



**FIJI INSTITUTE OF ACCOUNTANTS
ANNUAL REPORT
1999**

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THE COUNCIL

L-R: Deepak Rathod, Nalin Patel, Jenny Seeto, Vishnu Deo,
Anjnish Jokhan, Ross McDonald.

PRESIDENT'S MESSAGE



1999 has been a very interesting year. The year saw our first general elections under the amended Constitution. The country saw a total change in the Government and we also had the first Fiji born Indo-Fijian Prime Minister. We do live in interesting times.

Your Institute has also seen changes with Council seeing a general increase in the matters that they have had to deal with during the year. Most of these are summarized in the various categories in this Report.

Council is also very conscious of the need for an overall review of the Institute's mission and objectives. This is important in order to provide the Institute and the Council a clear direction and a list of priorities that need to be addressed. The decision to embark on this was taken late in the year and a plan was to be put into place to formulate a series of activities leading to a short to medium term Business Plan for the Institute. This is covered in some detail in a separate section in this Annual Report.

The Institute is a reflection of the membership and only exists (apart from statute) if members get value from membership. The "value" of an Institute is best gauged from the standing it has within the community and the professional standing it provides from membership. In this respect it becomes paramount for the Institute to ensure that a high level of professionalism and expertise is maintained at all times. In this fast changing environment professional accountants need to keep up to date with a wide range of changing trends in how technology is changing the manner in which knowledge and expertise is made available.

Universities are now moving to four-year degrees and indications are that the university of the South Pacific will soon be offering a four-year Bachelor of Commerce Degree. This should bring us in line with changes in Australia and New Zealand.

Our post qualification experience and competency requirements will also need to be reviewed. Members are aware that we recently changed our practical experience requirement from two to three years to bring it in line again with regional requirements.

The area of competency requirements is currently being addressed and the Institute is looking at various post qualification "professional year" programmes to select the most suitable, both in terms of relevance and cost. A

Committee is currently studying these and will make recommendations to Council.

Continuing Professional Development is also being addressed by the Institute with the recent issue of a guideline on this. Our Professional Development Committee has been charged with the task of providing seminars and courses that will allow members to meet their requirements and also boost their competency levels. Obviously the Institute is limited in the range of courses and seminars that can be offered and members should look to supplementing these with those offered by other institutions.

Our obligations to Fiji in terms of involvement in advising Government and its various bodies continues. This year had seen greater activity with the large number of bills that have come to Parliament. My thanks to the various committees that have put in many hours of hard work for the submissions.

The general lack of investment coming into Fiji has been a matter of concern to the Institute. The theme for our Annual Congress 2000 "Wealth and Investor Confidence" sends out the message that Fiji's economic growth lies in ensuring that investors have confidence in Fiji. We also need to identify opportunities within Fiji for investment and ensure we market ourselves and deliver on the marketing promises.

In conclusion I would like to thank our Executive Director and his staff, Council Members and members of the various Committees of the Council for their invaluable support and encouragement and look forward to their continued support for the remaining few months of my term as President. I have definitely enjoyed the term so far and look forward to catching up with you all at the Annual Congress and the Annual General Meeting at the Sheraton in May 2000.

Deepak Rathod
President

THE COUNCIL FOR 1999/2000

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

ANNUAL GENERAL MEETING

The Twenty-Eighth Annual General Meeting of the Institute was held in conjunction with a Technical Conference at the Warwick Fiji Resort on 12th June 1999 at 4.45 pm. The meeting was attended by sixty-eight members, sixty-six full Chartered Accountant members and two Provisional Members.

An election was held for vacancies occurring in the Council and all the existing Council members were re-elected.

Arun Narsey was re-elected as Auditor for a further year.

In most past years it had been the practice for the Annual General Meeting to be held in conjunction with the Annual Congress. Since the Annual General Meeting had to be held before the end of June and the Congress was not scheduled to be held until September, the Annual General Meeting was combined with a Technical Conference.

THE COUNCIL

Anjnish Jokhan, Inia Naiyaga and Vishnu Deo all retired at the completion of their 3-year periods in office in 1999. All three were automatically re-nominated under Rule 9.

An election was held for vacancies occurring in the (a) and (c) categories - Inia Naiyaga in category (b) being returned unopposed. Both the existing Council members, Anjnish Jokhan and Vishnu Deo, were also re-elected for a further 3-year term.

The Council expresses sincere appreciation to Inia Naiyaga who completed his one year term as President in 1999.

Following the Annual General Meeting in June Deepak Rathod and Dhiraj Hemraj were elected by the Council as President and Vice President respectively for the year.

Anjnish Jokhan was re-elected by the Council to act as the Treasurer for the Institute for the ensuing year.

The Council held 13 meetings during the year of which 11 were regular monthly meetings and two were special - one being held to consider the Annual Accounts for 1998 and a second one to consider an application for a certificate of public practice and the arrangements for the Annual General Meeting. All meetings except one were held in Suva.

CONGRESS 1999

The Annual Congress for the year 1999 was held once again at the Sheraton Fiji Resorts over the two-day period from 3rd to 4th September 1999. The theme chosen for this year was "Financing Fiji's Future".

Five Speakers were invited. A Keynote Address was given by the Prime Minister, Hon Mahendra Chaudhry, and four other speakers gave addresses on different perspectives of the theme:

"A Global Perspective" by Mr Simon Swanson

"A Developmental Perspective" by Mr Basudev Dahal

"A Social Perspective" by Dr Vijay Naidu

"A Corporate Perspective" by Mr Sitiveni Weleilakeba.

A Communique was issued at the conclusion of the Congress, whose conclusion was the problems we currently face are too important to be ignored, and too big to be tackled by only one party alone. Our survival as a nation rests squarely on all our shoulders, and our inaction now will risk our children's future. We can do it. It will only take hard work, teamwork, understanding, compassion and perseverance. Above all a positive attitude!

A total of 515 persons attended, comprising 303 delegates, 133 partners and 79 children.

Representatives from the sister accounting organisations in Australia and New Zealand also attended.

FAREWELL TO KIKOO KAPADIA

Once again the Institute has been saddened to lose one of its few remaining founder Chartered Accountant members in Kikoo Kapadia, who died on 15th March 1999.

The Institute owes a special debt of gratitude to Kikoo who gave more than 27 years of service to the Institute and was its second President in 1974 to 1975. He also served on many Committees and was representative of the Institute on the Tax Agents Registration Board for many years.

THE ACT, RULES AND BY-LAWS

No amendments were made to the Act or Rules during the year.

Work is still continuing on the comprehensive review of

the current Fiji Ethical Rulings (FER) with a view to producing a new Fiji Code of Ethics, based largely on the provisions of the International Federation of Accountants' (IFAC) Code of Ethics.

In line with most other professional accounting bodies the Fiji Institute has introduced a requirement for its members to complete, from the 1st January 2000, a minimum number of hours of continuing professional education (CPE) previously described as Professional Development. The requirement has been set at 20 hours annually or 60 hours over a three-year period, of which not less than half should be "structured".

These requirements have been incorporated in a new set of Continuing Professional Education By-Laws issued by the Council and distributed to all members in December 1999.

The Council, at its October meeting, decided that it was important for the FIA to develop a Corporate Plan for the Institute.

AWARDS AND MEDALS

In the interests of promoting the highest standards of excellence and achievement among students, the Institute continues to offer sponsorship through the award of gold medals to students at the two main tertiary institutions providing courses in accounting.

In 1999, the award for a gold medal in accounting for the outstanding graduating student in Accounting and Financial Management at the University of the South Pacific was made to Ms Cheng Pang.

In 1999, no gold medal for the best student in the Diploma in Business Studies (Accounting Option) was awarded at the Fiji Institute of Technology.

Because of poor response received in the two preceding years and the fact that other organisations were also sponsoring similar awards, the Council decided not to stage a Young Accountant of the Year award for 1999.

BUDGET COMMITTEE

The Council's Budget Committee produced a set of comments, suggestions and recommendations for the Minister of Finance in connection with the Budget for the year 2000 on the 8th October 1999.

DISCIPLINARY PROCEEDINGS

The Investigation Committee met on four occasions during the first half of the year - twice in January and once each in February and March.

It considered six complaints lodged against members - of which four cases were referred to the Disciplinary

Committee.

The Disciplinary Committee held two meetings in the first half of the year and considered eight complaints referred to it by the Investigation Committee in 1998 and 1999, of which five (four of which affect one member) remained to be resolved at the end of the year.

EDUCATION AND MEMBERSHIP

During the course of 1999, the Education, Membership and Awards Committee considered and recommended the admission of the following:

16	Chartered Accountants
25	Provisional Members
20	Affiliate Accountants

all of whom were approved by the Council.

In addition, the Council granted certificates of public practice to Mr Kiran Kikooobhai Kapadia and Mr Rana Pratap Singh.

No further progress was made during 1999 on development of a Graduate Professional Programme.

JOURNAL

Three issues of "The Fiji Accountant" were produced and distributed to members during 1999:

The December 1998 issue distributed in January;

The April issue distributed in May; and

The August issue distributed in September.

A fourth issue planned for distribution in December will now be produced in February 2000.

LAW REVIEW

The Institute has been asked to provide comments upon a number of draft new legislative provisions during 1999.

Having provided fairly detailed comments on the Fourth Draft of the Income Tax Bill in November 1997, to the Commissioner of Inland Revenue, and a further even more detailed commentary, which was provided to the Minister of Finance just prior to the Budget Session of 1998, the Institute produced a submission on the redrafted Income Tax legislation for the new Minister of Finance and for the Parliamentary Sector Committee which is to study the two Bills, and made an oral submission to that Committee on the 25th and 26th October 1999.

The Institute has very serious reservations about several of the provisions contained in the draft Income Tax Bill and Taxation Administration Bill.

The Institute has also made a submission on a set of draft amendments to the Audit Act being proposed by the Auditor

General's Office.

And the Institute has also made a submission on Regulations being proposed by the Vat Unit to implement the removal of VAT on basic food items, introduced by Government in the latter part of the year.

PROFESSIONAL DEVELOPMENT

A Technical Conference was held at the Warwick Fiji Resort on 12th and 13th June 1999 during which seven topics were covered by various speakers:

"Business Planning and Setting Strategic Directions"

by Mr Simon Swanson

"Financial Instruments and Capital Markets"

by Ms Julie Apted

"Fraud Detection and Prevention"

by Mr Michael Jacobs

"Internal Control Evaluation and Audit Risk Management"

by Mr Wayne Fraser

"Financial Planning and Key Performance Measures"

By Dr Ruvendra Nandan

"Tax Planning and Recent Tax Developments"

by Mr Jerome Kado

"Capital Budgeting"

by Mr Benjamin Coutman

A total of 159 people attended of whom 129 were resident at the hotel and 30 were day delegates.

A seminar on "Pricing Strategies" was given by Professor Mohan Lal in Lautoka on 9th August and Suva on 11th August 1999. It was attended by 43 people in Lautoka and by 87 in Suva.

STANDARDS

The Accounting and Auditing Standards Committee is made up of representatives from a cross-section of members from accounting firms, the private and public sectors as well as academia.

The Council agreed in principle, at its meeting in January 1999, that the International Accounting Standards prescribed by the International Accounting Standards Committee (IASC) and the International Standards on Auditing prescribed by the International Federation of Accountants (IFAC) should be adopted as the basis for a completely new revised set of Fiji accounting and auditing standards.

A thorough review of the International Accounting Standards and the current comparative Fiji Accounting Standards was started in November 1999 and it is hoped to

produce a set of Fiji Accounting Standards in the first half of 2000.

Priority is being given to the Accounting Standards, but a review of the Standards on Auditing will follow in 2001.

REVIEW OF THE INSTITUTE'S MISSION AND BUSINESS PLAN

The Council has for some time been looking at options for the review of the Institute's Objectives and Activities. It has been felt that this formal process will have to be undertaken outside of the normal activity of Council meetings and addressed separately.

The general outline of the process will be as follows:

- A review of the Institute's operations, including an analysis of its strength, weaknesses, opportunities and threats and a survey of members' views on the Institute;
- A workshop to be organised for the Council, to establish a vision and mission for the Institute, and to develop strategies and set targets;
- Assistance for Committees in establishing their own plans;
- Preparation of a draft Business Plan, for review by the Council;
- The organisation of "road shows" for members; and
- The finalisation of the new Business Plan.

The process is likely to take up to six months and the Council may consider contracting an experienced resource person to assist in this important project.

MEMBERSHIP OF COMMITTEES 1999/2000

Investigation Committee

Anjnish Jokhan (Chairperson)

Ross McDonald, Inia Naiyaga,
John Gaukrodger and Pradeep Patel

Disciplinary Committee

Deepak Rathod (Chairman)

Vishnu Deo, Nalin Patel, Don
Aidney and Francis Chung

Education, Membership & Awards Committee

Jenny Seeto (Chairperson)

Michael Yee-Joy, Foana Tukana
And Ruvendra Nandan

Act and Rules Committee

Vishnu Deo (Chairman)

Nalin Patel, Don Aidney, Lionel Yee and Pradeep Lal

Accounting and Auditing Standards Committee

Nalin Patel (Chairman)

Deo Saran, Bruce Sutton, Chirk Yam, Iowane Naiveli
Manoa Kamikamica, Michael
Jacobs and Michael White

Journal Committee

Ross McDonald (Chairman)

Nur Bano Ali, Simon Seru,
Ruvendra Nandan, Jerome Kado,
Meliki Tuinamuana and Lisa Apted

Affiliate and Licensed Accountants Administration Committee

Inia Naiyaga (Chairman)

Sereana Qoro

Professional Centre Committee

Institute Representatives

Nalin Patel

Executive Director

Staff and Administration Committee

Deepak Rathod (Chairman)

Anjnish Jokhan

Law Review Committee

Don Aidney (Chairman)

Inia Naiyaga, Jenny Seeto,
Francis Chung and Arun Mishra

Professional Development Committee

Deo Saran (Chairman)

Fay Yee, Sikeli Tuinamuana,
Michael White and James Nair
(to November), Lisa Apted and
Kee Fong (from November)

(James Nair resigned from the
Committee in November)

Congress Organising Committee 1999

Dhiraj Hemraj (Chairman)

Ross McDonald, Gardiner Whiteside,
Arun Narsey and Alfred Chan

Congress Organising Committee 2000

Deo Saran (Chairman)

Vishnu Deo, Nitin Gandhi,
Robert Cohen, Manoa Kamikamica,
and Divendra Naicker

Graduate Professional Programme Committee

Dhiraj Hemraj (Chairman)

Deo Saran, Nur Bano Ali,
Sikeli Tuinamuana, Foana Nemani
and Michael White

Western Division Committee

Robert Cohen (Chairman)

Nitin Gandhi, Vishnu Deo,
Deo Saran, Manoa Kamikamica and
Divendra Naicker (Treasurer)

Budget Committee

Nalin Patel, Jenny Seeto,
Ross McDonald and Anjnish
Jokhan

Sports and Social Committee

Roderick Kamleshwaran (Chairman) (to December) Sharma Balram (from December)

Sharma Balram, Dinesh Chand, Nilesh Kamal, Jiten Khatri,
Pradeep Lal, Jaynesh Narsey, Prakash Patel, Herban Singh,
Pravin Singh and Wayne Whiteside

MEMBERSHIP STATISTICS

The total number of members, of all categories, on the Institute's Register on 31st December 1999 was 530 - a reduction on the figure recorded for 1998, but the 1998 and previous year totals had included members who were not up to date with their subscriptions and therefore the comparison is misleading.

During 1999, the names of 65 members were removed from the Register in respect of 1998 and a further 97 names in respect of 1999. Predominantly, these were members who had migrated and discontinued their subscriptions.

During the year a total of 105 new members were admitted of which 16 were admitted as Chartered Accountants, 25 as Provisional Members, 20 as Affiliate Accountants and an additional 44 Students were enrolled. Some of these "new" members were transfers from other membership categories.

Two new certificates of Public Practice were issued during 1999, one certificate holder migrated and one certificate holder passed away.

While the number of new members admitted is encouraging, the Institute continues to lose members, principally through migration.

Comparative figures for 1999 and 1998 for the various categories were as follows:

	1998*	1999
Chartered Accountants in Public Practice	35	35
Chartered Accountants not in Public Practice	310	263
Provisional Members	68	78
Affiliate Accountants	121	93
Licensed Accountants	11	10
Students	40	51
	585	530

* 1998 figures include members who were not up to date with their subscriptions, but whose names had not been removed from the Register at the end of the year.

Sixty-seven members were resident overseas of whom 65 were Chartered Accountants, one was an Affiliate Accountant and one a Licensed Accountant.

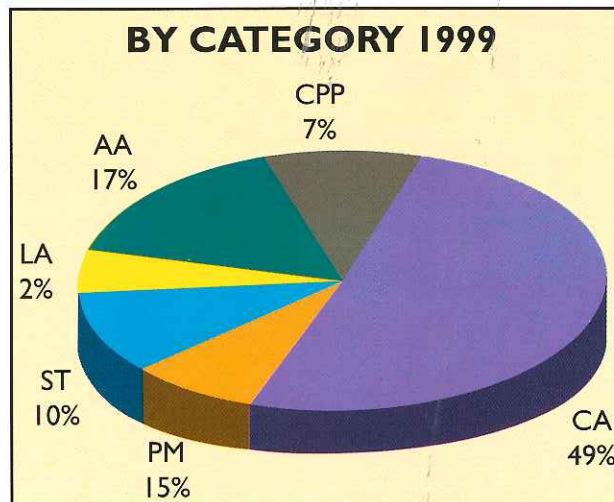
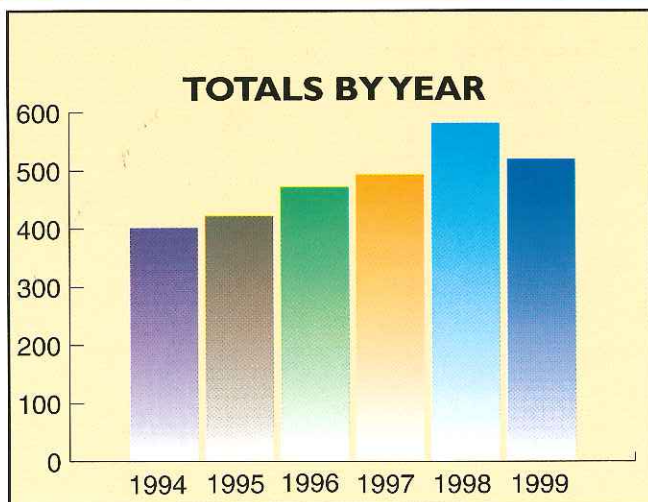
Only 10 of the original 72 Licensed Accountants remain on the Register; one resigned during 1999.

FIJI INSTITUTE OF ACCOUNTS MEMBERSHIP TOTALS: 1994-1999

YEAR	CPP	CA	PM	AA	LA	ST	TOTAL
1994	39	219	39	82	19	-	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
1998	35	310	68	121	11	40	585
1999	35	263	78	93	10	51	530

KEY

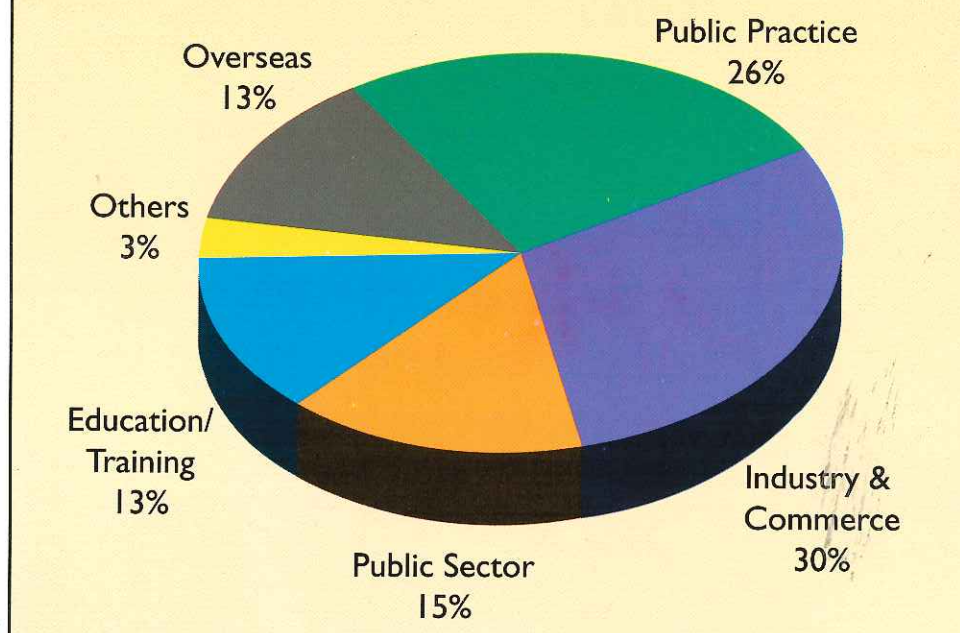
CPP	Chartered Accountants in Public Practice
CA	Chartered Accountants not in Public Practice
PM	Provisional Member
AA	Affiliate Accountant
LA	Licensed Accountant
S	Student



MEMBERSHIP BY OCCUPATION 1999

	CPP	CA	PM	AA	LA	S	TOTAL
Public Practice	35	46	35	12	9	0	137
Industry & Commerce	0	88	25	45	0	0	158
Public Sector	0	48	11	22	0	0	81
Education/Training	0	6	4	9	0	51	70
Others	0	10	3	4	0	0	17
Overseas	0	65	-	1	1	0	67
TOTALS	35	263	78	93	10	51	530

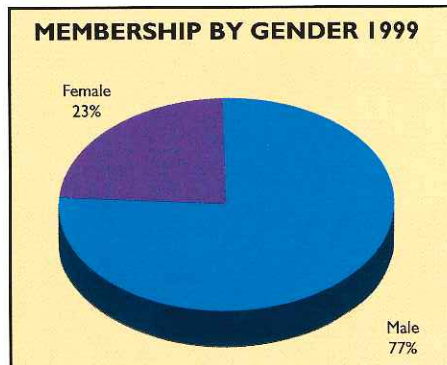
MEMBERSHIP BY OCCUPATION 1999



MEMBERSHIP BY GENDER (1997 - 1999)

	1997	1998	1999
Male	387	464	406
Female	91	121	124
	478	585	530

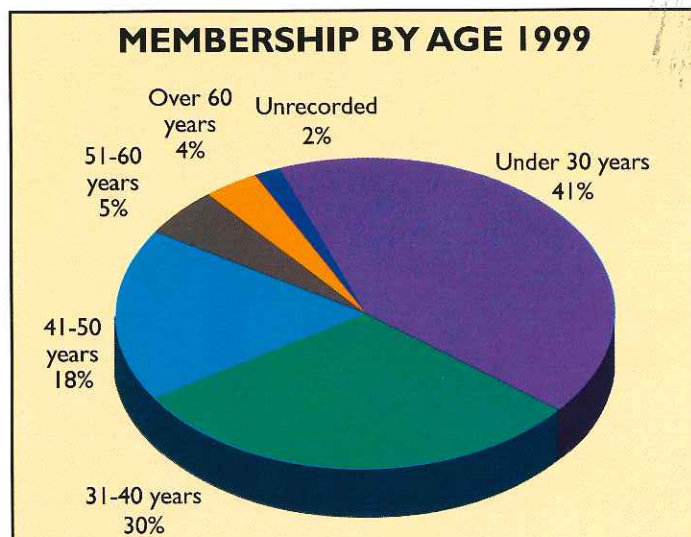
MEMBERSHIP BY GENDER 1999



MEMBERSHIP BY AGE (1997 - 1999)

	1997	1998	1999
Under 30 years	188	233	220
31 - 40 years	155	188	160
41 - 50 years	75	104	95
51 - 60 years	22	24	27
Over 60 years	23	25	19
Unrecorded	15	11	9
TOTAL	478	585	530

MEMBERSHIP BY AGE 1999




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 11 to 20 are drawn up so as to give a true and fair view of the state of affairs of the Institute at 31 December 1999 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 8th day of May 2000.



.....
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 1999, consisting of the balance sheet, statement of income and expenditure, statement of cash flows and accompanying notes, set out on pages 11 to 20. 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.

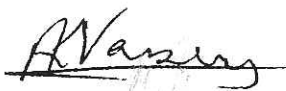
My audit has been conducted in accordance with Fiji Auditing Standards to provide reasonable assurance as to whether the financial statements are free of material misstatement. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial 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 1999 and of its results and cashflows for the year ended on that date.

SUVA, FIJI
8th May, 2000

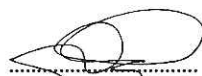

ARUN NARSEY BA, CA, ACA(Aust)
HONORARY AUDITOR

FIJI INSTITUTE OF ACCOUNTANTS

BALANCE SHEET AT 31 DECEMBER 1999

	NOTES	1999 \$	1998 \$
MEMBERS' FUNDS			
Retained surplus	2	195,311	146,193
TOTAL MEMBERS' FUNDS		195,311	146,193
Represented by:			
CURRENT ASSETS			
Cash on hand and at bank		72,883	52,150
Interest bearing deposits		102,054	64,468
Inventories - hand books		2,881	5,448
Sundry debtors and prepayments	3	26,133	11,239
Interest receivable		1,553	2,709
TOTAL CURRENT ASSETS		205,504	136,014
CURRENT LIABILITIES			
Creditors and accruals		9,437	3,639
Subscriptions and fees received in advance		6,856	5,733
TOTAL CURRENT LIABILITIES		16,293	9,372
SURPLUS OF CURRENT ASSETS OVER CURRENT LIABILITIES		189,211	126,642
NON CURRENT ASSETS			
Interest bearing deposits		30,123	20,000
Fixed assets	4	19,627	22,192
TOTAL NON CURRENT ASSETS		49,750	42,192
NON CURRENT LIABILITIES			
Chair in Accounting	5	23,045	22,641
Adam Dickson Memorial Fund		20,605	-
		43,650	22,641
NET ASSETS		195,311	146,193

The balance sheet is to be read in conjunction with the notes to and forming part of the accounts set out on pages 11 to 20.


PRESIDENT


TREASURER

FIJI INSTITUTE OF ACCOUNTANTS

STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31 DECEMBER 1999

	NOTES	1999 \$	1998 \$
INCOME			
Admission fees		3,100	4,300
Members' subscriptions	7	48,265	50,833
Interest		3,378	2,712
Special committees	8	60,012	43,732
Technical publications	9	2,130	1,891
Service and administrative fee -			
- Australian Society of CPA's	10	5,000	5,000
- Annual congress		10,000	7,000
Other		969	-
TOTAL INCOME		132,854	115,468
EXPENDITURE			
Advertising		703	2,242
Bank charges		139	53
Council and committee meeting expenses		3,475	2,499
Depreciation		3,155	3,193
Electricity		2,125	2,679
Entertainment		-	455
General expenses		1,095	1,961
Gifts and awards		-	776
Handbook to members		1,065	2,442
Insurance		1,424	1,436
International activities		6,378	4,855
Legal		2,027	5,600
Postage and telephone		3,405	3,871
Printing and stationery		7,134	6,329
Rental		12,000	12,000
Repairs and maintenance		779	772
Salaries and wages and associated costs		33,218	36,259
Sports and Social Committee		292	-
Subscription - Fiji Professional Centre		4,033	2,165
Travelling and conferences		1,289	1,199
TOTAL EXPENDITURE		83,736	90,786
NET SURPLUS TRANSFERRED TO MEMBERS' FUNDS		49,118	24,682

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 11 to 20.

FIJI INSTITUTE OF ACCOUNTANTS

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

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 (24) of the Income Tax Act, the Institute's 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 of a revenue nature donated to the Institute are not recognised in these financial statements.

2. MEMBERS' FUNDS

	1999 \$	1998 \$
Retained Surplus		
Balance at beginning of the year	146,193	121,511
Surplus/ (Deficit) for the year	49,118	24,682
	<u>195,311</u>	<u>146,193</u>

3. SUNDRY DEBTORS AND PREPAYMENTS

Deposit - Congress 2000	5,000	-
Other debtors and prepayments	21,133	11,239
	<u>26,133</u>	<u>11,239</u>

4. FIXED ASSETS

Office equipment and furniture and fittings - at cost	32,443	31,853
Less accumulated depreciation	12,816	9,661
	<u>19,627</u>	<u>22,192</u>

FIJI INSTITUTE OF ACCOUNTANTS

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999 [CONT'D]

5. CHAIR IN ACCOUNTING

Balance at beginning of the year
Add bank interest

1999 \$	1998 \$
22,641	21,937
404	704
<u>23,045</u>	<u>22,641</u>

The Fund was set up from the money collected by the Institute to support the Chair in Accounting at USP. It is not expected that the above amount will become payable in the current year.

6. ADAM DICKSON MEMORIAL FUND

This fund, in memory of the late Adam Dickson is to be used to assist students at USP in the discipline of Accounting and Financial Management.

7. MEMBERS' SUBSCRIPTIONS

Members in public practice
Members not in public practice
Provisional members
Licensed accountants
Affiliate members
Overseas members
Student members

8,750	9,004
26,750	27,467
3,700	3,175
900	1,200
4,775	5,065
2,770	4,572
620	350
<u>48,265</u>	<u>50,833</u>

8. SPECIAL COMMITTEES

(a) Annual Congress

Income

Registration fees
Sponsorships
Interest

173,054	186,393
50,455	42,182
230	134
<u>223,739</u>	<u>228,709</u>

Expenses

Accommodation, food and beverage
Advertising
Bank charges
Band and fashion show
Donation & gifts
Satchels
General expense
Postage, freight and cartage
Stationery, telephone and facsimile
Overseas speakers
Administration fee

153,623	174,686
298	997
50	104
1,081	2,503
200	200
618	1,182
537	669
-	184
2,391	7,217
-	8,180
10,000	7,000
<u>168,798</u>	<u>202,922</u>
<u>54,941</u>	<u>25,787</u>

Surplus

FIJI INSTITUTE OF ACCOUNTANTS

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999 [CONT'D]

	1999 \$	1998 \$
(b) Continuing Education Courses		
Income		
Registration fees and levies	36,252	43,004
Expenses		
Venue costs and refreshments	27,850	27,338
Surplus	8,402	15,666
(c) Careers Expo		
Income	-	-
Expenses		
Booth rental and travel	-	2,265
(Deficit)	-	(2,265)
(d) Journal Committee		
Income	4,316	1,973
Expenses	8,000	1,509
Surplus/(Deficit)	(3,684)	464
(e) Disciplinary Committee		
Fines and legal costs recovery	423	113
(f) Western Division Committee		
Income (1998 includes prior year net income)	900	5,811
Expenses	970	1,844
Surplus/(Deficit)	(70)	3,967
NET SURPLUS - SPECIAL COMMITTEES	60,012	43,732
9. TECHNICAL PUBLICATIONS		
Profit from sale of handbooks	2,130	1,891

10. AUSTRALIAN SOCIETY OF CPA's

The Institute entered into an agreement, effective 1 July 1997, with the ASCPA under which an annual fee of \$5,000 is paid to the Institute for administrative services

FIJI INSTITUTE OF ACCOUNTANTS

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999 [CONT'D]

	1999 \$	1998 \$
11. INTERNATIONAL ACTIVITIES		
Subscription to:		
International Federation of Accountants	5,097	3,674
Confederation of Asian and Pacific Accountants	1,281	1,181
	<hr/> 6,378	<hr/> 4,855
12. CAPITAL EXPENDITURE COMMITMENTS		
There were no capital expenditure commitments at 31 December 1999. (1998 - \$Nil).		
13. CONTINGENT LIABILITIES		
There were no contingent liabilities at 31 December 1999 (1998- \$Nil).		
14. 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.		
15. COMPARATIVE FIGURES		
Comparative figures have been regrouped where considered necessary.		

FIJI INSTITUTE OF ACCOUNTANTS

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 1999

	1999 \$ Inflows/ (Outflows)	1998 \$ Inflows/ (Outflows)
Cash flows from operating activities		
Receipts from members and others	46,290	59,818
Receipts from special committees and technical publications	416,394	317,827
Payment to suppliers and employees	(396,111)	(349,183)
Interest received	2,459	3,487
Net cash provided by operating activities (Note 2)	69,032	31,949
Cash flows from investing activities		
Payment for fixed assets	(590)	(2,487)
Net cash used in investing activities	(590)	(2,487)
Net increase in cash held	68,442	29,462
Cash at the beginning of the year	136,618	107,156
Cash at the end of the year (Note 1)	205,060	136,618

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 1999

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. 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:

	1999 \$	1998 \$
Cash	72,883	52,150
Interest bearing deposits	132,177	84,468
	<u>205,060</u>	<u>136,618</u>

2. Reconciliation of Net Cash provided by Operating Activities to Net Surplus

	1999 \$	1998 \$
Net Surplus for the year	49,118	24,682
Depreciation	3,155	3,193
Change in assets and liabilities:		
Decrease in inventories	2,567	3,947
(Increase) in sundry debtors and prepayments	(14,894)	(5,262)
Decrease in interest receivable	1,156	71
(Decrease)/ Increase in creditors and accruals	5,798	(71)
Increase in subscriptions and fees in advance	1,123	4,685
Increase in non-current liability	21,009	704
Net cash provided by operating activities	<u>69,032</u>	<u>31,949</u>