“Reinvigorating Private Sector Investment”
Presented by Mr Adrian Ruthenberg, Regional Director of the Asian Development Bank’s Subregional Office in Suva.

and the two break-out sessions were:
“Transition to the IFRS for SMEs – Section 35 of the IFRS for SMEs”
Presented by Dr Pramod Chand, Senior Lecturer at Macquarie University, Sydney; and
“Concepts/Ideas that Underlie the Preparation and Presentation of Financial Reports For External Users: The Conceptual Framework”
Presented by Ms Rajni Mala, PhD Student at Macquarie University, Sydney.

A total of 223 people attended of whom 155 were delegates, 38 were partners and 30 were children.

JOURNAL

Three issues of the Institute’s “Accountant” Journal were produced and distributed to members during 2011:

A 48-page June issue which was distributed at the time of the Congress; and
A 48-page October issue, distributed by mail in mid November; and
A 48-page December issue which was distributed by mail in January 2012.



With effect from the September 2009 issue, copies of the Journal are also being sent to all Fiji secondary schools. This is being done to ensure that students are encouraged to start thinking about a career in the accounting profession.

Copies of past issues of the Journal are now also posted onto the FIA website www.fia.org.fj

Marketing And Promotions

The Committee, in February 2011, produced a redraft of a Brochure which had been originally prepared for the Membership Committee in 2008, outlining the options open to those seeking a career in accountancy. This was later slightly revised, in June, and was printed for distribution to students and others who may be interested in pursuing a career in accounting, together with an in-house pamphlet explaining the requirements for those seeking admission to membership of the Institute.

These two publications were distributed during the year at the following Careers Expos, Open Days and Workshops by members of the Secretariat, aided by a number of volunteers from CA firms and commercial institutions:

29th June	Careers Expo at Latter Day Saints College, Tamavua [450]
28th July	Careers Expo at St Joseph's Secondary School [500]
5th August	Open Day at the University of the South Pacific [2,000]
13th August	Workshop for USP Students [200]
9th September	Open Day at the Fiji National University [2,000]

[The numbers shown in square brackets represent the approximate number of students who attended.]

Largely at the instigation of the President, Mr Divik Deo, the Institute started production of a new two-page monthly newsletter, named "Littera" containing short up to date news items of Institute activities, which has proved popular with the membership.

In conformity with one of the objectives of the Corporate Plan the Council decided to recruit an additional staff member on a part time basis to serve as the media

and communications officer for the Institute and was successful in gaining the services of Mr Verleshwar Singh, from the consulting firm of Open Media, who commenced working at the beginning of November. He will provide secretariat services for the Business & Government, the Journal & Website and the Marketing & Promotion Committees, editorial services for the monthly Newsletter Littera and the quarterly Journal and will also be responsible for coordinating submissions and press releases for the Institute.

Disciplinary Proceedings

The Investigation Committee held only three meetings during 2011. There had been five cases outstanding from 2010, two of which had been referred to the Courts by the complainants for adjudication. These were therefore kept under review pending the result of the relevant Court actions. The three other complaints outstanding from 2010 were investigated, the members in question interviewed and, after due consideration and exchange of correspondence, dismissed.

Three new complaints were received by the Committee during 2011. One of these concerned an allegation of forgery which, as a criminal offence, lay outside the mandate of the Investigation Committee. A second had sought access to past accounting records not held by the complainee, which has been explained to the complainant and is likely to be either withdrawn or dismissed. And the final complaint is still current and under correspondence with the parties concerned.

The Disciplinary Committee held no meetings during 2011, as no cases had been referred to it.

Business And Government Committee

During the year, the Committee's time has largely been concerned with detailed analysis and discussion with relevant authorities about three significant items of draft legislation. The first, which engaged the concentrated attention of the Committee members in December 2010 and included an initial submission sent to the Prime Minister and Minister for Finance on the 24th December, concerned a proposed Capital Gains Tax decree which was intended to be brought into force from 1st February 2011. Because of the complexity of the proposed draft legislation and

differences of interpretation about certain issues, including the indexation of valuations, the Committee requested that the implementation date should be deferred, at least until April 2011. Two seminars on the Capital Gains Tax decree were presented on 31st May and 3rd June.

Theseconditemofdraftlegislationwasacomprehensive review and rewrite of the Companies Act - a lengthy and complex piece of legislation originally enacted in 1983 - by the Legal firm, Minter Ellison of Australia. A draft of the new decree was released by the government in March 2011 and a meeting was held in the Attorney General's Office to discuss this draft on 4th March. After seeking and obtaining an extension of time, the Committee submitted a detailed set of comments and recommendations on the draft on 12th April. Despite a number of enquiries, as recently as September 2011, no finalised version of the decree had been enacted before the end of the year.

A third piece of draft legislation was a proposed rewrite of the Income Tax Act which involved detailed discussions with the Fiji Revenue and Customs Authority and the production of several revised drafts. It became apparent at a fairly early stage that this was to be rather more than just a rewrite of existing provisions. A set of comments and recommendations was submitted to the Authority on 2nd September, but the draft legislation was still under consideration in November.

In the case of all the three items of draft legislation mentioned in the preceding paragraph, the Institute is greatly indebted to advice and assistance generously provided by several prominent members of the law firm of Munro Leys, in drafting submissions on the legislative proposals.

A meeting was held by the Committee with the Permanent Secretary for Finance, Mr Filimone Waqabaca and his Deputy on 21st June to brief them on the role and activities of the Committee and to seek advice on the likely principal themes of the Budget for 2012, so that the Institute's Budget submission could be more closely focused. The opportunity was also taken to explain to the Permanent Secretary difficulties faced by the Committee in dealing with the Tax Authority over interpretation of some tax legislation. The Institute's Budget Submission was

delivered to the Ministry of Finance on 4th August and this was discussed with the Permanent Secretary and the CEO of FRCA in September.

During the June meeting with the Permanent Secretary of Finance, the opportunity was taken to provide him with background information on the submissions made for proposed amendments to the FIA Act and Rules and he had agreed to follow this matter up. It was also proposed that a five member sub committee of Council should seek an appointment with the Prime Minister to discuss the matter. The planned meeting did not however eventuate.

In January, the Institute received a letter from the Commerce Commission, initiated in response to a complaint from certain "tax service providers", referring to an advertisement placed in the Fiji Sun on 6th November 2010 by the Institute advising the public that only registered chartered accountants who held certificates of public practice were entitled to offer accounting services to the public or to describe themselves as either chartered accountants, accountants, auditors or tax consultants, under section 36 of the FIA Act. The Commission regarded this FIA announcement to be monopolistic and anti-competitive in nature and, as such, it could be held to be a breach of the Commerce Commission Decree. The Institute responded to the Commission on 24th January and 4th February, pointing out that the restrictions were in accordance with the provisions of the FIA Act.

In February, the Institute received a request from the Ministry of Industry and Trade to complete a questionnaire on the subject of Trade in Services, in preparation for negotiations that were to be held under the Pacific Islands Countries Trade Agreement arrangements, and the completed questionnaire was submitted to the Ministry on 14th March.

The Committee also held a number of other meetings during the year with representatives of the Fiji Revenue and Customs Authority to discuss various practical tax-related issues, including its regular quarterly meetings as well as one to deal specifically with a FRCA proposal to increase the stamp duty on property dealings.

Standards

The Institute, in honouring its obligation as a member body of the International Federation of Accountants (IFAC) to introduce international financial and reporting standards, adopted the full suite of the IASB's international financial accounting and reporting standards (IFRSs) – for accounting periods commencing on or after 1st January 2007.

However, the full IFRS standards are only mandatory for entities falling within the following categories:

- Public companies, as defined in the Companies Act;
- Government majority owned companies;
- Banking and financial institutions;
- Superannuation, insurance and insurance broking entities;
- Government entities established under their own statute with annual turnover of at least \$5m;
- Entities with annual group turnover of at least F\$20M or with assets exceeding F\$20M;
- Entities that are publicly accountable with annual turnover of at least \$5m (which have debt or equity instruments on public issue or have coercive power to tax, rate or levy to obtain public funds); or
- Entities where any of the above listed entities have a significant influence (through more than 20 percent ownership), provided the turnover of such entities exceeds \$5m, as equity accounting would be applicable for the parent company reporting.

Smaller accounting entities will, following FIA's adoption of the IFRS for SME Standard from 1st January 2011, need to comply with that Standard. The old Fiji Accounting Standards (FASs) have been withdrawn. However, the new SME Standard will only apply to SMEs that:

- (a) do not have public accountability; and
- (b) publish general purpose financial statements.

[An entity with "public accountability" is defined as one whose debt or equity instruments are traded in a public market or one which holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary businesses.]

The Standards Committee is also in the process of examining the four new IFRS standards that have been released by the IASB in May:

IFRS 10	Consolidated Financial Statements
IFRS 11	Joint Arrangements
IFRS 12	Disclosure of Interests in Other Entities
IFRS 13	Fair Value Measurement

These four new standards are not due to come into effect until 1st January 2013.

The Institute had also adopted the full suite of international audit related standards issued by the International Federation of Accountants (IFAC).The suite comprises International Standards on Auditing (ISAs), International Audit Practice Statements (IAPs), International Standards on Assurance Engagements (ISAEs), International Standards on Review Engagements (ISREs), International Standards on Related Services (ISRSs) and International Standards on Quality Control (ISQCs). These Standards were adopted from 1st July 2008, in conjunction with the IFAC International Code of Ethics.

Corporate Plan

A Second Corporate Plan was published and distributed to all FIA members in the latter part of 2007. It included 10 sections dealing with various different aspects of the Institute's activities as follows:

- Marketing and Promotions
- Business and Government
- Membership
- Annual Congress
- Professional Development
- Journal and Website
- Act and Rules
- Institute Support and Services
- Discipline Process
- Accounting and Auditing Standards

An update on the progress achieved in implementing the objectives of the Plan was published in the June 2010 issue of the Institute's Journal. Work started in the second half of 2011 to further update the progress made and to prepare proposals for objectives to be

included in the new Plan for the five-year period 2012 – 2016 for submission to the Institute Annual General Meeting in June 2012.

Membership Statistics

The total number of FIA members, of all categories, listed on the Institute's Register, as at 31st December 2011, was 742 – reflecting an increase of just over 20 on the total membership for 2010. This makes 2011 yet another record year, the third year in succession, for membership, in the last ten years.

During 2011, the names of 155 members (slightly more than usual) were removed from the FIA Register for failing to pay their membership subscriptions before 30th June 2011. However, 49 members subsequently paid their arrears and so had their names restored to the Register. The majority of those who fail to pay their subscriptions are usually those who have migrated.

During the year, a total of 119 new members were admitted to membership, of whom 18 were admitted as Chartered Accountants, 64 as Provisional Members

and the other 37 as Affiliate Accountants.

The comparative figures for 2010 and 2011 for each of the various categories were as follows:

	2010	2011
Chartered Accountants in Public Practice	37	37
Chartered Accounts not in Public Practice	266	258
Provisional Members	244	263
Affiliate Accountants	149	153
Licensed Accountants	1	1
Students	22	30
Total	719	742

Seventy-seven members were resident overseas of whom 64 were Chartered Accountants, 7 were Provisional members and 6 were Affiliate Accountants.

Only one of the original 72 Licensed Accountants remains on the Register.

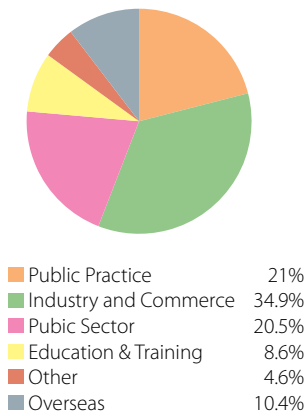
Membership Statistics

A. MEMBERSHIP by Category (2005 - 2011)

	CPP	CA	PM	AA	LA	ST	TOTAL
2005	37	243	111	142	3	53	589
2006	35	248	121	132	2	27	565
2007	36	251	166	128	1	14	596
2008	36	270	190	151	1	14	662
2009	37	277	205	152	1	9	681
2010	37	266	244	149	1	22	719
2011	37	258	263	153	1	30	742

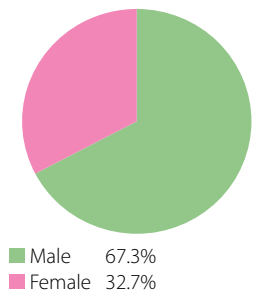
B. MEMBERSHIP by Occupation (2011)

	CPP	CA	PM	AA	LA	ST	TOTAL
Public Practice	37	23	87	8	1	-	156
Industry and Commerce	-	94	84	81	-	-	259
Public Sector	-	54	64	34	-	-	152
Education and Training	-	9	15	10	-	30	64
Other	-	14	6	14	-	-	34
Overseas	-	64	7	6	-	-	77
	37	258	263	153	1	30	742



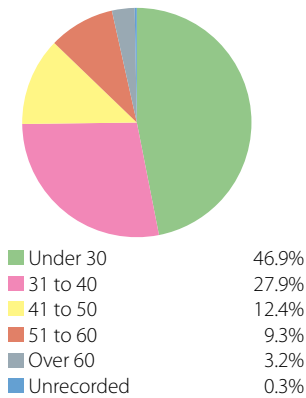
C. MEMBERSHIP by Gender (2005 - 2011)

	2005	2006	2007	2008	2009	2010	2011
Male	420	400	409	462	473	497	499
Female	169	165	187	200	208	222	243
	589	565	596	662	681	719	742



D. MEMBERSHIP by Age (2005 - 2011)

	2005	2006	2007	2008	2009	2010	2011
Under 30	256	232	269	278	315	340	348
31 to 40	173	169	177	203	208	204	207
41 to 50	102	94	86	94	84	90	92
51 to 60	39	47	47	64	59	64	69
Over 60	15	18	15	20	13	21	24
Unrecorded	4	5	2	3	2	-	2
	589	565	596	662	681	719	742



COMMITTEE MEMBERS 2011 – 2012

Investigation Committee

Cama Raimuria (Chair)
 Stella Simpson
 Asit Sen
 Fay Yee
 Caroline Pickering

Professional Development Committee

Uday Sen (Chair)
 Lorraine Seeto
 Kavin Rathod
 Renu Chand
 Ronesh Dayal
 Kalpana Lal
 Neil Underhill
 Daphne Fong

Business & Government Committee

Iowane Naiveli (Chair)
 Cama Raimuria
 Lisa Apted
 Pradeep Patel
 Deepa Kapadia
 Jerome Kado

Act & Rules Committee

Sikeli Tuinamuana (Chair)
 Stella Simpson
 Zarin Khan
 Kathleen Hope
 Nouzab Fareed

Staff & Administration Committee

Divik Deo (Chair)
 Sikeli Tuinamuana

Disciplinary Committee

Divik Deo (Chair)
 Nitin Gandhi
 Iowane Naiveli
 Ravendran Achari
 Trevor Nainoca

Congress Organising Committee

Divik Deo (Chair)
 Cama Raimuria
 Beverly Seeto
 Suiva Peckham
 Eliko Boletawa

Journal and Website

Asit Sen (Chair)
 Arvindbhai Patel
 Leonard Chan
 Deven Sharma
 Swastika Rekha
 H N Pande

Awards Committee

Uday Sen (Chair)
 Myrtle Smith
 Saimone Veramu
 Reshma Ram

Treasurer

Sikeli Tuinamuana

Membership Committee

Lisa Apted (Chair)
 Regina Mar
 Finau Nagera
 Ravendran Achari
 Vimal Chand
 Savinesh Prasad

Accounting and Auditing Standards Committee

Sikeli Tuinamuana (Chair)
 Bruce Sutton
 Michael White
 Inia Naiyaga
 Iowane Naiveli
 Tevita Bolanavanua

Western Division Committee Committee

Robert Cohen (Chair)
 Ben Coutman
 Shaneel Nandan
 Rajesh Sangekar
 Deepti Lal
 Sanjini Nair
 Denise Charan

Corporate Plan Committee

Nitin Gandhi (Chair)
 Atunaisa Nadakuitavuki
 Pradeep Fonseca

Marketing & Promotions

Stella Simpson (Chair)
 Glen Finau
 Niraj Bhartu
 Nirenjeev Kumar

FIJI INSTITUTE OF ACCOUNTANTS

Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2011

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FIJI INSTITUTE OF ACCOUNTANTS

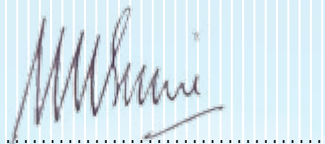
Statement by the Council of Fiji Institute of Accountants

FOR THE YEAR ENDED 31 DECEMBER 2011

On behalf of the Council of the Fiji Institute of Accountants, we state that in our opinion the accompanying financial statements of the Institute set out on the pages 4 to 17 for the year ended 31 December 2011 are drawn up so as to give a true and fair view of the state of affairs of the Institute as at 31 December 2011 and the results of its operations, its cash flows and changes in members' funds for the year then ended.

Dated this 19th day of April 2012.


.....
PRESIDENT


.....
TREASURER

FIJI INSTITUTE OF ACCOUNTANTS

Independent Audit Report

FOR THE YEAR ENDED 31 DECEMBER 2011

Report on the Financial Statements

I have audited the accompanying financial statements of Fiji Institute of Accountants, which comprise the statement of financial position as at 31 December 2011, and statement of comprehensive income, statement of changes in members' fund and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information as set out on pages 4 to 17.

Council's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Audit Opinion

In my opinion, the financial statements gives a true and fair view of the financial position of the Institute as at 31 December 2011 and of the results, cash flows and changes in members' funds of the Institute for the year then ended in accordance International Financial Reporting Standard for Small and Medium-sized Entities.

SUVA, FIJI
19 APRIL 2012



PRADEEP PATEL
Chartered Accountant

FIJI INSTITUTE OF ACCOUNTANTS

Statement of Comprehensive Income

FOR THE YEAR ENDED 31 DECEMBER 2011

	Notes	2011 \$	2010 \$
INCOME			
Admission fees		\$5,760	7,740
Member's subscription	2	114,631	112,933
Interest		18,261	18,286
Dividend		5,463	4,512
Special committees	3	647,752	615,169
Accreditation		1,665	-
Members handbooks		507	-
Gain on sale of plant and equipment		1,111	-
Other		1,364	5,034
Total income		796,514	763,674
EXPENDITURE			
Audit fees		850	889
Bank charges		712	516
Council and committee expenses		8,212	10,039
Depreciation		3,543	2,972
Impairment loss on financial assets		-	3,899
Electricity		4,995	3,541
General expenses		4,408	7,051
Gifts and awards		1,292	723
Members handbooks		-	1,390
Members handbooks – obsolescence		-	7,200
Members handbooks – written off		2,400	-
Insurance		6,055	5,317
International activities	4	31,474	37,127
Legal and professional expenses		2,000	6,482
Postage, telephone and internet		6,964	6,865
Printing and stationery		10,134	7,563
VAT refunds written off – prior years		5,669	1,701
Rental		16,950	12,650
Repairs and maintenance		2,154	1,032
Special committees	3	594,967	546,955
Salaries, wages and associated costs		72,939	70,387
Travelling		1,446	2,207
Website		5,695	1,400
Total expenditure		782,859	737,906
Net surplus for the year		13,655	25,768
Other comprehensive income			
Gain/ (loss) on remeasuring available-for-sale financial assets		4,026	(12,205)
Total comprehensive income for the year		\$17,681	13,563

The statement of comprehensive income is to be read in conjunction with the notes to and forming part of the financial statements.

FIJI INSTITUTE OF ACCOUNTANTS

Statement of Changes in Members Funds

FOR THE YEAR ENDED 31 DECEMBER 2011

	Accumulated Surplus	Investment Valuation Reserve	Total
	\$	\$	\$
Balance as at 31 December 2009	585,932	12,205	598,137
Net surplus for the year	25,768	-	25,768
Loss on re-measuring available-for-sale financial assets	-	(12,205)	(12,205)
Balance as at 31 December 2010	611,700	-	611,700
Net surplus for the year	13,655	-	13,655
Gain on re-measuring available-for-sale financial assets	-	4,026	4,026
Balance as at 31 December 2011	625,355	4,026	629,381

The statement of changes in members' fund is to be read in conjunction with the notes to and forming part of the financial statements.

FIJI INSTITUTE OF ACCOUNTANTS

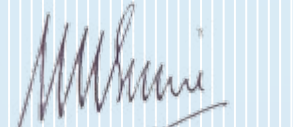
Statement of Financial Position

FOR THE YEAR ENDED 31 DECEMBER 2011

	Notes	2011 \$	2010 \$
CURRENT ASSETS			
Cash on hand and at bank		\$55,476	131,227
Interest receivable		6,551	6,869
Dividend receivable		2,818	2,830
Inventories	5	-	2,400
Other receivables	6	64,116	60,717
Financial assets	7	107,504	106,089
TOTAL CURRENT ASSETS		236,465	310,132
NON CURRENT ASSETS			
Financial assets	7	397,755	322,198
Plant and equipment	8	18,614	11,925
TOTAL NON-CURRENT ASSETS		416,369	334,123
TOTAL ASSETS		652,834	644,255
CURRENT LIABILITIES			
Creditors and accruals	9	12,487	3,456
Provisions	10	3,843	2,717
Subscriptions received in advance		7,123	26,382
TOTAL CURRENT LIABILITIES		23,453	32,555
TOTAL LIABILITIES		23,453	32,555
NET ASSETS		629,381	611,700
MEMBERS' FUNDS			
Accumulated surplus		625,355	611,700
Investment valuation reserve		4,026	-
TOTAL MEMBERS' FUNDS		\$629,381	611,700

The statement of financial position is to be read in conjunction with the notes to and forming part of the financial statements.


PRESIDENT


TREASURER

FIJI INSTITUTE OF ACCOUNTANTS

Statement of Cash Flows

FOR THE YEAR ENDED 31 DECEMBER 2011

	Notes	2011 \$	2010 \$
Cash Flows from Operating Activities			
Receipts from members		\$101,207	139,918
Receipts from special committees and technical publications		633,104	605,796
Payment to suppliers and employees		(745,978)	(674,649)
Interest received		12,508	12,172
Dividend received		5,475	4,500
Net cash flows from Operating Activities	12(a)	6,316	87,737
Cash Flows used in Investing Activities			
Proceeds from redemption of investments		30,000	-
Proceeds from sale of plant and equipment		1,739	-
Payments for investments		(102,946)	-
Acquisition of plant and equipment		(10,860)	-
Net cash flow used in Investing Activities		(82,067)	-
Net increase/ (decrease) in cash held		(75,751)	87,737
Cash and cash equivalents at the beginning of the financial year		131,227	43,490
Net cash and cash equivalents at the end of the financial year	12(b)	\$55,476	131,227

The statement of cash flows is to be read in conjunction with the notes to and forming part of the financial statements.

FIJI INSTITUTE OF ACCOUNTANTS

Notes to and Forming Part of the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2011

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

This is the first set of financial statements prepared by Fiji Institute of Accountants in accordance with the “International Financial Reporting Standard for Small and Medium-sized Entities” (IFRS for SMEs) issued by the International Accounting Standards Board.

The principal accounting policies adopted by the Institute are stated to assist in a general understanding of these financial statements. The accounting policies adopted are consistent with those of the previous year except as stated otherwise.

All amounts are stated in Fijian currency.

Basis of preparation

The financial statements have been prepared in accordance with the IFRS for SMEs. They have been prepared under the historical convention.

Financial statements of the Institute until 31 December 2010 had been prepared in accordance with Fiji Accounting Standards (FAS). There were no adjustments on opening statement of financial position as at 1 January 2011 or the opening statement of financial position as at 1 January 2010, and the amounts reported previously in the financial statements prepared in accordance with previous Fiji Accounting Standards generally complies with IFRS for SMEs requirements.

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Judgments made by management in the application of IFRS for SMEs that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

a) Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

FIJI INSTITUTE OF ACCOUNTANTS

Notes to and Forming Part of the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2011

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

- b) Comparatives**
Where necessary, amounts relating to prior years have been reclassified to conform to presentation in the current year.
- c) Employee Entitlements**

Wages and salaries
Liabilities for wages and salaries expected to be settled within 12 months of the reporting date are accrued up to the reporting date. Liabilities for non-accumulating sick leave are recognized when the leave is taken and is measured at the rates prevailing at that time.

Annual leave
Provision is made for annual leave estimated to be payable to employees on the basis of statutory and contractual requirements.

Defined contribution plans
Contributions to Fiji National Provident Fund are expensed when incurred.
- d) Financial Assets**
Investments are recognised and de-recognised on trade date where purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs.

Financial assets are classified into the following specified categories:

Held-To-Maturity Investments
Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities which the management has the intent and ability to hold to maturity. Held-to-maturity investments are carried at amortized cost.

Available-For-Sale Financial Assets
Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date. Listed or quoted available-for-sale financial assets are subsequently carried at fair value.

Changes in the fair value of available-for-sale financial assets are recognized investment revaluation reserve. When investments classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognized in investment revaluation reserve are included in the statement of comprehensive income.

The fair values of listed investments or quoted investments are based on current market prices.
- e) Inventories**
Inventories comprising of standards volume are valued at the lower of cost or net realisable value. Cost includes cost of printing, royalties, binders and other direct acquisition costs.

FIJI INSTITUTE OF ACCOUNTANTS

Notes to and Forming Part of the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2011

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

- e) Inventories (Cont'd)**
Cost is determined on a first-in first-out basis.

Allowance for inventory obsolescence is raised based on review of inventories. Inventories considered obsolete or un-saleable are written off in the year in which they are identified.
- f) Income Tax**
Income of the Institute is exempt from income tax in accordance with Section 50 of the Fiji Institute of Accountants Act and Section 17(24) of the Fiji Income Tax Act.
- g) Operating Lease**
Operating leases are not capitalized and rental payments are charged to the profit or loss in the period in which they are incurred.
- h) Plant and equipment**
Plant and equipment is depreciated on a straight line basis at rates calculated to write off each asset over its estimated useful life. The principal rates in use are:

Office furniture and equipment – 10% - 25%

Profits and losses on disposal of plant and equipment are taken into account in determining the surplus for the year.
- i) Revenue**
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Institute and that it can be reliably measured.

Member fees and subscription

Admission fees are recognised as revenue on receipt.

The subscription year runs from 1 January to 31 December. Subscription are payable annually in advance. Only those membership fees and subscription payments that are attributable to the current and past financial year are recognised as revenue. Fees and subscription payments that relate to future periods are shown in the statement of financial position as subscriptions received in advance.

Interest Income
Interest income is recognised on accrual basis.

Dividend Revenue
Dividend revenue from investments is recognised when the Institutes' right to receive dividend payment has been established.

Sponsorships and contributions in kind
Sponsorships and contributions received in kind are accounted for at estimated fair values.

FIJI INSTITUTE OF ACCOUNTANTS

Notes to and Forming Part of the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2011

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

i) **Website Costs**

Costs in relation to the Institute's website development, maintenance and operations have been treated as expenses in the period in which they are incurred unless they relate to the acquisition of an asset, in which case they are capitalized as equipment and depreciated over their period of expected benefit.

j) **Value Added Tax (VAT)**

Revenue, expenses, assets and liabilities are recognised net of VAT, except:

- Where the amount of VAT incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of the asset or as part of an item of expense; and
- For receivables and payables which are recognised inclusive of VAT.

The net amount of VAT payable to, or receivable from, the taxation authority is included as part of payables or receivables.

NOTE 2. MEMBER'S SUBSCRIPTION

	2011	2010
Members holding a Certificate of Public Practice	\$12,535	13,174
Members not holding a Certificate of Public Practice	48,489	48,284
Provisional members	31,745	31,273
Licensed Accountants	110	110
Affiliate members	15,377	15,200
Overseas members	6,065	4,732
Student members	310	160
	\$114,631	112,933

FIJI INSTITUTE OF ACCOUNTANTS

Notes to and Forming Part of the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2011

NOTE 3. SPECIAL COMMITTEES

	2011	2010
Total income	647,752	615,169
Total expenses	(594,967)	(546,955)
Net surplus special committees	\$52,785	68,214
Detailed income and expenses in respect to special committees is summarised below:		
(a) Annual Congress		
Income		
Registration fees and levies	\$291,398	277,851
Sponsorship	102,523	96,020
Other	-	1,665
	393,921	375,536
Expenses		
Accommodation, food and beverage	251,856	236,156
Advertising	1,940	2,998
Bank charges	248	185
Compendium bags	17,219	12,631
Tee Shirts	15,000	15,000
Donation and gifts	2,567	2,133
Entertainment	4,175	5,111
Equipment hire	4,056	365
Speaker fees and costs	26,459	23,576
Stationery, telephone and fax	2,486	4,912
Travel	1,777	2,036
	327,783	305,103
Surplus	66,138	70,433
(b) Education Courses		
Income		
Registration fees and levies	235,267	226,437
Expenses		
Hall hire, accommodation, food and beverage	213,332	186,177
Advertising, publicity and other costs	12,807	12,447
Speaker fees and costs	574	3,521
CPAA Fiji's share of surplus	3,304	1,827
	230,017	203,972
Surplus	5,250	22,465

FIJI INSTITUTE OF ACCOUNTANTS

Notes to and Forming Part of the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2011

NOTE 3. SPECIAL COMMITTEES (CONT'D)

	2011	2010
(c) Journal Committee		
Income		
Advertising revenue	18,564	13,196
Expenses		
Production and other costs	37,167	37,880
Deficit	(18,603)	(24,684)

(d) Western Division

Western Division activities have, in recent years, been limited to seminars and workshops organized under the professional development programme, many of them being seminars that were earlier conducted in Suva, and amounts of income and expenses have therefore been included under the Education Courses, item (b) above.

NOTE 4. INTERNATIONAL ACTIVITIES

Subscription to :		
- International Federation of Accountants	\$6,512	8,506
- Confederation of Asia and Pacific Accountants	1,692	1,753
- eIFRS link to International Accounting Standards Board	16,006	16,256
CPAA - IASC Foundation workshop	-	1,383
World Congress of Accountants	-	4,611
CPA Congress	7,264	-
Hosting CAPA committee meeting	-	4,618
Total International Activities	31,474	37,127

NOTE 5. INVENTORIES

Fiji Accounting and Auditing Standards Volume	-	9,600
Less: provision for obsolescence	-	(7,200)
Total inventories, net	-	2,400

NOTE 6. OTHER RECEIVABLES

VAT receivable, net	-	28,530
Interest withholding tax receivable	11,680	5,609
Deposit - Congress and Technical Workshop	27,799	12,000
Other receivables and prepayments	24,637	14,578
Total other receivables	64,116	60,717

FIJI INSTITUTE OF ACCOUNTANTS

Notes to and Forming Part of the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2011

NOTE 7. FINANCIAL ASSETS

	2011	2010
Current		
Held-to-maturity investments		
Short term deposits with financial institutions	107,504	106,089
Non-Current		
Held-to-maturity investments		
Long term deposits with financial institutions	296,306	224,775
Available-For-Sale Financial Assets - quoted securities		
Unit Trust of Fiji	101,449	97,423
Total non-current financial assets	\$397,755	322,198
Financial Assets held to maturity attract interest ranging from 3.5 percent per annum to 7.5 percent per annum and have maturities up to December 2015.		
Reconciliation of available-for-sale financial assets		
Opening balance	\$97,423	113,526
Gain/(loss) on re-measurement to fair value	4,026	(16,103)
Total available-for-sale financial assets	101,449	97,423

NOTE 8. PLANT AND EQUIPMENT

Office furniture and equipment - at cost	73,952	73,863
Less: accumulated depreciation	(55,338)	(61,938)
Total written down value	18,614	11,925
Reconciliation of the carrying amounts of plant and equipment at the beginning and end of the financial year are as follows:		
Office furniture and equipment		
Carrying amount at beginning	11,925	14,897
Additions	10,860	-
Disposals	(628)	-
Depreciation expense	(3,543)	(2,972)
Total written down value	18,614	11,925

FIJI INSTITUTE OF ACCOUNTANTS

Notes to and Forming Part of the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2011

NOTE 9. CREDITORS AND ACCRUALS

	2011	2010
Creditors and accruals	10,859	3,456
VAT payable, net	1,628	-
Total creditors and accruals	12,487	3,456

NOTE 10. PROVISIONS

Annual leave entitlements	\$3,843	2,717
Employee Numbers		
Average number of employees during the financial year	4	4

NOTE 11. FUNDS HELD IN TRUST

The Institution administers the following funds in trust, which are not reflected in the financial statements of the Fiji Institute of Accountants:

Chair In Accounting

Balance at the beginning of the year	\$26,104	24,924
Less: Bank charges	(30)	(60)
Add: Interest	845	1,240
Less: Funds entrusted and transferred to University of the South Pacific	(26,919)	-
	-	26,104
Represented by:		
Cash at bank	-	6,917
Term deposits	-	19,187
	-	26,104

The fund was set up from the money collected by the Institute to support the Chair In Accounting at University of the South Pacific.

During December 2011, the funds in respect to Chair in Accounting were entrusted and transferred to University of the South Pacific in accordance with resolution passed at the annual general meeting dated 10 June 2011. Accordingly, the Institute relinquished its role as a trustee and administrator of above mentioned trust fund effective from December 2011.

FIJI INSTITUTE OF ACCOUNTANTS

Notes to and Forming Part of the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2011

NOTE 11. FUNDS HELD IN TRUST (CONT'D)

	2011	2010
Adam Dickson Memorial Fund		
Balance at the beginning of the year	29,907	28,093
Add: Interest and deposits	462	1,874
Less: Loss on early termination of term deposit	(1,420)	-
Less: Bank charges	(45)	(60)
Less: Funds entrusted and transferred to PricewaterhouseCoopers	(28,904)	-
	-	29,907
Represented by:		
Cash at bank	-	6,130
Interest receivable	-	3,777
Term deposit	-	20,000
	\$-	29,907

This fund, in memory of the Late Adam Dickson was set up in 1999 and is to be used to assist students at University of the South Pacific in the discipline of Accounting and Financial Management.

During December 2011, the funds in respect to Adam Dickson Memorial Fund were entrusted and transferred to PricewaterhouseCoopers in accordance with resolution passed at the annual general meeting dated 10 June 2011. Accordingly, the Institute relinquished its role as a trustee and administrator of above mentioned trust fund effective from December 2011.

FIJI INSTITUTE OF ACCOUNTANTS

Notes to and Forming Part of the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2011

NOTE 12. NOTES TO THE STATEMENT OF CASH FLOWS

	2011	2010
a) Reconciliation of the net cash provided by operating activities to the net surplus for the year		
Net surplus for the year	\$13,655	25,768
Depreciation	3,543	2,972
Impairment loss on financial assets	-	3,899
Gain on sale of plant and equipment	(1,111)	-
Net cash provided by operating activities before change in assets and liabilities	16,087	32,639
Change in assets and liabilities:		
(Increase) / Decrease in inventories	2,400	9,183
(Increase) / Decrease in other assets	(3,399)	30,205
(Increase) / Decrease in interest receivable	318	(4,053)
(Increase) / Decrease in dividend receivable	12	(12)
Increase / (Decrease) in creditors and accruals	9,031	(2,187)
Increase / (Decrease) in provision for leave entitlements	1,126	2,717
Increase / (Decrease) in subscriptions and fees in advance	(19,259)	19,245
Net cash provided by operating activities	6,316	87,737
b) Reconciliation of Cash and cash equivalents		
For the purpose of statement of cash flows, cash includes cash on hand and at bank and investments in money market investments. Cash and cash equivalents as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:		
Cash on hand and at bank	55,476	131,227
c) Non-Cash Operating Activities		
<i>Sponsorship in kind</i>		
During the year, the Institute engaged into certain transactions for congress activities for consideration in kind aggregating to \$15,000 (2010: \$15,000). These transactions are not reflected in the statement of cash flows.		

FIJI INSTITUTE OF ACCOUNTANTS

Notes to and Forming Part of the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2011

NOTE 13. EXPENDITURE COMMITMENTS

	2011	2010
a) Capital Expenditure Commitments		
Capital commitments as at 31 December 2011 amounted to \$Nil (2010 - \$Nil).		
b) Operating Lease		
Operating lease commitments are as follows:		
Not later than one year	18,600	13,800
Later than one year but not later than two years	-	13,800
Total operating lease commitments	\$18,600	27,600

NOTE 14. CONTINGENT LIABILITIES

Contingent liabilities as at 31 December 2011 amounted to \$Nil (2010 - \$Nil).

NOTE 15. RELATED PARTY TRANSACTIONS

The Institute has related party relationships with its Council Members. The following were the members of the Council during the year:

Divik Deo	Iowane Naiveli	Camacakau Raimuria	Nitin Gandhi
Sikeli Tuinamuana	Ashwin Singh	Lisa Apted	Stella Tiko
Uday Sen			

Furthermore, number of Institute members have served on various Committees, and have presented seminars and workshops.

No fees or remuneration was paid to any Council Member or Committee Members during the year.

NOTE 16. PRINCIPAL ACTIVITIES

The Fiji Institute of Accountants is a statutory entity constituted under the Fiji Institute of Accountants Act (Cap 259) 1971. The principal office is situated at 3 Berry Road, Suva, Fiji.

The principal activities and functions of the Institute during the course of the financial year were those set out in Section 6 of the Fiji Institute of Accountants Act (Cap 259) 1971.

As a professional body, it promotes quality, expertise and integrity in the accounting profession. Its aim is to uphold the highest level of responsibility and trust that are vested in the profession, by providing appropriate standards, policies and services to support members in their work.

There were no significant changes in the nature of activities during the year.

NOTE 17. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Council and authorised for issue on 19 April 2012.



We're Fiji since 1901.

When we opened our doors in Fiji 110 years ago, we soon realised we were building much more than a bank, we were helping build Fiji.

Then, like now, every man and woman who has walked through our doors has had a dream. A dream to build a better life for themselves and their families. We can't help but feel proud of the small part we have played and continue to play in helping those dreams come true. The people of Fiji have always known what they've wanted and that's the lesson our first customers taught us so many years ago.

Our proud local team can help you reach your dreams and build a better life for you and your family. So that lifestyle you want, those business goals, that plan for your family, those dreams you have.
Let's do them together !

We're a bank you can bank on.

