

FIJI INSTITUTE
OF ACCOUNTANTS
ANNUAL REPORT
1997



FIJI INSTITUTE
OF ACCOUNTANTS
ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 1997



Fiji Institute of Accountants
PO Box 681, Suva, Fiji.



The Institute's Offices.



The venue for the 1997 Congress.

The President's Review

Last year the Fiji Institute of Accountants celebrated its 25th anniversary. Our Silver Jubilee Congress at the Sheraton Fiji Resort with the theme "Re-engineering Fiji - The Challenge" was a great success and a memorable occasion of celebration.

A Congress communique was again issued as in the prior year. At the conclusion of the Congress, copies were made available to all participants. It was also sent to all the Ministries and printed as a full page advertisement in both the local newspapers, so that not only the members of the Institute but Government officials, business men and the public at large became aware of the resolutions. It is hoped that this effort made for awareness of the valuable knowledge acquired at the Congress and was of ongoing assistance for Government, business and others in their decision making process.

The FIA Annual Congress is now regarded as the premier business conference in Fiji and it is certainly hoped that its contribution to the country has helped in better decision making and better performance all round.

The Fiji Institute of Accountants Council and members were also honoured when, to mark respect for FIA, the International Auditing Practice Committee (IAPC) (an IFAC Committee which sets International Auditing Standards) had their meeting in Fiji at the Sheraton Fiji Resort to coincide with our 25th anniversary year. Twenty-six Committee members from all over the world met for a week to set International Auditing Standards.

The chairman of IAPC, Professor Robert Roussey, the US representative and Vice-chairman Professor Ian Percy, the UK's representative on IAPC, conducted a seminar for our members in Lautoka. The seminar was well attended and the Institute was grateful for the contribution by two very distinguished accountants.

This report focuses on various FIA initiatives that serve our 478 members. Although relatively small in membership, our profession is broadbased and our members serve in public practice, in government, in industry and commerce and in education. Our members contribute in so many different aspects of our society's development.

The report lists the membership of various committees, which support the Council. The Education, Membership and Awards Committee meets on a monthly basis and screens all applications for membership. New members are admitted on a monthly basis.

The Accounting and Auditing Standards Committee is responsible



for recommending new Standards. During the year, five accounting and three auditing standards were issued after adoption and approval by the Council.

The Professional Development Committee has pursued training programmes including that of the new standards. The seminars were conducted in Suva and also in Lautoka for Western members

which was organised by the Western Division Committee. These seminars are always well attended. Ongoing training is vital to enhance professional development of our members and members have always taken advantage of the training sessions.

Members at the 1996 Annual General Meeting approved amendments to both the FIA Act and Rules. The amending Act was approved by Parliament in May 1997 and the Minister of Finance approved the Rules in December 1997. The FIA Act & Rules Committee is continuing a comprehensive review of the Ethical Rulings and it is anticipated that a new Code of Ethics which will reflect changing business environment and needs, will be produced before the end of 1998.

I thank the chairpersons of the various committees and the members of those committees who contributed with dedication and enthusiasm during the year. Without their voluntary contribution it would not be possible to run the affairs of the Institute professionally.

Our first full time Registrar/Executive Director Raj Singh resigned after four years of dedicated service to the Institute and its members. Raj left Fiji with his wife Joan to live in New Delhi and we wish him well and a happy retirement.

We welcome Murray Mackenzie as the new Executive Director. In a short time Murray has settled in well and is dedicated to his role and is putting in enormous efforts. My thanks also to Nellie and Poonam and all other members who have assisted in various ways during the year and I look forward to your continued support of FIA in future.

Vishnu Deo

President

The Council for 1997/1998

President	: Vishnu Deo
Vice President	: Inia Naiyaga
Treasurer	: Deepak Rathod
Members	: Nalin Patel Jenny Seeto Ram Moosad Dhiraj Hemraj Ross McDonald Anjnish Jokhan

THE COUNCIL

Jenny Seeto, Ram Moosad and Nalin Patel all retired at the completion of their 3-year periods in office in 1997. Being automatically re-nominated and being unopposed for re-election they rejoined the Council for a further 3-year period, following the Annual General Meeting held on 18th April 1997.

Pran Rathod was elected unopposed for the fourth year in succession as the Auditor for the Institute.

Vishnu Deo and Inia Naiyaga, having been elected as President and Vice President respectively for two years in 1996, continued in office for 1997/1998.

Deepak Rathod was elected by the Council to act as Treasurer for a further period of one year.

The Council held 12 meetings during the year of which one was held in Lautoka and one at the Sheraton Resort, Nadi.

1997 CONGRESS

The 25th Silver Jubilee Annual Congress of the Institute was held at the Sheraton Resorts at Denarau, Nadi from 17th-19 April 1997 and attracted a total of 390 delegates, 130 people accompanying them and 58 children.

Unfortunately, it coincided with Cyclone "Gavin" which disrupted some of the arrangements, but most participants found it an excellent venue and enjoyed themselves.

The theme for the 1998 Congress was "**RE-ENGINEERING FIJI- the Challenge**".

LEGISLATIVE CHANGES

At the 1996 Annual General Meeting, the members of the Institute approved amendments to both the Fiji Institute of Accountants Act and to the Rules.

The proposed amendments to the Act were submitted to Government and an amending Act was finally approved by Parliament and brought into force on 13th June 1997.

The amended Rules were submitted to the Minister of Finance

and approved by him on 20th December 1997. They were published in the Fiji Gazette and came into force on 2nd January 1998.

The process of a comprehensive review of the Ethical Rulings was ongoing at the end of 1997. It is anticipated that a new Code of Ethics will be produced in 1998.

YOUNG ACCOUNTANT OF 1997

The Council wishes once again to express its sincere appreciation to DATEC for its generous sponsorship of the Young Accountant of the Year Award.

The 1997 Young Accountant of the Year Award was won by **Sereana Qoro**, the Chief Executive of the Housing Authority.

GOLD MEDAL AWARDS

In the interests of promoting the highest standards of excellence and promoting achievement among students, the Institute continues to sponsor the award of gold medals to students at the two tertiary institutions in Fiji offering courses in accounting.

In 1997 no award was made for the gold medal in Accounting for the outstanding graduating student in Accounting and Financial Management at the University of the South Pacific.

The gold medal for the best student in the Diploma in Business Studies (Accounting Option) at the Fiji Institute of Technology was won by **Savinesh Prasad**.

FAREWELL TO RAJ SINGH

After four years of dedicated service to the Institute and its members, **Raj Singh** resigned as Executive Director at the end of October 1997 and left Fiji, with his wife Joan, to live in New Delhi.

Raj was succeeded by Murray Mackenzie.

Raj was the first full time Registrar/Executive Director of the Institute and was responsible for enormous improvements in the reorganisation of the Institute's headquarters and the move to its new premises, initially on the ground floor and later to the top floor of the Fiji Teachers Union Building in Berry Road.

Membership of Committees

Investigation Committee

Inia Naiyaga (Chairman)

Jenny Seeto, Kikoo Kapadia, Michael Yee-Joy (replacing Brian Murphy in November), Dhiraj Hemraj (from November).

Disciplinary Committee

Vishnu Deo (Chairman)

Nalin Patel, Ross McDonald, Adam Dickson, Don Aidney

Education, Membership & Awards Committee

Ram Moosad (Chairman)

Anjnish Jokhan, Michael Yee-Joy, Ruvendra Nandan

Accounting & Auditing Standards Committee

Nalin Patel (Chairman)

Dhiraj Hemraj, Ram Moosad, Bruce Sutton, Francis Chung, Chirk Yam, Ioane Naiveli, Shyam Narain, Mick White and Foana Tukana

Congress Committee

Anjnish Jokhan (Chairperson)

Nalin Patel, Jenny Seeto, Inia Naiyaga (Treasurer)

FIA Act & Rules Committee

Don Aidney (Chairman)

Jenny Seeto, Nalin Patel, Dhiraj Hemraj, Adam Dickson, Bruce Sutton (replacing Brian Murphy from November)

Law Review Committee

Don Aidney (Chairman)

Nalin Patel, Ross McDonald, Adam Dickson, Francis Chung

Journal Committee

Inia Naiyaga (Chairman)

Neil Underhill, Ruvendra Nandan, Jerome Kado, Foana Tukana

Fiji Professional Centre

Nalin Patel and the Executive Director (as Representatives)

Sports and Social Committee

Ajay Sharma (Chairman)

Susan Arti Chand, Ashok Khatri, Roderick Kamleshwaran, Esekia Kumunaga and Eferemo Tovata

Professional Development Committee

Deepak Rathod (Chairman)

William Crosbie, Prakash Chandra, Sikeli Tuinamuana and Mick White

Affiliate and Licensed Accountants Administration Committee

Inia Naiyaga (Chairman)

(replacing Vishnu Prasad in November) Vishnu Prasad, Sereana Qoro

Western Division Committee

Nitin Gandhi (Chairman)

Robert Cohen, Shalendra Kumar, Deo Saran, Divendra Naicker

COMMITTEE ACTIVITIES

ACCOUNTING AND AUDITING STANDARDS

The Accounting and Auditing Standards Committee is made up of representatives from a cross section of members from accounting firms, the private and the public sectors as well as academia. This wide representation is necessary to ensure that all points of view are taken into account in the process of adopting Standards for application in Fiji.

During the year, the following Standards were issued which are operative in respect of any accounting period beginning on or after 1st October 1997.

FIJI ACCOUNTING STANDARDS (FAS)

- FAS 18 Revenue
- FAS 22 Accounting for the Acquisition of Assets (Including Business Entities)
- FAS 27 Consolidated Financial Statements & Accounting for Investment in Subsidiaries
- FAS 28 Accounting for Investments in Associates
- FAS 31 Financial Reporting of Interests in Joint Ventures

FIJI STANDARDS ON AUDITING (FSA)

- FSA 12 Analytical Procedures
- FSA 17 Related Parties
- FSA 21 Subsequent Events

PROFESSIONAL DEVELOPMENT

During the 1997 year the Committee organised evening seminars as well as longer ones for the various categories of members.

The full day seminar that was undertaken with both practitioners from the Standards Committee and University staff conducting the sessions involved standards that have been approved during the 1997 year. We are grateful to both the Standards Committee and the University for making their time available for this purpose.

The same seminar was also conducted in the West. We are grateful to the Western Committee for facilitating the seminar in the West in conjunction with the University staff.

The Committee has been involved with the University of the South Pacific staff in arranging longer courses on topics in the field of tax and accounting in order to cover these areas in more detail as they become more relevant to the profession. The discussions are now well advanced and a course was held in the later part of

the year at the University and was very well attended.

With the arrangement now in place and tested the Committee is confident that the Institute will be in a position to provide better Professional Development.

GRADUATE PROFESSIONAL PROGRAMME

As members are aware, the Institute has been exploring the idea of introducing a programme of study for provisional members of the Institute who wish to be admitted as full chartered accountant members. At present, after passing the prescribed examinations, only three years practical accounting experience under the guidance or supervision of a full member of the Institute is required to progress to full membership.

Considerable progress has been made in developing the programme, in discussions with the Australian Society of Certified Practising Accountants. It is envisaged that the programme would involve the successful completion of five units. The core units in the programme would be Financial Accounting 1 and Financial Accounting 2. These are likely to be adapted from the Core 1 and Core 11 units of the ASCPA's CPA programme, taking into account the contents of the accounting standards issued by the FIA.

In addition to the core units, candidates would be required to choose three units from the following five electives:

1. Management Accounting
2. Management of Information Systems;
3. Auditing;
4. Taxation; and
5. Insolvency and Reconstruction.

The first three electives listed above would be wholly based on the ASCPA's CPA programme, with provisional members enrolling in these courses directly with the ASCPA, and receiving credits from the ASCPA if they pass the ASCPA's examinations.

The material for the last two units, ie. Taxation and Insolvency, would be developed locally in Fiji with major input from the University of the South Pacific.

The issues yet to be finalised include a Memorandum of Understanding with the ASCPA, transitional provisions and a fee structure for the core units and the two units to be developed locally.

The plan at this stage is to introduce the Graduate Professional Programme from the beginning of 1999.

MEMBERSHIP STATISTICS

The total number of members of all categories on the Institute's register on 31st December 1997 was 478 - a record number so far for the final decade of the 20th Century. During the year a total of 79 new members were admitted, of which 39 were admitted as Chartered Accountants, 15 as Provisional Members, 18 as Affiliate Accountants and 7 as Students.

One new Certificate of Public Practice was issued during the year.

While the number of new members admitted is encouraging, the Institute continues to lose members by migration and other causes.

Comparative figures for 1997 and 1996 for the various categories were as follows:

	1996	1997
Chartered Accountants in Public Practice	36	35
Chartered Accountants not in Public Practice	252	269
Provisional Members	59	48
Affiliate Accountants	95	98
Licensed Accountants	19	14
Students	7	14
	<u>468</u>	<u>478</u>

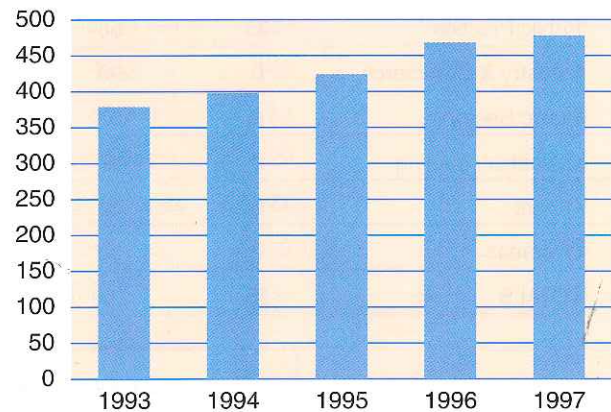
Sixty members were resident overseas, of whom 58 were Chartered Accountants, one a Provisional member and one a Licensed Accountant.

Only 14 of the original 72 Licensed Accountants remain on the register.

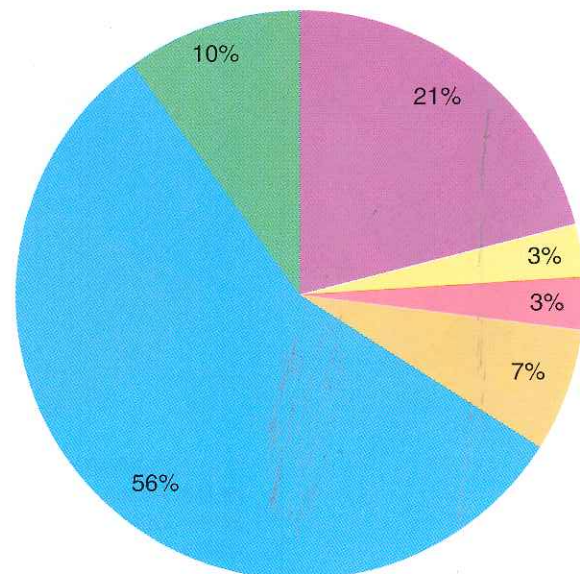
KEY

CPP	Chartered Accountants in Public Practice
CA	Chartered Accountants not in Public Practice
PM	Provisional Member
AA	Affiliate Accountant
LA	Licensed Accountant
S	Student

TOTALS BY YEAR



BY CATEGORY 2007



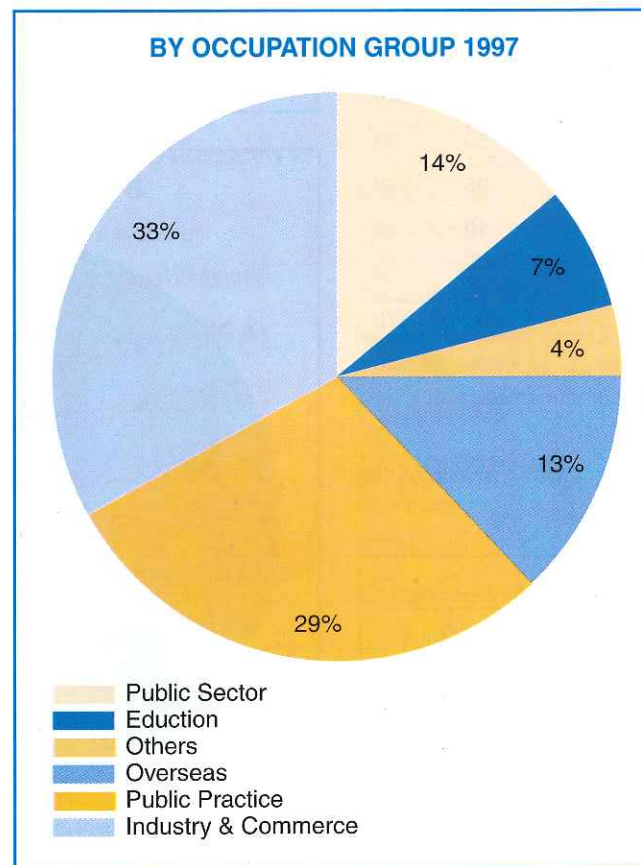
MEMBERSHIP TOTALS : 1993 - 1997

YEAR	CPP	CA	PM	AA	LA	S	TOTAL
1993	35	212	17	96	19	0	379
1994	39	219	39	82	19	0	398
1995	39	241	47	71	19	7	424
1996	36	252	59	95	19	7	468
1997	35	269	48	98	14	14	478

MEMBERSHIP STATISTICS

MEMBERSHIP BY OCCUPATION

	CPP	CA	PM	AA	LA	S	TOTAL
Public Practice	35	58	21	12	13	0	139
Industry & Commerce	0	99	15	42	0	0	156
Public Sector	0	37	5	26	0	0	68
Education/Training	0	6	5	10	0	14	35
Others	0	11	1	8	0	0	20
Overseas	0	58	1	0	1	0	60
TOTALS	35	269	48	98	14	14	478



MEMBERSHIP STATISTICS

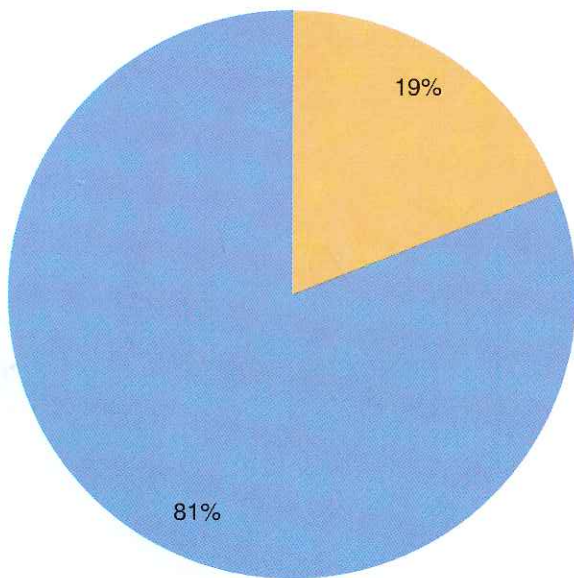
MEMBERSHIP BY GENDER (1995 - 1997)

	1995	1996	1997
Male	357	386	387
Female	67	82	91
Total	424	468	478

MEMBERSHIP BY AGE (1995 - 1997)

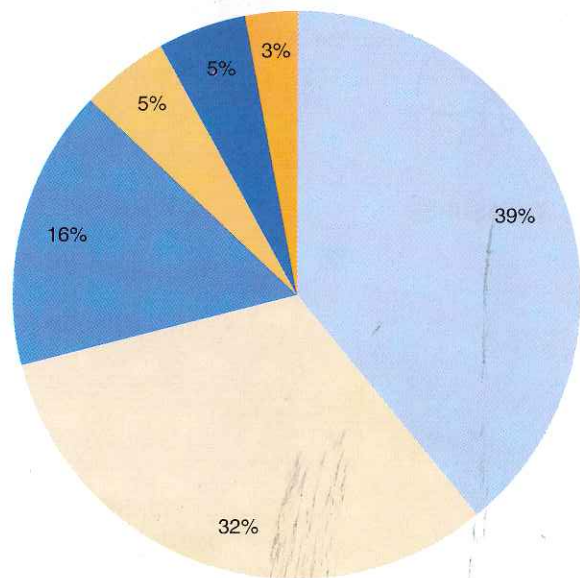
	1995	1996	1997
Under 30 years	139	169	188
31 - 40 years	140	160	155
41 - 50 years	86	87	75
51 - 60 years	29	25	22
Over 60 years	21	18	23
Unrecorded	9	9	15
TOTAL	424	468	478

BY GENDER 1997



Female
Male

AGE GROUP 1997



Under 30
31-40
41-50
51-60
Over 60
Unrecorded

FIJI INSTITUTE OF ACCOUNTANTS
STATEMENT BY THE COUNCIL OF
FIJI INSTITUTE OF ACCOUNTANTS

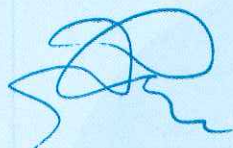
On behalf of the Council of the Fiji Institute of Accountants, we state that in our opinion the accompanying accounts of the Institute set out on pages 12 to 19 are drawn up so as to give a true and fair view of the state of affairs of the Institute at 31 December 1997 and of its results and cash flows for the year then ended.

Signed in accordance with a resolution of the Council.

Dated at Suva this 7th day of May 1998.



PRESIDENT



TREASURER

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FIJI INSTITUTE OF ACCOUNTANTS

Scope

I have audited the financial statements of the **Fiji Institute of Accountants** for the financial year ended 31 December 1997, consisting of the balance sheet, statement of income and expenditure, statement of cash flows and accompanying notes, set out on pages 12 to 19. The Council members are responsible for the preparation and presentation of the financial statements and the information they contain. I have conducted an independent audit of these financial statements in order to express an opinion on them to the members of the Institute.

My audit has been conducted in accordance with Fiji Auditing Standards to provide reasonable assurance as to whether the financial statements are free of material misstatement. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Fiji Accounting Standards and statutory requirements so as to present a view which is consistent with my understanding of the Institute's financial position, the results of its operations and its cashflows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In my opinion the accompanying financial statements, which have been prepared under the historical cost convention stated in Note 1 thereto, have been drawn up so as to present fairly the state of affairs of the Institute at 31 December 1997 and of its results and cashflows for the year ended on that date.

SUVA, FIJI
7 May 1998

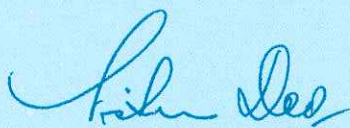


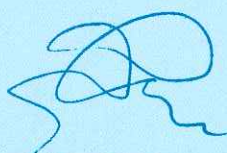
**PRAN RATHOD CA
HONORARY AUDITOR**

FIJI INSTITUTE OF ACCOUNTANTS
BALANCE SHEET
AT 31 DECEMBER 1997

	NOTE	1997 \$	1996 \$
MEMBERS' FUNDS			
Retained surplus	2	121,511	109,767
TOTAL MEMBERS' FUNDS		121,511	109,767
Represented by:			
CURRENT ASSETS			
Cash on hand and at bank		23,473	15,256
Interest bearing deposits		35,655	79,841
Inventories - hand books		9,395	13,528
Sundry debtors and prepayments	3	5,977	13,153
Interest receivable		2,780	3,389
TOTAL CURRENT ASSETS		77,280	125,167
CURRENT LIABILITIES			
Creditors and accruals		3,710	14,445
Subscriptions and fees received in advance		1,048	5,426
TOTAL CURRENT LIABILITIES		4,758	19,871
SURPLUS OF CURRENT ASSETS OVER CURRENT LIABILITIES		72,522	105,296
NON CURRENT ASSETS			
Interest bearing deposits		48,028	-
Fixed assets	4	22,898	25,208
TOTAL NON CURRENT ASSETS		70,926	25,208
NON CURRENT LIABILITY			
Foundation Chair in Accounting	5	21,937	20,737
NET ASSETS		121,511	109,767

The balance sheet is to be read in conjunction with the notes to and forming part of the accounts set out on pages 14 to 19.


PRESIDENT


TREASURER

FIJI INSTITUTE OF ACCOUNTANTS
**STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 1997**

	NOTE	1997 \$	1996 \$
INCOME			
Admission fees		3,900	4,600
Members' subscriptions	6	51,777	48,310
Interest		4,865	3,221
Special committees	7	36,332	18,369
Technical publications	8	2,460	2,519
Service and administrative fee -			
-Australian Society of CPA's	9	2,500	-
-Annual congress		7,000	-
Other		-	639
TOTAL INCOME		108,834	77,658
EXPENDITURE			
Advertising		1,062	1,199
Bank charges		84	52
Council and committee meeting expenses		2,242	716
Depreciation		4,239	2,944
Electricity		2,410	2,617
Entertainment		1,061	897
General expenses		2,542	1,392
Gifts and awards		504	300
Handbook to members		2,630	3,749
Insurance		390	369
International activities	10	4,080	3,910
Legal		3,220	7,282
Postage and telephone		6,413	4,614
Printing and stationery		8,939	8,803
Rental		12,000	8,168
Repairs and maintenance		993	1,250
Salaries and wages		31,603	28,186
Sports and Social Committee		-	510
Subscription - Fiji Professional Centre		1,677	1,960
Travelling and Conferences		11,001	12,445
TOTAL EXPENDITURE		97,090	91,363
NET SURPLUS/ (DEFICIT) BEFORE ABNORMAL ITEM		11,744	(13,705)
Abnormal item - Prior years' excess accruals		-	6,000
NET SURPLUS/ (DEFICIT) TRANSFERRED TO MEMBERS' FUNDS		11,744	(7,705)

The statement of income and expenditure is to be read in conjunction with the notes to and forming part of the accounts set out on pages 14 to 19.

FIJI INSTITUTE OF ACCOUNTANTS

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1997

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The accounts have been prepared on the basis of historical costs and do not take into account changing money values or current valuations of non-current assets.

Set out below is a summary of the significant accounting policies adopted by the Institute in the preparation of the accounts. The accounting policies have been consistently applied.

(a) Depreciation

Fixed assets are depreciated on a straight line basis so as to write-off the cost of the assets over their expected useful lives. The rates in use are:

Computer equipment	25% per annum
Other assets	10% per annum

(b) Subscription

Subscriptions in arrears are not brought to account.

(c) Income Tax

Under section 17, clause 24 of the Income Tax Act, the Institute's net income is exempt from taxation.

(d) Inventories

Inventories are valued at the lower of cost and net realisable value on a first-in first-out basis.

(e) Donated Goods and Services

Goods and services donated to the Institute are not recognised in these financial statements.

2. MEMBERS' FUNDS

Retained Surplus

Balance at beginning of the year

Surplus/ (Deficit) for the year

	1997	1996
	\$	\$
Balance at beginning of the year	109,767	117,472
Surplus/ (Deficit) for the year	11,744	(7,705)
	<hr/>	<hr/>
	121,511	109,767

FIJI INSTITUTE OF ACCOUNTANTS

**NOTES TO AND FORMING PART OF THE ACCOUNTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 1997**

3. SUNDRY DEBTORS AND PREPAYMENTS	1997	1996
	\$	\$
Deposit - Congress 1998	2,000	9,000
Other debtors and prepayments	3,977	4,153
	<u>5,977</u>	<u>13,153</u>
4. FIXED ASSETS		
Office equipment and furniture and fittings - at cost	35,066	33,137
<u>Less accumulated depreciation</u>	<u>12,168</u>	<u>7,929</u>
	<u>22,898</u>	<u>25,208</u>
5. FOUNDATION CHAIR IN ACCOUNTING		
Balance at beginning of the year	20,737	19,471
<u>Add bank interest</u>	<u>1,200</u>	<u>1,266</u>
	<u>21,937</u>	<u>20,737</u>
It is not expected that the above amount will become payable in the current year.		
6. MEMBERS' SUBSCRIPTIONS		
Members in public practice	9,250	9,962
Members not in public practice	28,150	24,627
Provisional members	2,933	3,325
Licensed accountants	1,450	1,250
Affiliate members	5,775	5,406
Overseas members	4,079	3,650
Student members	140	90
	<u>51,777</u>	<u>48,310</u>

FIJI INSTITUTE OF ACCOUNTANTS

**NOTES TO AND FORMING PART OF THE ACCOUNTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 1997**

	1997	1996
	\$	\$
7. SPECIAL COMMITTEES		
(a) Annual Congress		
Income		
Registration fees	213,268	159,382
Sponsorships	31,091	11,091
Interest	1,096	-
	<u>245,455</u>	<u>170,473</u>
Expenses		
Accommodation, food and beverage	183,992	138,220
Advertising	1,765	1,127
Bank charges	91	69
Band and fashion show	1,909	1,745
Donation & gifts	876	200
Satchels	3,332	-
General expense	689	656
Postage, freight and cartage	324	218
Stationery, telephone and facsimile	8,190	6,510
Overseas speakers	490	4,412
Administration fee	7,000	-
	<u>208,658</u>	<u>153,157</u>
Surplus	<u>36,797</u>	<u>17,316</u>
(b) Continuing Education Courses		
Income		
Registration fees and levies	6,624	4,823
Expenses		
Venue costs and refreshments	5,377	3,155
Surplus	<u>1,247</u>	<u>1,668</u>
(c) Careers Expo		
Income	-	-
Expenses		
Booth rental and travel	497	663
(Deficit)	<u>(497)</u>	<u>(663)</u>

FIJI INSTITUTE OF ACCOUNTANTS

**NOTES TO AND FORMING PART OF THE ACCOUNTS [CONT'D]
FOR THE YEAR ENDED 31 DECEMBER 1997**

	1997 \$	1996 \$
7. SPECIAL COMMITTEES [CONT'D]		
(d) Journal Committee		
Income	-	-
Expenses	1,309	-
(Deficit)	(1,309)	-
(e) Disciplinary Committee		
Fines and legal costs recovery	94	48
NET SURPLUS - SPECIAL COMMITTEES	36,332	18,369
8. TECHNICAL PUBLICATIONS		
Profit from sale of handbooks	2,460	2,519
9. AUSTRALIAN SOCIETY OF CPAs		
The Institute entered into an agreement, effective 1 July 1997, with the ASCPA's under which an annual fee of \$5,000 is paid to the Institute.		
10. INTERNATIONAL ACTIVITIES		
Subscription to:		
International Federation of Accountants	3,240	3,120
Confederation of Asian and Pacific Accountants	840	790
	4,080	3,910
11. CAPITAL EXPENDITURE COMMITMENTS		
There were no capital expenditure commitments at 31 December 1997. (1996 - \$Nil).		
12. CONTINGENT LIABILITIES		
There were no contingent liabilities at 31 December 1997. (1996 - \$Nil).		
13. INTEREST IN FIJI PROFESSIONAL CENTRE		
The Institute has a 1/7 interest in the property known as the Fiji Professional Centre. Harrison Grierson valued this property at \$200,000 in 1993.		
14. COMPARATIVE FIGURES		
Comparative figures have been regrouped where considered necessary.		

FIJI INSTITUTE OF ACCOUNTANTS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 1997

	1997 \$ Inflows/ (Outflows)	1996 \$ Inflows/ (Outflows)
Cash flows from operating activities		
Receipts from members and other	53,799	57,540
Receipts from special committees and technical publications	255,012	181,024
Payment to suppliers and employees	(301,497)	(246,005)
Interest received	6,674	4,278
Net cash provided by/ (used in) operating activities (Note 2)	13,988	(3,163)
Cash flows from investing activities		
Proceeds from sale of fixed assets	-	1,500
Payment for fixed assets	(1,929)	(20,476)
Net cash (used in) investing activities	(1,929)	(18,976)
Net increase/ (decrease) in cash held	12,059	(22,139)
Cash at the beginning of the year	95,097	117,236
Cash at the end of the year (Note 1)	107,156	95,097

The accompanying notes form an integral part of this statement of cash flows.

FIJI INSTITUTE OF ACCOUNTANTS

**NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 1997**

1. Reconciliation of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash at the end of the reporting period as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

	1997	1996
	\$	\$
Cash	23,473	15,256
Interest bearing deposits	83,683	79,841
	<u>107,156</u>	<u>95,097</u>

2. Reconciliation of Net Cash provided by/(used in) Operating Activities to Net Surplus/ (Deficit)

	1997	1996
	\$	\$
Net Surplus/ (Deficit) for the year	11,744	(7,705)
Depreciation	4,239	2,944
Profit on sale of fixed assets	-	(300)
Change in assets and liabilities:		
Decrease in inventories	4,133	5,430
Decrease/ (Increase) in sundry debtors and prepayments	7,176	(11,266)
Decrease/ (Increase) in interest receivable	609	(209)
(Decrease)/ Increase in creditors and accruals	(10,735)	2,385
(Decrease)/ Increase in subscriptions and fees in advance	(4,378)	4,292
Increase in non-current liability	1,200	1,266
Net cash provided by/ (used in) operating activities	<u>13,988</u>	<u>(3,163)</u>