

fiji sports council



Annual Report
2014



VISION

To be the leading provider of premier Sports and Events facilities.

MISSION

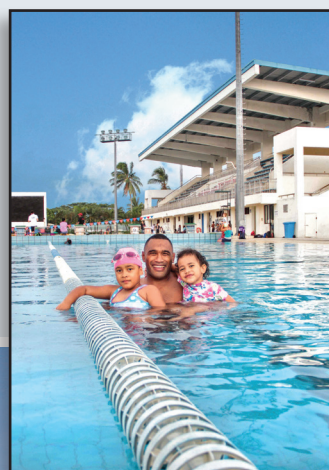
We will provide safe and reliable facilities through the development of an efficient workforce that delivers a high standard in customer service to achieve sporting excellence.

VALUES

Integrity
Service Excellence
Accountability
Transparency
Teamwork
Safety & Security

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COVER

The Fiji Sports Council prides itself on maintaining and improving its sporting facilities. But in the end, it is the people who matter and the joy we help bring into their lives. We have chosen a cover that we believe expresses this.



Letter to the Minister



Hon. Laisenia Tuitubou

Minister for Youth and Sports
Nasoqo House
3 Gordon Street
Suva

Dear Minister,

I am pleased to present the Fiji Sport Council's Annual Report for the financial year of 2014.

The report provides a summary of the Fiji Sport Council's performance for the 2014 financial year and the audited financial statements for the same period.

On behalf of the Fiji Sports Council, I wish to take this opportunity to thank Government for its ongoing support and look forward to its continued support into the future.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Peter Mazey", with a long, sweeping flourish extending to the right.

Peter Mazey
Chairman

THE YEAR'S HIGHLIGHT AT A GLANCE

- Commissioning of Ground Maintenance & Workshop Depot by the then Minister for Youth and Sports, Commander Viliame Naupoto
 - Inaugural National Youth Conference hosted at Vodafone Arena
 - Webb Ellis Trophy Tour during Youth Conference at Vodafone Arena
 - Fiji Cricket hosts touring Korean team at Buckhurst and Bidesi grounds
 - ANZ Stadium officially announced as home ground for NSW Rugby League Academy with Petero Cioniceva
 - FSC Board and Senior Management conducts Quarterly Facilities Tour
 - FSC Offers new home for Fiji Table-Tennis at the FSC Sports Centre
 - School Girls Cricket Finals at FSC Cricket Pitch
 - Inaugural National Women's Expo at Vodafone Arena
 - Sale Promotions of Pre-Used Tracks launched
 - National Thanksgiving Celebration for Returned Troops in Syria
 - National Announcement at the FMF Stadium of the 50-member Parliament following the 2014 National Elections
 - FSC secures \$159K MOU deal with PM's Office for Oceania Basketball meet
 - FSC wins Commitment Award at Fiji Service Excellence Awards
 - FSC renews Naming Rights deal with LICl for LICl Multipurpose Courts
 - FSC finalises contract with Fiji Basketball to host the FIBA Oceania U19 Youth Basketball competition, giving Fiji the opportunity to play the Qualifiers for the 2015 World U19 Basketball Championship
 - Fiji Basketball hosted the Oceania U19 Youth Competition in December 2014
-

Chairman's Report



The Fiji Sports Council Board is well aware that in order to be the leading provider of safe, reliable, premier sports and events facilities, it is necessary to plan for the future of these facilities and their ongoing upgrade.

The 2014 financial year is best described as one of intensive and focused planning as the benchmark was set by the successful upgrade of the ANZ Stadium in 2013, with national and international sporting bodies enjoying the use of the international-standard facility.

Sports Council planning saw Fiji attract more international events in 2014, notably the hosting of the Oceania Karate Championship, the Oceania Basketball Championship, Oceania U17 Cricket and the U19 Oceania Football.

The Board was very pleased that, with the assistance of the Prime Minister's Office, upgrading work at the arena contributed to the successful hosting of some of these events.

The Board is committed to realising the Board's strategic plan to ensure all Council facilities are brought up to international standards, with the able assistance of the FSC Chief Executive Officer and her management team.

As a result, the focus on planning the upgrade of the Lawaqa Park in Sigatoka was the next project on the facility upgrade programme, with work beginning in 2015.

The Board recognises that once acceptable international

standards have been achieved for FSC facilities, ongoing planning is essential to maintain them.

A long-term strategic plan for an ongoing maintenance programme has been developed in consultation with the CEO and the management team, with the Board working closely with the CEO to ensure that the FSC staff gains a firm understanding of the Council's assets and what is entailed in the management of those assets.

My congratulations to the CEO and her team for successfully closing out the previously qualified accounts for property plant and equipment and for the subsequent improvement in performance.

I wish to take this opportunity to thank Government for their ongoing support and look forward to this continuing into the future.

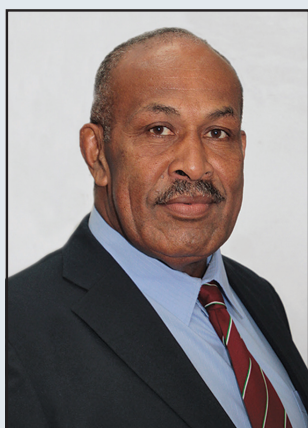
Thank you, also, to my Board for their hard work and guidance during the year.

Peter Mazey
Chairman

Members of the Board



Peter Mazey
Board Chairman



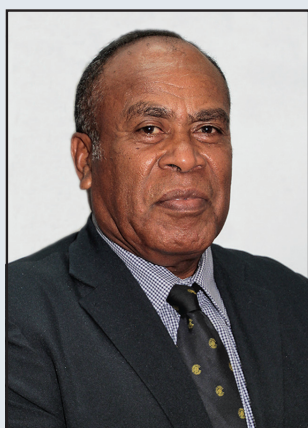
Lt. Col. Ifereimi Vasu
Deputy Chairman



Losalini Waqausa
Board Secretary



Colin Philp
Board Member



Josefa Sania
Board Member



Elesi Ketedromo
Board Member



Dan Lobendahn
Board Member



Vijendra Sundar
Board Member

Senior Management



Litiana Loabuka
CEO



Della Shaw
Facility Supervisor



Eleina McDonald
Sales and Marketing Manager



Ranil Kumar
Facility Supervisor



Sukhia Go
Human Resources Manager



Etonia Nawasetawa
Facility Supervisor



Esala Nasaroa
Audit Manager



Vijay Chetty
Maintenance Supervisor



Ronald Prasad
Senior Accountant



John Pickering
Properties Manager



Eroni Tawayaga
Facilities Supervisor



Veronika Sovatabua
Facility Supervisor



Makera Dawai
Executive Assistant



Permal Swamy
Ground Superintendent



Bulou Rabuka
Facility Supervisor

CEO's Report



In 2014, as the Fiji Sports Council had recently seen the completion of the approximately 18-month-long redevelopment of the National Stadium in Suva, with naming rights assigned to the ANZ Bank, the Council decided that customers should have as much access as possible to use the facilities without interruption.

International standard facility

We were proud to be able to offer this facility of an international standard for sportsmen and women to use in their preparation in 2014 for the 2015 Pacific Games. In fact, most of our 19 facilities were used for trials and selections in this build-up for the Games, which is one of the most significant events in the regional sporting calendar.

The access to the ANZ Stadium saw secondary and primary schools holding inter-house and school sports days on an almost daily basis, from February through to early October.

Importance of sport

We are encouraged by the enthusiastic and regular use schools are making of the facilities, as the Fiji Sports Council strongly believes that the values and life lessons learned through participation in sports cannot begin too early. Such participation plays a fundamental role in the continued development of a happier, healthier and safer nation, as it is on our playing fields that our youth are learning values such as ethical behavior, fair play, honesty and respect for rules and laws.

We also strongly believe that it is these same values, displayed by our sporting communities at the senior, national and international level, which capture the imagination of the nation and contribute to the perception of Fiji as being a sporting nation.

The concern for uninterrupted access meant that there were no Government grants or capital works projects during the 2014 financial year, with the focus of the Fiji Sports Council being on planning for the future, while also ensuring that a comprehensive programme of general maintenance at all of the Sports Council's facilities was sustained throughout the year.

Preventative maintenance

The emphasis on maintenance is essential if the Fiji Sports Council is to uphold our vision of being the leading provider of premier sports and events facilities. In order to manage and maintain its facilities, the Council continued the implementation of the Preventative Maintenance Plan (PMP).

The Council is cognizant of the fact that more than 500 sporting fixtures and other public and private events take place at our facilities each year. It is incumbent upon us to ensure that our clients are able to participate safely within an environment that is maintained to the highest standards of risk reduction. As a result of this commitment, we were able to offer venues for 2014 with confidence.

The 2014 calendar of events included annual features held at the ANZ Stadium such as the Deans Tournament, the Battle of the Giants, the Coca Cola Games, the School Zone meets and rugby competitions Kaji Rugby, the Disabled Games, the Skipper Club Challenge and the Chow Games. Other significant events included the IRB Fiji vs Italy test match, the OFC under-20 round of qualifier matches and the PNC Fiji vs Samoa game.

Election highlight

The Fiji Sports Council was also pleased to assist the Fiji Elections Office with the provision of two venues where the people of Fiji could cast their votes for a democratically elected Government in a safe and secure setting. We consider this to be one of the major highlights of the year.

As well as being the venue of choice for volleyball, netball and futsal (indoor soccer) tournaments, the FMF Gymnasium in Suva saw a diverse array of activities take place. Amongst these were church services, conventions and crusades, capacity building workshops, celebrations for Independence Day by the Tuvaluan community and Rotuma Day, banquets, awards ceremonies such as the South Pacific Business Development Awards, wedding receptions and university students' social and cultural nights, tests, exams and graduation ceremonies.

A cultural platform

Equally important is the platform we have been able to provide for showcasing local and international cultural and artistic endeavours such as the National Heritage Department's Dance and theatre display, the concert by Melbourne musicians, the Kula Film Awards, the Suva Primary Schools' Art Festival and, on a different note, the performance by the Laughing Samoans in support of the WOW Kids Fiji Foundation.

Our other venues also saw sporting programmes and significant events at the school, national and international

level taking place throughout 2014. These included the training and competition programmes at the National Netball and National Beach Courts, the Oceania Pacific Cup tournament at the National Hockey Centre, the National Swimming Competition and the launch of the Learn to Swim programme at the Damodar City Aquatic Centre, and the boxing Fight Night, held at the National Fitness Centre and the Oceania Karate held at Vodafone Arena.

Nourishing lives

Fiji Sports Council is making an important contribution to society by providing appropriate facilities where the holistic well being, the sporting, educational, cultural, artistic, social and spiritual lives of the wider Fijian community are nourished.

The Council took note that in Ra, our facility was being under utilised, so took remedial steps with the rollout of a programme to encourage greater community involvement in the use of this ground.

Turfing project

The development of the FSC Turfing Project is an invaluable asset and is proof that well-qualified and experienced staff members are equally important in our growth. The re-turfed ANZ Stadium is testament to the worth of this project. We are working with the community so that the importance of protecting the new turf is understood. This is an ongoing educational process.

With closing of the Laucala Bay Secondary School as being surplus to the needs of the area, the Fiji Sports Council took back control of land that it owns. Short-term leases on the existing buildings have been granted to various sporting bodies while the Council deliberates upon the available options for the best way forward for future land use.

The Council has also been involved in lengthy discussions and regarding the development of a large sports stadium complex at Vunidawa, Naitasiri and looks forward to the finalisation of the lease with the lawful landowners.

We have also participated in the discussions regarding the development of locally funded grounds on the islands of Gau and Kadavu. While work by the successful contractors is proceeding on Kadavu, the proximity of a burial ground to the proposed site on Gau means an alternative location is being investigated.

Good governance code of practice

Our values of integrity, service excellence, accountability,



Management meetings are conducted on a regular basis to ensure Fiji Sports Council continues to provide safe, reliable facilities.

transparency, teamwork, safety and security were emphasized with the launch of the FSC Good Governance Policy Handbook. The publication of this document was a major highlight for the Council and all staff members received training sessions on the meaning and implications of good governance, with specific reference to their daily duties as an employee of the Sports Council. For the first time, all staff members have easy access to a code of practice.

As we deliver this report for the year 2014, I would like to thank my Executive Management team for their dedication and support and every member of our staff team, as well as all the hardworking flexi-workers, who have contributed tirelessly in their efforts to put good governance into practice.

I wish to express my sincere gratitude to all of our key partners for their continued valuable support and to all the national sporting organisations and their respective district associations for demonstrating their confidence in our ability to provide well-managed facilities for their events.

I wish to acknowledge the support of the Fiji Sports Council Board of Directors. The guidance and constructive support of the Board Chairman and the Board Members has been invaluable.

I also wish to take this opportunity to record my sincere thanks and appreciation to our colleagues at the Ministry of Youth and Sports. We look forward to your continued support into the future.

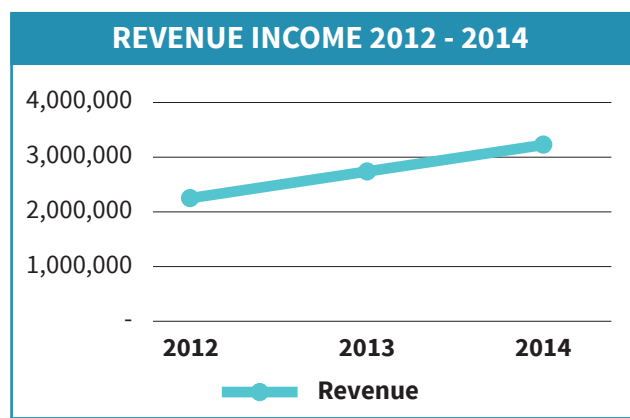
Litiana Loabuka
Chief Executive Officer

Financial Performance

This section contains graphs of our Financial performance for the past three years. The performance reflects continued strong growth in operating revenue.

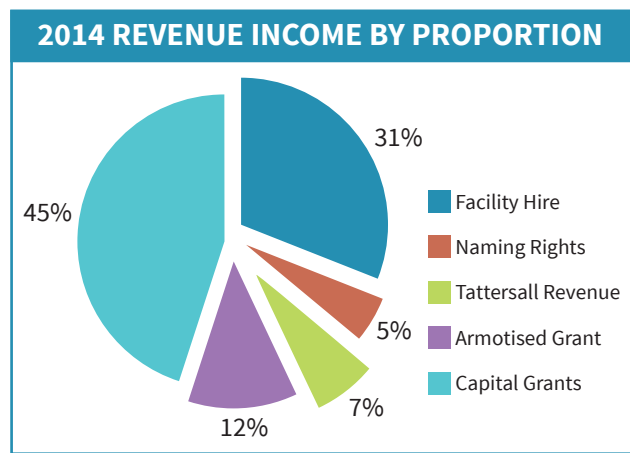
REVENUE

As previously reported, 2012 was a challenging year for operations having to operate and generate revenue without its highest earning facility the ANZ Stadium. The re - opening of this upgraded facility has delivered strong income growth in 2013 & 2014. Few international events and major local events have also contributed to the increase.

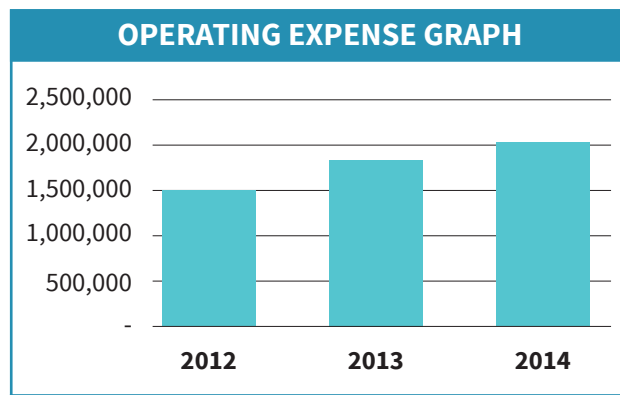


The grant income was previously recorded under deferred income. The treatment of grant in accordance with IAS 20 this year has resulted in the increase in Other Operating income. 2013 figures has also been restated accordingly to reflect the change.

The “Arnotised grant” brought to income reflects donor grants being arnotised over the period.



EXPENDITURE



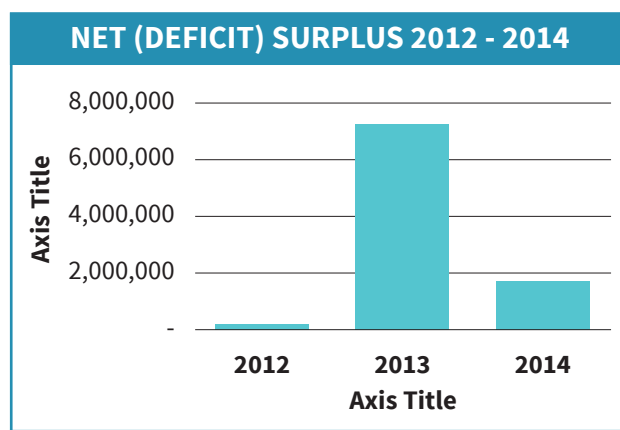
The 17% increase in operating income this year compared to 2013 has also led to the increase in operating expense by 7.3%.

Our primary focus has been to continue with the repairs and maintenance of each of the facilities and relying on the income from a few of our well performing facilities to generate the type of income that sustain the Council’s operation as a whole.

We are continuing however to market and promote these venues so that the desired income revenue can be obtained.

YEAR END RESULT

The bulk growth of year end result for 2014 and 2013 has resulted from government grant towards facilities development.



Given the standards and status of our facilities, coupled with our continued commitment in ensuring financial stability, the Fiji Sports Council is adamant that the increase in revenue will be maintained and sustained in the long run.

Corporate Governance



Fiji Sports Council board members Lt. Col. Ifereimi Vasu, Mr Vijenfra Sundar and Chairman, Mr Peter Mazey discuss developments at the National Stadium.

Role of the Council

The Council board is responsible for FSC's strategic direction, setting objectives for infrastructure upgrades, developing a fair framework for human resources, setting clear goals and mechanisms to monitor performance.

Amongst its responsibilities, the Board also reviews the annual business plan, corporate plan, operating and capital budgets and non-budgeted capital expenditure. The Board is the final authority on Capital Projects undertaken by the Council taking an active lead in tenders, project meets and site visits.

Many of the plans implemented over the last couple of years has seen a remarkable turnaround in profits, cash flows and capital project deliveries.

Composition of the Board

As at 31st December 2014 the Board is comprised of;

Chairman	Peter Mazey
Deputy Chairman	Col. Ifereimi Vasu
Board Member	Dan Lobendahn
Board Member	Colin Philp
Board Member	Elesi Ketedromo
Board Member	Malakai Veisamasama
Board Member	Vijendra Sundar
Board Secretary	Losalini Waqausa

The board members of the Council are appointed by the Minister of Youth and Sports. The Fiji Sports Council Act calls for the appointment of a Chairman, Vice Chairman and maximum of eight other members as the board of the Council.

The establishment of a Corporate Code of Conduct and Ethics was designed to promote honest and ethical conduct including ethical handling of conflicts of interest: full, fair, accurate, timely and understandable disclosure in the Company's periodic reports and compliance with applicable Government rules and regulations. The Board periodically reviews and assesses the adequacy of the Code of Ethics and implements any modification as necessary.

Duties of Board members

The role of the board members is defined in the Fiji Sports Council Act. Their key responsibilities and powers is provided under section 3, 4 and 6 of the Act.

The Board of Directors is also bound by the Ministerial appointment letters and the authority conferred on them by the Minister and the individual terms of their respective contract letters.

Statutory Duties of the Board

In addition to the above, the Board of Directors of FSC collectively and individually has agreed on the fulfillment of the following duties towards the Company:



- To exercise the care and diligence of a reasonable person;
- To exercise their power and discharge their duties in good faith and for a proper purpose.
- To refrain from improper use of their position for personal gain and
- To refrain from making use of inside information for personal gain.

Fiduciary Duties of Directors

The directors of FSC also owe the following fiduciary duties to the council. These fiduciary duties form the code of Ethics of FSC.

A fiduciary relationship imposes an obligation of utmost good faith on the members by putting the interests of FSC first, and the FSC board has pledged to uphold this principle at all times.

The fiduciary duties of the directors have the following four dimensions.

- To act in good faith in the interests of FSC
- To exercise powers for a proper purpose
- To retain discretion
- To avoid conflict of interest

Board Meetings

The Board held Eleven regular meetings during the financial year ended 31st December 2014 and Fifteen executive committee meetings. The regular business of the Board during its meetings covers corporate governance, financial performance and risk management and strategic matters.

Director's Remuneration

As per section 6n of the Fiji Sports Council Act, the Minister of Youth & Sports retains the ultimate authority to determine the remuneration and benefits given to the board members of the Council.

A total fee of \$50,645 was paid to the board members for their services during the year in accordance with the remuneration and benefits determined by the Minister of Youth and Sports. A further sum of \$10,441 was paid for other expenses that were incurred during the course of their duties.



FIJI SPORTS COUNCIL Financial Statements

FOR THE YEAR ENDED 31 DECEMBER, 2014

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FIJI SPORTS COUNCIL
Independent Audit Report
FOR THE YEAR ENDED 31 DECEMBER, 2014

OFFICE OF THE AUDITOR GENERAL

Excellence in Public Sector Auditing



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File: 1261

20 January 2016

Ms. Litiana Loabuka
The Chief Executive Officer
Fiji Sports Council
P. O. Box 2348
Government Buildings
SUVA

Dear Ms. Loabuka

AUDITED FINANCIAL STATEMENTS
FIJI SPORTS COUNCIL
FOR THE YEAR ENDED 31 DECEMBER 2014

Two copies of the audited financial statement of the Fiji Sports Council for the year ended 31 December 2014 together with an audit report are enclosed.

Particulars of errors and omissions arising from the audit have been forwarded to the Management of the Council for their necessary action.

Yours sincerely

Atunaisa Nadakuitavuki
for **Auditor General**

Encl.

FIJI SPORTS COUNCIL
FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014
INDEPENDENT AUDIT REPORT

I have audited the accompanying financial statements of Fiji Sports Council which comprise the statement of financial position as at 31 December 2014, the statement of comprehensive income, statement of changes in equity 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 9 to 25.

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

The directors and management are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. These responsibilities include: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material mis-statements, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

FIJI SPORTS COUNCIL
Independent Audit Report
FOR THE YEAR ENDED 31 DECEMBER, 2014

Audit Opinion

In my opinion:

- a) proper books of account have been kept by the Fiji Sports Council, so far as it appears from my examination of those books, and
- b) the accompanying financial statements which have been prepared in accordance with International Financial Reporting Standards:
 - i) are in agreement with the books account; and
 - ii) to the best of my information and according to the explanation, given to me:
 - give a true and fair view of the state of affairs of the Fiji Sports Council as at 31 December 2014 and of the results, and cash flows of the Fiji Sports Council for the year ended on that date; and
 - give the information required by the Fiji Sports Council Act Cap 271 and other statutory requirements in the manner so required.



Atunaisa Nadakuitavuki
for **Auditor General**

Suva, Fiji
20 January, 2016



COUNCILOR'S REPORT

In accordance with a resolution of the board, the members of Fiji Sports Council submit the statement of financial position of Fiji Sports Council ("the Council") as at 31 December 2014 and the related statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and report as follows:

Board Members

The members of the Council at the date of this report are:

Board Member	Appointed	Resigned
Peter Mazey	15/04/2010	
Elesi Ketedromo	15/04/2010	
Daniel Lobendahn	24/05/2010	
Collin Philip	15/04/2010	
Lt. Col Ifereimi Vasu	15/04/2010	
Vijendra Kumar Sundar	15/04/2010	
Malakai Veisamasama	15/04/2010	
Rupeni Silimaibau	15/04/2010	01/08/2014
John Rabuku	15/04/2010	31/01/2014
Major Inia Kafoa	24/05/2010	

State of affairs

In the opinion of the members:

- there were no significant changes in the state of affairs of the Council that occurred during the financial year under review not otherwise disclosed in this report or financial statements; and
- the accompanying statement of financial position and statement of changes in equity give a true and fair view of the state of affairs of the Council as at 31 December 2014 and the accompanying statement of comprehensive income and statement of cash flows gives a true and fair view of the result and cash flows of the Council for the year then ended.

Principal activities

The principal activities of the Council is to promote and foster the development of amateur sports and recreation in Fiji including supporting and managing sporting facilities in Fiji.

FIJI SPORTS COUNCIL

Financial Statements

FOR THE YEAR ENDED 31 DECEMBER, 2014

COUNCILOR'S REPORT *(Cont'd)*

Operating results

The net profit after income tax attribute to the Council for the financial year was \$1,806,992 (2013: Restated profit of \$7,450,494).

Events subsequent to balance date

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of members of the Council, to affect significantly the operations of the entity, the results of those operations, or the state of the affairs of the entity, in future financial years.

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

Date this 30th day of December 2015



Chairman



Council Member

FIJI SPORTS COUNCIL

Statement of Comprehensive Income

FOR THE YEAR ENDED 31 DECEMBER, 2014

	Notes	2014 \$	2013 \$ (Restated)
Revenue			
Operating revenue	5(a)	4,361,627	3,888,491
Other operating revenue	5(b)	5,737,544	8,573,899
		10,099,171	12,462,390
Expenses			
Administrative expenses		(229,657)	(222,908)
Depreciation	14	(3,760,074)	(1,274,985)
Personnel expenses	6	(1,729,808)	(1,600,503)
Operating expenses	7	(2,023,094)	(1,883,846)
Results from operating activities		2,356,538	7,480,148
Interest income		1,518	8,870
Interest expenses	8	(551,064)	(38,524)
Net financing cost		(549,546)	(29,654)
Profit before income tax		1,806,992	7,450,494
Income tax expense	3(p)	-	-
Profit from operation		1,806,992	7,450,494
Other comprehensive income		-	-
Total comprehensive income		1,806,992	7,450,494

The statement of comprehensive income is to be read in conjunction with the notes to and forming part of the financial statements as set out on pages 21 to 36.

FIJI SPORTS COUNCIL

Statement of Changes in Equity

FOR THE YEAR ENDED 31 DECEMBER, 2014

	Revaluation Reserves \$	Accumulated Funds \$ (Restated)	Total \$
Balance as at 31 December 2012	108,000	2,145,168	2,253,168
Net Profit/(Loss) for the year 2013		7,450,494	7,450,494
Balance as at 31 December 2013	108,000	9,595,662	9,703,662
Total other Comprehensive Income			-
Net Profit for the Year 2014		1,806,992	1,806,992
Balance as at 31st December 2014	108,000	11,402,654	11,510,654

The statement of changes in equity is to be read in conjunction with the notes to and forming part of the financial statements as set out on pages 21 to 36.

FIJI SPORTS COUNCIL

Statement of Financial Position

FOR THE YEAR ENDED 31 DECEMBER, 2014

	Notes	2014 \$	2013 \$ (Restated)
Current assets			
Cash and cash equivalent	9	95,098	297,112
Other receivables	10	491,739	1,628,827
Trade receivables	11	135,412	34,476
Investments	12	61,831	-
Inventories	13	23,117	18,622
Total current assets		807,197	1,979,037
Non-current assets			
Investments	12	212,047	272,360
Property, plant and equipment	14	68,725,633	71,751,048
Total non-current assets		68,937,680	72,023,408
Total assets		69,744,877	74,002,445
Liabilities			
Current liabilities			
Cash and cash equivalent	9	505,440	380,626
Trade and other payables	15	422,328	1,216,431
Employee entitlements	16	20,780	29,422
Borrowings	17	4,250,000	4,600,764
Total current liabilities		5,198,548	6,227,243
Non-current liabilities			
Borrowings	17	8,702,922	12,571,002
Deferred Grant Income	18	44,332,753	45,500,538
Total non-current liabilities		53,035,675	58,071,540
Total liabilities		58,234,223	64,298,783
Net assets		11,510,654	9,703,662
Equity			
Reserves		108,000	108,000
Accumulated Funds		11,402,654	9,595,662
		11,510,654	9,703,662

Signed for and on behalf of the Council.



Chairman



Council Member

The statement of financial position is to be read in conjunction with the notes to and forming part of the financial statements as set out on pages 21 to 36.

FIJI SPORTS COUNCIL
Statement of Cash Flows
FOR THE YEAR ENDED 31 DECEMBER, 2014

	Notes	2014 \$	2013 \$
Operating activities			
Cash receipts from customers		9,967,538	4,346,248
Cash paid to suppliers and employees		(5,140,563)	(6,033,418)
Interest Paid		(551,064)	(29,654)
Cash flows from operating activities		<u>4,275,911</u>	<u>(1,716,824)</u>
Investing activities			
Acquisition of property, plant & equipment		(734,659)	(10,917,057)
Proceeds from Investments		1,518	556,099
Cash flows (used in) investing activities		<u>(733,141)</u>	<u>(10,360,958)</u>
Financing activities			
Interest received		-	-
Proceeds from borrowings		(3,869,598)	8,803,285
Cash flows from financing activities		<u>(3,869,598)</u>	<u>8,803,285</u>
Net increase in cash		(326,828)	(3,274,497)
Cash and cash equivalents at beginning of year		(83,514)	3,190,983
Cash and cash equivalents at end of year		<u>(410,342)</u>	<u>(83,514)</u>

The statement of cash flows is to be read in conjunction with the notes to and forming part of the financial statements as set out on pages 21 to 36.

1 Statement of accounting policies

Fiji Sports Council (the "Council") is a body corporate incorporated under Fiji Sports Council Act Cap. 271A and domiciled in Fiji. The address of the Council's registered office is 220 Laucala Bay Road, Suva, Fiji Islands. The Council is primarily involved in the promotion and fostering the development of amateur sports and recreation in Fiji, including supporting and managing sporting facilities in Fiji.

2 Basis of preparation**(a) Statement of compliance**

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs).

(b) Basis of measurement

The financial statement have been prepared on the historical cost basis and do not take into account changing money values or except, where stated, current valuations of non-current assets.

(c) Functional and presentation currency

These financial statement are presented in Fiji currency, which is the Council's functional currency. All financial information presented in Fiji currency has been rounded to the nearest dollar.

(d) Use of estimates and judgments

The preparation of the financial statements in conformity with IFRSs management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised and in any future periods affected.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

- Note 15 - Property, plant and equipment depreciation and impairment.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the Council.

3 Significant accounting policies (Cont'd)**(a) Foreign currency**

Foreign currency transactions are translated to Fiji currency at rates of exchange ruling at the dates of the transactions. Amounts receivable and payable in foreign currencies are converted to Fiji currency at the rates of exchange ruling at balance date. All exchange gains or losses whether realized or unrealized are included in the profit or loss.

(b) Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purpose of the cash flow statement, cash and cash equivalents comprise cash on hand and cash at bank.

(c) Held to maturity investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Council's management has the positive intention and ability to hold to maturity. Term deposits are classified under this category and are recorded at cost.

(d) Property, plant and equipment*(i) Owned assets*

Items of property, plant and equipment are stated at cost less depreciation and impairment losses.

Property that is being constructed or developed for future use is classified as work in progress under property, plant and equipment and stated at cost.

Where an item of property, plant and equipment comprises major components having different useful lives, they are accounted for as separate items of property, plant and equipment.

(ii) Depreciation

Depreciation is charged to the profit and loss on a straight-line basis. Leasehold land is amortized over the period of lease.

The depreciation rates are as follows:

Sports Equipment	20% - 33.33%
Motor Vehicle	12.5% - 20%
Plant & Equipment	20% - 33.33%
Office Equipment	20% - 33.33%
Concession Equipment	10% - 20%
Furniture & Fittings	2.5% - 20%
Leasehold Improvements	5% - 12.5%
Leasehold Building	1.66% - 2.5%

The 2012 stadium upgrade amounting to \$21,161,322 is amortised at the rate of 11.214% per annum. The amortised amount is transferred to deferred income.

3 Significant accounting policies (Cont'd)

(iii) Subsequent expenditure

Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately, including major improvements, renovations and overhaul expenditure, is capitalized. Other subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the item of property, plant and equipment. All other expenditure is recognized in the profit or loss as an expenses as incurred.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset as is recognized in the profit or loss.

(e) Trade and other receivables

Trade and other receivables are stated at cost less impairment losses.

Sales are made on the basis of normal credit terms, and the receivable do not bear interest.

(f) Impairment

The carrying amount of assets (except inventory) is reviewed at each balance date to determine whether there is any indication of impairment, If any such indication exists, the assets recoverable amount is estimated at balance date. An impairment loss is recognized whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. All impairment losses are recognized in the profit or loss. The recoverable amount of trade receivables is the estimated future cash flows expected from the asset.

An impairment loss is reversed if there has been a change in the estimate used to determine the recoverable amount and is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(g) Inventories

Inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated selling expenses.

The cost of inventories is based on the first-in-first-out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

(h) Creditors and other payables

Trade and other payables are stated at cost.

(i) Employee benefits

(i) Defined superannuation plans

Obligations for contributions to defined superannuation plans are recognized as an expenses in the profit or loss as incurred.

3 Significant accounting policies (Cont'd)*(ii) Wages, salaries and annual leave*

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the balance date represent present obligations in respect of employee's service up to the balance date. They are calculated at undiscounted amounts based on remuneration rates that the Council expects to pay as at balance date including related oncosts, such as payroll tax. Increases or decreases in this obligation are recognized in the profit or loss.

(iii) Employee Benefits long-service leave

The liability for employee benefit obligations related to long service leave are recognised in the profit & loss when they are incurred.

(j) Borrowings

Borrowings are recognized initially at cost, net of transaction costs incurred.

(k) Leases

Assets acquired under financial leases are included as property, plant and equipment in the balance sheet. Finance leases effectively transfer from the lesser to the lessee substantially all the risks and benefits incidental to ownership of the leased assets. Where assets are acquired by means of finance leases, the present value of the minimum lease repayments is recognized as an asset at the beginning of the lease term and amortized on a straight line basis over the expected useful life of the leased asset. A corresponding liability is also established and each lease payment is allocated between the liability and interest expense.

Other leases under which all the risks and benefits of ownership are effectively retained by the lesser are classified as operating leases. Operating lease payments are changed to expense in the periods in which they are incurred.

(l) Deferred income

Donor grants are not recognized as income until there is reasonable assurance that the Council will comply with the conditions attached to them and the grant will be recovered.

Non monetary grants relating to donation of Property, plant and equipment are taken to Property, plant and equipment and Deferred income at cost.

The Deferred income is recognized in income or expenditure over the periods necessary to match the depreciation of the related donated assets. The benefit brought to account is in the same proportion that depreciation bears to the cost of the asset acquired with the grant. Donated assets are initially recorded at cost or at valuation.

3 Significant accounting policies (Cont'd)

(m) Revenue

(i) Services rendered and goods sold

Revenue from hire of facilities, advertising signs and concession is recognized in the profit or loss on an accrual basis.

Revenue from the rendering of service and sale of goods is recognized in the profit or loss when the significant risks and rewards of ownership have been transferred to the guest to customer. No revenue is recognized if there are significant uncertainties regarding recovery of the consideration due or the associated costs.

(ii) Interest income

Interest income is recognized in the profit or loss on an accrual basis.

(iii) Grant Income

Grant receivable from government as compensation for costs already incurred or for immediate financial support, with no future related costs, is recognised as income in the period in which it is receivable.

(n) Expenses

(i) Personnel

Personnel costs comprising of wages and salaries paid to staff as well as the Council's contribution of superannuation and other contribution as required by law are recognized in the profit or loss.

(ii) Operating lease commitments

The Council has determined based on an evaluation of the terms and conditions of the arrangement, that it does not retain all the significant tasks and rewards of ownership of the property and so accounts for the contracts as operating leases.

(iii) Finance Cost

Finance costs comprise interest expense on borrowings and leases and is recognized as it accrues in profit or loss.

(o) Finance income

Finance income comprises interest income on funds invested in financial assets. Interest income is recognized as it accrues in profit and loss.

(p) Income tax

The Council is exempt from income tax in accordance with section 16(24) of the Income Tax Act. Revenue received from Pacific Instant Lottery is subject to gambling turnover tax under the provisions of the Gambling Turnover Tax Decree 1991.

4 Financial risk management*Financial risk factors*

The Council's activities expose it to a variety of financial risk: market risk (including fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Council's overall risk management programme focuses on the maintenance of the sports facilities and seeks to minimize potential adverse effects on the Council's financial performance.

Management and finance executives identify and evaluate financial risks. The Board provides direction for overall risk management covering specific areas, such as mitigating credit risks and investment of excess liquidity.

(a) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Council's income or value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

(i) Political climate

The Council operates in Fiji and changes to governments and the policies they implement affect economic situation and ultimately the revenues of the Council. To address this, the Council reviews its pricing and inspects its facilities regularly and responds to change in policies appropriately.

(ii) Price risk

The Council does not have investments in equity securities and hence is not exposed to equity securities price risk. The Council is not exposed to commodity price risk.

(iii) Fair value and cash flow interest rate risk

The Council has interest-bearing assets in the form of short-term cash deposits. These are at fixed interest rates and hence there are no interest rate risk during the period of investment. For re-investment of cash deposits, the Council negotiates an appropriate interest rate with the banks and invests with the bank which offers the highest interest return.

The Council also has interest free borrowings. Hence there are no interest rate risks during the term of the borrowing.

Given the fixed nature of interest rates described above, the Council has a high level of certainty over the impact on cash flows arising from interest income and expenses. Accordingly the Council does not require simulations to be performed over impact on net profits arising from changes in interest rates.

(b) Credit risk

Credit risk is the risk of financial loss to the Council if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Council's receivables from customers.

The Council has policies in place to ensure that services are provided to customers with an appropriate credit history. The Council has policies that limit the amount of credit exposure to any one customer or Group of customers. Credit levels accorded to customers are regularly reviewed to reduce the exposure to risk of bad debts.

The Council establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The main component of this allowance is a specific loss component that relates to individually significant exposures.

4 Financial risk management (Cont'd)

Financial risk factors (Cont'd)

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2014	2013
	\$	\$
Cash at bank and held to maturity investments	156,929	569,472
Trade and other receivables	627,151	1,663,303
	<u>784,080</u>	<u>2,232,775</u>

Trade receivables

The table below summarizes the ageing of trade receivables as at 31 December based on contractual undiscounted payments:

	0 - 30	30 - 60	60 - 90	90 days - 1	> 1 year
	days (\$)	days (\$)	days (\$)	year (\$)	(\$)
31 December 2014					
Trade receivables	10,063	1,576	2,373	15,229	6,816
31 December 2013					
Trade receivables	3,564	4,733	5,012	13,581	7,586

Refer to note 10 and 11 for movement in the allowance for impairment in respect of trade receivables.

(c) Liquidity risk

Liquidity risk is the risk that the Council will not be able to meet its financial obligations as they fall due. The Council's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Council's reputation. Prudent liquidity risk management implies maintaining sufficient cash, marketable securities, and the availability of funding through an adequate amount of committed credit facilities.

4 Financial risk management (Cont'd)

Financial risk factors (Cont'd)

(c) Liquidity risk

The following are the contractual maturities of financial liabilities which are interest free:

	Less than 1 year (\$)
As at 31 December 2014	
Borrowings	-
As at 31 December 2013	
Borrowings	3 50,764

	2014 \$	2013 \$
5 Revenue		
(a) Operating revenue		
Hiring of facilities	2,618,098	2,299,845
Concession Income	539,439	392,446
Tattersall's revenue	688,019	793,015
Facilities - Naming rights sponsorship	516,071	403,185
	4,361,627	3,888,491

ANZ Stadium one of the top income generating facility was closed for upgrade from May 2012 to May 2013. This has resulted in the decrease in facility income compared to this year.

The council secured sponsorship of \$293,250 per annum from ANZ Bank to be the naming right of the National Stadium. The name ANZ Stadium took effect from June 2013.

(b) Other operating revenue

	2014 \$	2013 \$ (Restated)
Amortization of government grant	1,167,999	1,167,999
Other income	4,569,545	7,405,900
Reversal of overprovision of doubtful debt	-	-
	5,737,544	8,573,899

The \$1,167,999 is the normal amortisation from government donated asset.

The Council received \$4.5m in 2014 (2013: \$7.25m) from the Ministry of Finance for the repayment of the Council's loan from ANZ as agreed to in the Grant Agreement signed in 2013. The Grant income was previously recorded under Deferred Income, this has now being recorded in accordance with IAS 20 and previous years' "Other Income" amount has been restated accordingly to reflect this change.

In 2014, the council also received from Fiji Sports Commission \$208,000 (VIP) and Prime Minister's Office \$259,000 (VIP) for the upgrade of the Vodafone Arena in preparation for Oceania Basketball/Netball for International Matches. This is included as Other Income.

FIJI SPORTS COUNCILNotes to and Forming Part of the Financial Statements (*Cont'd*)

FOR THE YEAR ENDED 31 DECEMBER, 2014

	2014 \$	2013 \$
6 Personnel		
Salaries and wages	1,534,435	1,399,216
Annual leave	20,780	29,422
Fiji National Provident Fund	118,690	112,732
TPAF	15,575	14,244
Staff welfare	40,328	44,889
	<u>1,729,808</u>	<u>1,600,503</u>
7 Operating		
Audit fees	12,000	15,000
Advertising	20,871	1,714
Bank charges	43,836	57,794
City rates	19,612	20,825
Consultancy fee	783	-
Council members fees and allowances	50,645	89,409
Council meeting expenses	10,441	9,001
Facilities operating expenses	1,311,647	1,281,164
Internet fees	8,224	5,868
Motor vehicle expenses	77,004	43,702
Printing and stationery	49,263	46,677
Repairs and maintenance	347,412	186,087
Rental contract	50,787	41,687
Other operating expenses	20,569	84,918
	<u>2,023,094</u>	<u>1,883,846</u>
8 Net financing cost		
The interest incurred from ANZ Bank Loan for the stadium upgrade has been expensed this year compared to 2013 that has been capitalised.		
9 Cash and cash equivalents		
Cash on hand	2,850	1,000
Cash at Bank	92,248	10,604
Bank overdraft	(384,539)	(380,626)
Project Account	(120,901)	285,508
	<u>(410,342)</u>	<u>(83,514)</u>

The Council had taken a \$400,000 Overdraft facility from ANZ Bank to pay off all outstanding cost related to the Stadium Upgrade. Payments were made to JS Hill, Fotech Construction and Poly Product. Out of that approved \$400,000 the council spent only \$365,189.

FIJI SPORTS COUNCIL

Notes to and Forming Part of the Financial Statements (Cont'd)

FOR THE YEAR ENDED 31 DECEMBER, 2014

	2014 \$	2013 \$
10 Other receivables		
Interest receivable	3,506	9,727
Receivable - Ministry of Finance Vat on grant	-	1,087,500
Other deposits	396,721	391,686
Other debtors - Tattslotto/staff	113,096	161,498
	513,323	1,650,411
Less: allowance for doubtful debts	(21,584)	(21,584)
	491,739	1,628,827

Vat on grant for the years 2012, 2013 and 2014 have been paid by Government to Fiji Revenue and Customs Authority.

11 Trade receivables

Trade receivables	36,057	34,476
Vat Receivable	99,355	-
	135,412	34,476

12 Financial investment held-to-maturity

Investments as at balance date comprised of short & long term money placements ranging from one month to two years with interest rates between 0.10% - 3%.

Current	61,831	-
Non Current	212,047	272,360
	273,878	272,360

Term deposit held with ANZ banking group has term of 365 days with interest rate of 0.50%-2.50% per annum.

13 Inventories

Concession stock	23,117	18,622
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14 Property, plant and equipment	Leasehold Land	Building & Improvements	Sports Equipment	Motor Vehicle	Plant & Equipment	Stadium Upgrade	Concession/Office Equipment	Furniture & Fittings	Total
Cost									
Balance as at 1 January 2013	\$18,645,859	\$45,147,762	\$924,038	\$470,627	\$220,901	\$9,904,580	\$679,035	\$259,896	\$76,252,698
Acquisitions	\$4,600		\$4,850	(\$11,000)	\$9,316	\$10,812,916	\$61,343	\$35,032	\$10,928,057
Disposal									(\$11,000)
Balance as at 31 December 2013	\$18,645,859	\$45,152,362	\$928,888	\$459,627	\$230,217	\$20,717,496	\$740,378	\$294,928	\$87,169,755
Balance as at 1 January 2014	\$18,645,859	\$45,152,362	\$928,888	\$459,627	\$230,217	\$20,717,496	\$740,378	\$294,928	\$87,169,755
Acquisitions	\$63,800		\$138,886		\$34,152	\$470,579	\$44,680	\$24,461	\$776,558
Disposal/adjustment	\$85,293	(\$58,192)			(\$9,510)	(\$26,753)	(\$5,975)		(\$15,137)
Balance as at 31 December 2014	\$18,731,152	\$45,157,970	\$1,067,774	\$459,627	\$254,859	\$21,161,322	\$779,083	\$319,389	\$87,931,176
Depreciation									
Balance as at 1 January 2013	\$1,231,956	\$10,738,173	\$862,095	\$357,899	\$212,109	\$0	\$511,194	\$230,296	\$14,143,722
Depreciation charge for the year	\$188,049	\$928,902	\$16,687	\$53,107	\$11,098	\$0	\$44,740	\$32,402	\$1,274,985
Disposals									
Balance as at 31 December 2013	\$1,420,005	\$11,667,075	\$878,782	\$411,006	\$223,207	\$0	\$555,934	\$262,698	\$15,418,707
Balance as at 1 January 2014	\$1,420,005	\$11,667,075	\$878,782	\$411,006	\$223,207	\$0	\$555,934	\$262,698	\$15,418,707
Depreciation charge for the year	\$187,855	\$1,012,251	\$37,482	\$28,750	\$26,401	\$2,373,189	\$71,985	\$22,161	\$3,760,074
Prior Year Adjustment		\$26,762							\$26,762
Balance as at 31 December 2014	\$1,607,860	\$12,706,088	\$916,264	\$439,756	\$249,608	\$2,373,189	\$627,919	\$284,859	\$19,205,543
Carrying amount									
At 1 January 2013	\$17,413,903	\$34,409,589	\$61,943	\$112,728	\$8,792	\$9,904,580	\$167,841	\$29,600	\$62,108,976
At 31 December 2013	\$17,225,854	\$33,485,287	\$50,106	\$48,621	\$7,010	\$20,717,496	\$184,444	\$32,230	\$71,751,048
At 1 January 2014	\$17,225,854	\$33,485,287	\$50,106	\$48,621	\$7,010	\$20,717,496	\$184,444	\$32,230	\$71,751,048
At 31 December 2014	\$17,123,292	\$32,451,882	\$151,510	\$19,871	\$5,251	\$18,788,133	\$151,164	\$34,530	\$68,725,633

The upgraded value of the National Stadium have been depreciated this year with a value of \$2.3m. This have resulted in the increase in depreciation expense by \$2m compared to previous years.

The Board had approved recommendations put to them by our FAR consultant Bruce Sutton on:- (i) different useful lives of various categories, (ii) impairment adjustment to previous recorded amounts in respect of the ANZ Stadium to be written off due to its subsequent replacement cost, (iii) capitalization policy of \$1k where all plant and equipment with a value less than this must be written off in the year as depreciation, (iv) revalue all FSC PPE. The Council have managed to clear only point (iii) on capitalisation policy since there was not much to be adjusted. Due to pending requirement on revaluation, no other adjustment have been done this year and most probably will be adjusted next year.

FIJI SPORTS COUNCIL

Notes to and Forming Part of the Financial Statements (Cont'd)

FOR THE YEAR ENDED 31 DECEMBER, 2014

	2014 \$	2013 \$
15 Trade and other payables		
Trade creditors	299,953	170,702
Interest payable to Government	-	22,627
Other creditors and accruals	122,375	87,327
VAT payable	-	935,775
	422,328	1,216,431
16 Employee entitlements		
As at 1st January	29,422	18,771
Arising during the year	66,913	59,906
Utilised	(75,555)	(49,255)
Annual leave	20,780	29,422
17 Borrowings		
Current		
Loan from Fiji National Provident Fund	-	350,764
Loan from ANZ	4,250,000	4,250,000
	4,250,000	4,600,764
Non current		
Payable to Government	4,452,470	4,070,550
Loan from ANZ	4,250,452	8,500,452
	8,702,922	12,571,002

The secured loan is with the Fiji National Provident Fund. In accordance with a Cabinet decision dated 30 August 2005, the Government of Fiji is responsible for funding the repayment of the FNPF loan from 2006. In June 2014, government paid FNPF loan in full. A formal agreement has been finalised between the Council and the government for repayment of FNPF loan. This loan was paid by government on behalf of the Council. Interest payment will effect from 21st September 2015 while principal repayment of the loan will commence in 2022.

18 Deferred Income

The facilities that were built for the 2003 South Pacific Games, which were funded and donated to the Council by the Government of the People's Republic of China forms part of the Deferred Income.

	2014 \$	2013 \$
Opening Balance	45,500,538	46,668,537
Depreciation transferred to Income Statement	(1,167,999)	(1,167,999)
Working Capital	214	-
Closing Balance	<u>44,332,753</u>	<u>45,500,538</u>

19 Contingent liabilities and commitments

(a) Contingent Liabilities

The following are the contingent liabilities of the Council:

B W Holding

B W Holding Limited has sued Fiji Sports Council for breach of contract. Fiji Sports Council hired B W Holdings Ltd in January 2002 to carry out certain works at the National Stadium Car park and surroundings. The company is claiming that a sum of \$224,347.99 remains outstanding for the works carried out.

B W Holding Ltd is also claiming interest at 18% from 1st April 2004 to the date of payment plus damages and costs.

The Council is awaiting a hearing date to be set by the Suva High Court.

Sports

Fiji Sports Council has appealed Justice Mutunayagam Judgment delivered on 9th November 2011. Justice Mutunayagam delivered his judgment and refused to set aside the judgment that Sports Technology International Pty Ltd obtained against B W Holdings Ltd and Fiji Sports Council in NSW. It also awarded costs of \$3,000 to be paid to STIPL.

The Court of Appeal has yet to set the matter for hearing.

19 Contingent liabilities and commitments (Cont'd)**(b) Operating lease commitments**

Details of the Council's operating lease commitment are as follows:

- (i) On January 1998, the Fiji Sports Council entered into a lease agreement with the Native Land Trust Board to lease lots 1 & 2 of Lawaqa & Rakirakilevu contained in lease 23401 in Sigatoka. The lease is for term of 87 years ending on 1 January 2085. Under the agreement, rent is payable at the rate of \$1,000 per annum.
- (ii) On 1 December 1978, the Fiji Sports Council entered into a lease agreement with the Government of Fiji to lease lot 1 on Plan S. 1501 known as National Sport Complex contained in lease in Suva. The lease is for a term of 99 years ending on 1 December 2077. Under the agreement, rent is payable at the rate of \$100 per annum.
- (iii) On 1 January 1979, the Fiji Sports Council entered into a lease agreement with the Government of Fiji to lease lot 1 on SO. 2659 known as Victoria Park contained in lease 12274 Suva. The lease is for a term of 99 years ending on 1 January 2078. Under the agreement, rent is payable at the rate is payable at the rate of \$10 per annum.
- (iv) On 1 November 2001, the Fiji Sports Council entered into a lease agreement with the Government of Fiji to lease lot 1 plan S4488 Muanivatu known as National Aquatic & Netball Centre, contained in lease 13625. This lease is for a term of 99 years ending on 1 November 2100. Under the agreement, rent is payable at the rate of \$100 per annum.
- (v) On 1 April 1984, the Fiji Sports Council entered into a lease with the Government of Fiji to lease lot 1 on SO 1143 at Veivadravadra, Sigatoka contained in lease 136333. The lease is for a term of 99 years ending on 1 April 2083. Under the agreement, rent is payable at the rate of \$100 per annum.
- (vi) On 1 April 1999, the Fiji Sports Council entered into a lease agreement with the Government of Fiji to lease lot 69 & 70 at Navua known as Thomson Park, contained in lease 481769. The lease is for a term of 99 years ending on 1 January 2098. Under the agreement, rent is payable at the rate of \$500 per annum.
- (vii) On 1 January 1986, the Fiji Sports Council entered into a lease agreement with the Native Land Trust Board to lease Lawaqa Park at Sigatoka, contained in lease 23401. The lease is for a term of 99 years ending on 1 January 2085. Under the agreement, rent is payable at the rate of \$7,000 per annum.

19 Contingent liabilities and commitments (Cont'd)

(b) Operating lease commitments (cont'd)

(viii) On 1 July 1995, the Fiji Sports Council entered into a crown lease agreement to lease lot 1 S03262 Penang Reclamation contained in lease 13343 in Rakiraki, Ba. The lease is for a term of 99 years ending on 1 July, 2094. Under the agreement, rent is payable at the rate of \$100 per annum.

Operating lease commitments

Future operating lease rentals of the Council's premises not provided for in the financial statements and payable:

	2014	2013
	\$	\$
No later than one year	8,910	8,910
Later than one year but no later than five years	35,640	35,640
Later than five years	587,230	596,140
	<u>631,780</u>	<u>640,690</u>

20 Related parties

All transaction that occurred between the Council and companies or organisations in which a Councillor may have an interest, either as a member or employee, were at 'arms length' and in normal course of business.

Transaction with Related Parties

- (i) Government allocated a \$20m grant to the Council in 2012 to Upgrade the ANZ Stadium. The grant is payable from Government at \$3m for the first year (2013) and \$4.25m for the consecutive years until 2016 for the repayment of the Council's loan from ANZ for upgrading and development works at the National Stadium and Lawaqa Grounds.
- (ii) In the year, the council received from Fiji Sports Commission \$208,000 (VIP) and Prime Minister's Office \$259,000 (VIP) for the upgrade of the Vodafone Arena in preparation for Ocenia Basketball/Netball for International Matches.

FIJI SPORTS COUNCIL

Notes to and Forming Part of the Financial Statements (Cont'd)

FOR THE YEAR ENDED 31 DECEMBER, 2014

(iii) Key Management Personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Council, directly or indirectly.

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

Litiana Loabuka - Chief Executive Officer

Vasemaca Drova - Manager Finance

Timoci Naleba - Manager Operations

Sukhia Go - Manager Human Resources

John Pickering - Property Manager

The aggregate compensation of the key management

Short - term benefits	6,000	6,000
Council member fees and allowances	50,645	89,409

Ministry of Youths and Sports - is the line Ministry of the Council

21 Principal activities

The principal activity of the Council is to foster and promote the development of amateur sports and recreation in Fiji, including supporting and managing sporting facilities in Fiji. The Council was established under the Fiji Sports Council Act.

22 Registered office

The Council's registered office is located at 220 Laucala Bay Road Suva, Fiji.

Our Strategic Partners

The Fiji Sports Council wishes to thank its Corporate Sponsors, leaders in their respective fields, for their continued support.

These strategic partnerships not only promote our sponsors' brands, their vision and image, but also, by taking naming rights at five of our national sporting arenas, demonstrate their faith in our ability to be the leading provider of premier Sports and Events facilities.



With naming rights to the National Stadium, ANZ Fiji continues its proud commitment to promoting community values.

Thanks to ANZ's contribution, the National Stadium pitch has been upgraded to an international standard and seating capacity can cater for 15,000 spectators.

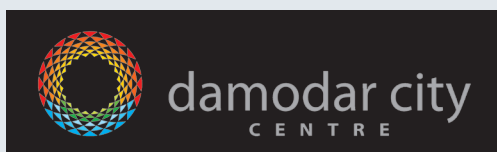
For more information on our sponsor, visit:
<http://www.anz.com>



Vodafone

The commitment by Vodafone Fiji to sports in Fiji is endorsed by securing naming rights to the renamed Vodafone Arena, which can seat up to 5000 spectators, and is in keeping with our sponsor's global vision, "To care for the world around you."

For more information on our sponsor, Vodafone –Power to you, visit: www.vodafone.com.fj



As sports is a form of entertainment, taking up naming rights at the National Aquatic Centre is a natural fit for the Damodar Brothers, with their many years of experience entertainment industry. The Damodar City Aquatic Centre can accommodate up to 500 spectators in the covered seating area.

For more information on our sponsor visit: www.facebook.com/pages/Damodar/City/centre/204794746212341



The FMF Group of companies has lent its trusted name in taking up naming rights to the National Gymnasium, which seats close to 1,600 spectators.

The diverse range of activities – sporting and otherwise – taking place here includes netball, basketball, soccer, weightlifting, concerts and wedding and birthday celebrations.

For more information on our sponsor, visit: www.fmf.com.fj



By taking up naming rights to the Multi-Purpose Courts at Laucala Bay, LICI has demonstrated its trust in the Fiji Sports Council.

The LICI Multi-Purpose Courts host various sporting events such as netball, basketball, five-a-side-soccer and futsal, with large numbers of teams using the facility on a regular basis, encouraged by even larger numbers of supporters.

For further information on our sponsor visit:
<http://www.licifiji.com>

fiji sports council

