

fiji sports council



fiji sports council



AUGUST JULY
2017 - 2018
ANNUAL REPORT

PARLIAMENT PAPER NO. 01 OF 2021



COVER
The transformed headquarters for the Fiji Sports Council enhances service delivery to our customers and provides improved working conditions for staff.

Vision

To be the best

Mission

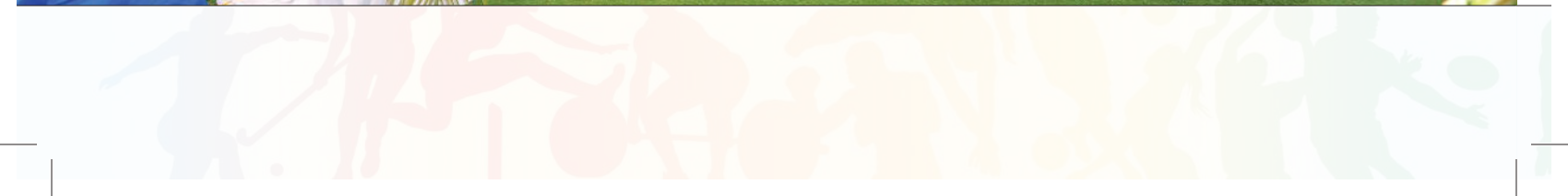
We will create an environment of excellence

Values

- Service Excellence
- Passion
- Ownership
- Respect
- Teamwork
- Safety and Security

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Letter to the Minister



Hon. Laisenia Tuitubou

Minister for Youth and Sports
Nasoqo House
3 Gordon Street
Suva

Dear Minister,

It is with great pleasure that I present the Fiji Sports Council (FSC) Annual Report for the August 2017 –July 2018 financial year.

The Report presents the audited financial statements and a summary of the Council's performance for the financial year, and highlights the main projects and events for the same period.

I would like to take this opportunity to thank the Government of Fiji for its continued support, and look forward to maintaining this successful collaboration in the coming year.

Yours sincerely,



Peter Mazey
Chairman



August 2017 - July 2018 Event Highlights

2017

AUGUST

- Deans Rugby Semi-Finals & Finals [ANZ Stadium]
- Hibiscus Festival [Vodafone Arena, Multi-purpose Courts]
- Special Olympics [ANZ Stadium]
- New Methodist Conference [ANZ Stadium]
- Revival Conference [Lawaqa Park]

SEPTEMBER

- Netball International Series - Fiji vs South Africa - 2 Tests [Vodafone Arena]
- National Rugby Championship - Fiji Drua vs NSW Country Eagles [Lawaqa Park]
- National Rugby Championship - Fiji Drua vs Perth Spirit [ANZ Stadium]
- University of the South Pacific Graduation [Vodafone Arena]
- Fijian Holdings Limited Awards [Vodafone Arena]
- Primary School Inter-houses
- Short Course Swimming Competition [Damodar City Aquatic Centre]
- JW Assembly [Lawaqa Park]

OCTOBER

- Battle of the Bati [ANZ Stadium]
- ANZ Diwali Celebrations [ANZ Stadium]
- Westpac Diwali Celebrations [Vodafone Arena]
- RLWC Prelude - Pacific Tri-Nations - Fiji, PNG Kumuls and Kangaroos [ANZ Stadium]
- Kangaroos Fans Clinic [National Hockey Centre]
- ITTF World Cadet Challenge [Vodafone Arena]
- National Rugby Championship - Fiji Drua vs Sydney Rays [ANZ Stadium]
- Lady Fatima Centennial Celebration [Vodafone Arena]

NOVEMBER

- Oceania 7s [ANZ Stadium]
- Commonwealth Games Queens Relay Baton [DCAC, NNC, ANZ Stadium]
- Irene Van Dyk runs Netball Clinics [National Netball Centre, Vodafone Arena]
- Huawei Raka 7s [ANZ Stadium]
- University of the South Pacific Exams [Vodafone Arena]
- CMF Dinner [Vodafone Arena]

DECEMBER

- RFMF Centennial Military Tattoo [ANZ Stadium]
- UPC General Conference [Vodafone Arena]
- Fiji Hockey Invitational - Fiji, Australia Country, Japan U18s [National Hockey Centre]

2018

JANUARY

- Re-opening of the FMF Gymnasium & Opening of the Fiji Sports Council Head Office
- Athletics Fiji Pre-Season Competition [ANZ Stadium]
- Mind Pearl Awards [Vodafone Arena]

FEBRUARY

- Secondary Schools Inter-house Season [ANZ Stadium]
- Fiji Sports Awards [Vodafone Arena]
- Ship For Leaders Cultural Night [Vodafone Arena]
- SPBD Awards Night [Vodafone Arena]

MARCH

- Pacific Rugby Championship [ANZ Stadium]
- Fiji Bitter Marist 7s tournament [ANZ Stadium]
- Suva Zone I Athletics Meet [ANZ Stadium]
- USP Graduation [Vodafone Arena]

APRIL

- Athletics Fiji Easter Championship [ANZ Stadium]
- Coca-Cola Games [ANZ Stadium]
- USPSA Social [Vodafone Arena]
- ITTF Oceania Paralympic Table-Tennis Championship [Vodafone Arena]

MAY

- ANZ Stadium - Special Olympics
- FMF Gymnasium - Fiji National University Graduation
- FMF Gymnasium - Wedding Reception
- FMF Gymnasium - ANCF Church
- DCAC - Long Course Swimming Nationals [6 overseas teams participating too]
- FMF Gymnasium - Pacific Tech Graduation
- FMF Gymnasium - Wedding Reception
- FMF Gymnasium - ANCF Church Reception Mothers Sunday
- Lawaqa Park - Skipper Cup - Nadroga vs Suva
- Lawaqa Park - Skipper Cup - Nadroga vs Navosa
- DCAC - Fijian Holdings Limited Sports Day
- National Netball Centre - Fijian Holdings Limited Sports Day
- ANZ Stadium - Skipper Cup - Naitasiri vs Namosi
- ANZ Stadium - Stella Maris Interhouse
- FMF Gymnasium - Rotuma Day
- ANZ Stadium - Skipper Cup Round 5
- Lawaqa Park - Fiji National Rugby League - Vodafone Cup Eliminations Rounds

- ANZ Stadium – Roman Catholic Archdiocese of Suva
- FMF Gymnasium – Fiji Fashion Week (Event is held on 26th)
- ANZ Stadium – Skipper Cup Round 6
- Lawaqa Park – Skipper Cup Nadroga vs Namosi
- FMF Gymnasium – University of the South Pacific Exams
- ANZ Stadium Concourse – Naitasiri Baptist
- DCAC – National Swimming Championship

JUNE

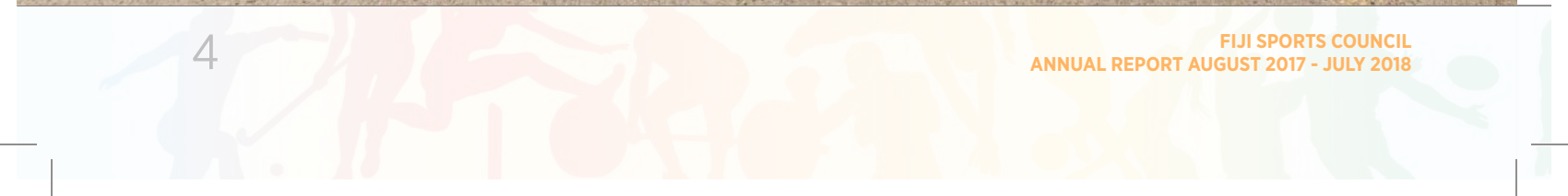
- DCAC – National Swimming Championship
- FMF Gymnasium – USP Exams
- Lawaqa Park – FNRL Vodafone Cup Semi-finals
- Lawaqa Park – FNRL Vodafone Cup Finals
- ANZ Stadium – Fiji Rugby Test Matches – Fiji vs Georgia, Fiji vs Tonga
- UPC Church Conference
- ANZ Stadium – Fiji Rugby Test Match
- Lawaqa Park – FNRL Club Games
- ANZ Stadium Closure for Super Rugby Preparations
- FMF Gymnasium – Island Fiva Concert
- FMF Gymnasium – Women’s Expo (Set up from 18th)
- Lawaqa Park – FNRL Primary Schools Competition
- FMF Gymnasium – Suva Grammar School Concert
- FMF Gymnasium – Suva Grammar School Concert
- 30th – FMF Gymnasium – Super Rugby After-Function

- ANZ Stadium – Super Rugby Pulse Energy Highlanders vs Gallagher Chiefs

JULY

- Fijian Elections Mock Training
- NHC – Business House Hockey
- FMF Gymnasium – Suva Grammar Concert
- Lawaqa Park – Skipper Cup – Nadroga Semi-final potential
- VTC – Tennis Tournament
- FMF Gymnasium – Wedding
- Lawaqa Park – Skipper Cup Reserve
- NHC – Club Hockey Competition
- FMF Gymnasium – Wedding Reception
- ANZ Stadium – Ace Convention
- FMF Gymnasium & ANZ Stadium – ACE Convention
- FMF Gymnasium – Ace Converntion
- ANZ Stadium – Deans Rugby Quarter-finals
- FMF Gymnasium – Ambassadors Taekwondo Cup
- Lawaqa Park – Nadroga Rugby Skipper Cup Final potential
- NHC – Futsal Tournament
- FMF Gymnasium – Tentative Oceania Volleyball
- FMF Gymnasium – Film Fiji
- ANZ Stadium – Deans Rugby Semi-finals
- NHC – Valerie Daveta Tournament







Chairman's Report

As the organization responsible for the planning, constructing, maintaining and delivery of high quality venues and facilities for sports at all levels, from high performance athletes to community recreational activities, the Fiji Sports Council has more than delivered on its promise, with the official opening of the FSC Head Office and FMF Gymnasium complex in January 2018.

From the outset, I wish to thank the Fijian Government for its vision in placing more emphasis on the social and economic importance of sport in Fiji, through modern sporting facilities such as this, and the many others we are beginning to see established around the country, particularly those in once overlooked rural areas.

Through key investments such as the one made in the new complex, and with ongoing Government support, more and more of our young people are beginning to see sports as a serious career path.

The new Head Office and FMF Gym has been a long time coming, for the Board, Management and staff of FSC. The original structure was built a year after the FSC was first established in 1978, and now, after nearly four decades, it has finally undergone its biggest-ever refurbishment, effectively launching the Council into the 21st Century.

In recent years, some had described the FMF gym as the 'grand old lady' of all our combined 19 sports facilities around the country managed by FSC. The 'grand old lady' has finally been given a new lease of life, and is a model of what professional sports facilities should look like.

This latest development is part of the Sports Council's ongoing vision and long-term strategic plan for future development. With Government support, in 2012 the FSC facilities have seen upgrades take place at the ANZ stadium, followed by Lawaqa Park in Sigatoka in 2014, the Suva Lawn Tennis Club and at the Victoria Tennis and Squash Courts in 2015. All of these facilities have been brought up to top international standards and have enabled Fiji to host world events.

In June 2017, my Board received Government support for the redevelopment of the Vodafone Arena. This is the next major project for the Sports Council, which began in March 2018. We look forward to the planned completion and commissioning of this project in 2019.

As the time of presenting this report we are cognizant of the constraints we will face as we enter the new normal, post COVID-19, world.

But we can still dream big, and together, we can still achieve great things.


Peter Mazey
Chairman

Members of the Board



Mr Peter Mazey
Chairman



Lt. Colonel Ifereimi Vasu
Deputy Chairman



Mr Joseva Sania
Board Member



Mr Daniel Lobendahn
Board Member



Mr Vijendra Sundar
Board Member
(R.I.P.)



Mr Colin Philp
Board Member



Ms Marigold Moody
Board Member
(Resigned 17.05.2018)



Mrs Elesi Ketedromo
Board Member
(Resigned 16.04.2018)



Mrs Losalini Waqausa
Board Secretary



Mr Parmesh Chand
Board Member
(Resigned 31.03.2018)



Ms Sharon Smith
Board Member
(Appointed 17.04.2018)



Mr Joel Abraham
Board Member
(Appointed 17.04.2018)



Mr Sakeasi Seru
Board Member
(Appointed 17.04.2018)

Senior Management



Litiana Loabuka
Chief Executive Officer



John Pickering
Chief Operations Officer



Eleina McDonald
Operations Manager



Ashni Sharma
Finance Manager



Alvinesh Chand
Audit Manager



Vikash Son
Senior Accountant



Della Shaw
Facility Supervisor



Sera Vakaloloma
Facility Supervisor



Permal Swamy
Ground Superintendent



Vaseva Nasaroa
Executive Assistant



Vijay Chetty
Maintenance Supervisor



Kelera Naituku
Facility Supervisor



Jale Vunisa
Facility Supervisor



Praneel Ram
Facility Supervisor



CEO's Report



While there have been many highlights throughout the 2017-2018 Financial Year, the most memorable, with perhaps the greatest long-term impact, was the official commissioning of the new Fiji Sports Council Head Office and the re-opening of the refurbished FMF Gymnasium by the Honorable Prime Minister, Voreqe Bainimarama.

The Fiji Sports Council was proud to host the Honorable Prime Minister and other distinguished guests at the momentous occasion, which marked a transformation for both the Fiji Sports Council and the FMF Gym.

For the first time, the Fiji Sports Council has a dedicated Head Office. Before this, for the past 40 years, the Council has operated out of five separate administration buildings, some built in the Second World War and others converted from facility changing rooms.

Transformation

While the transformation was taking place, the Fiji Sport Council staff worked under even more difficult circumstances, with departments even further spread out than before, and often in very constrained spaces. My heartfelt thanks goes to all FSC staff. I wish to commend you all for maintaining the highest standards of professionalism and commitment during that period.

The refurbished FMF Gymnasium now has new roofing and flooring and a state-of-the-art sound system. The building has withstood years of battling weather conditions and hosting back-to-back events, yet we have still been able to gain venue hosting rights for countless internationals and Oceania Championships, as well as high-end corporate functions.

Improved service delivery

Of equal if not greater importance, our customers will now experience improved service delivery. No longer will clients have to spend valuable time walking from department to department, from building to building, to complete booking arrangements. Now, bookings can be completed efficiently and quickly, with all departments housed together. This ensures that the booking of venues is allocated in a fair and equitable, first come, first served basis.

With the opening of the new, fully integrated Head Office and FMF Gym, we can truly become the professional body capable of delivering the best in hosting events, sports and physical activity in Fiji. We have a base from which we can oversee professionally the entire sporting facility network managed by the Council, and so support Government's sports development agenda.

Capital works projects

It has been an exciting time to see the Council's five-year strategic plan for capital works projects coming to life. We also saw the closing of the Vodafone Arena in March 2018 in order to begin a refurbishment on a scale that this facility merits.

The Vodafone Arena has hosted many firsts, bringing pride to the Council and the nation as a whole, achieving international hosting rights such as the Oceania



Championships in basketball, Futsal, volleyball, taekwondo, karate, weightlifting and table tennis. World netball number one team, Silver Ferns toured in 2015 and top national events such as the Women’s Expo, Fiji Showcase, Vodafone Hibiscus Festival, Fiji Sports Awards, Fiji Film Awards, concerts and tertiary programs continue to return on an annual basis.

Following the renovations, the Vodafone Arena will be the first venue in Fiji to assist Weightlifting Fiji in hosting the IWF World Junior Championship in 2019, while Netball Fiji has won their bid to host the World Youth Championship in 2022.

With the growth of urban and youthful populations, it has become increasingly important to invest in facilities to provide opportunities for participation in sports at all levels, to holistically enhance the lives of all age groups, while bringing together the various sectors of our community.

Facilities for all

As the Honorable Prime Minister emphasized in his remarks at the opening celebrations, sporting venues are to be used, not just by high performance athletes, but by all, including women, young people, people with disabilities, the elderly; all are entitled to use these athletic spaces, to keep healthy and active.

At Fiji Sports Council, we are proud to provide venues that support spiritual, educational, and cultural occasions, as well as important family milestones such as weddings and birthday celebrations.

We are proud of the contribution we make to the health and well-being of all Fijians, by providing venues and facilities for sport and active recreational activities that bring people from all walks of life together, so that through sport, stronger bonds can be formed.

Appreciation

I wish to thank my Executive Management team for their dedication and professionalism. My thanks also to every member of our FSC Family, as well as all the hardworking flexi-workers, whose tireless efforts contribute enormously to the realization of our vision and mission statements.

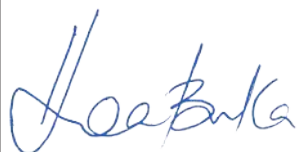
My sincere thanks to our key partners, for their continuing and valuable support, and to the national sporting organizations and their respective district associations, for demonstrating their confidence in our ability to provide

well-appointed and well-managed facilities for their events. My thanks also to every patron who used our facilities during the past year.

I wish to express my sincere gratitude to the Chairman for his unstinting support and guidance and to the Fiji Sports Council Board Directors, whose business acumen, combined with their technical expertise, has been invaluable.

I wish to record my sincere appreciation to our Government for its indispensable and ongoing support that is essential for the realization of our vision for the Fiji Sports Council.

Thank you.



Litiana Loabuka
Chief Executive Officer



Photo courtesy of Department of Information.

Financial Performance

The Fiji Sports Council had a stimulating and active 2018 financial year with the re-opening on 26th January 2018 of the FMF Gymnasium and the inclusion of the new Head Office. The re-opening of this upgraded facility made it available for the hosting of major international and local events.

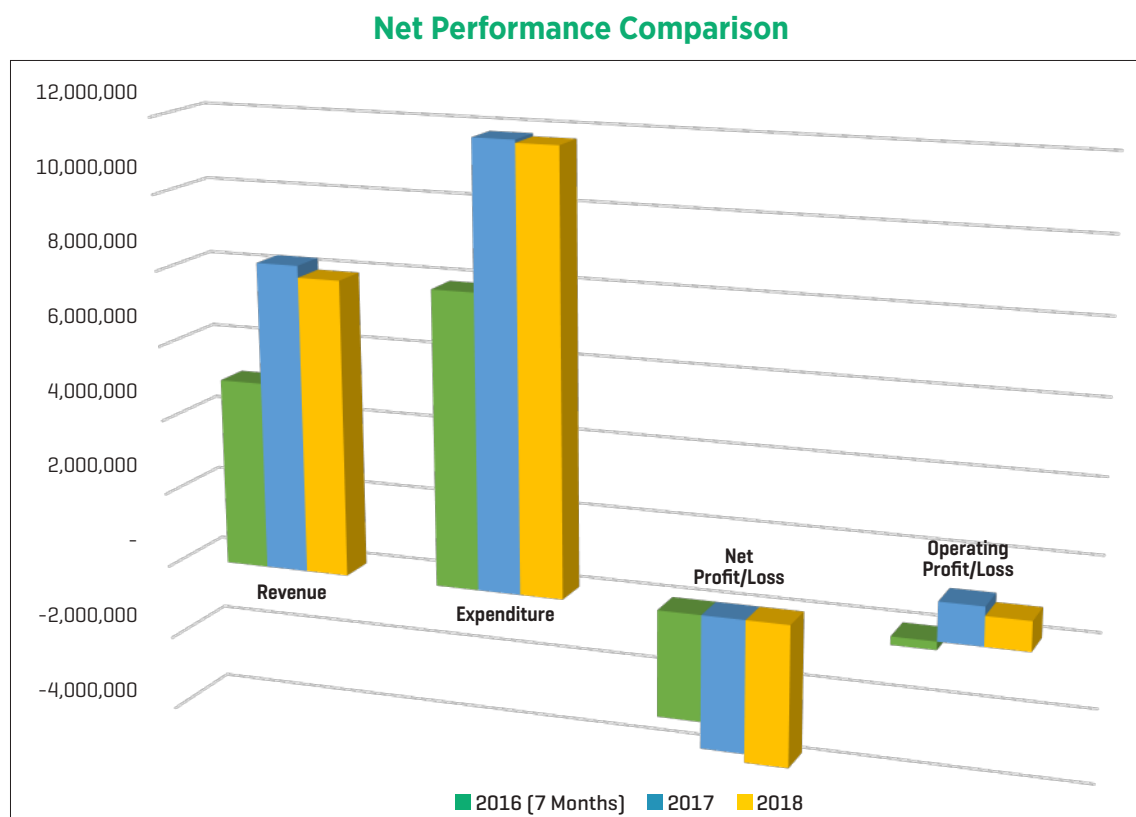
With the start of the Vodafone Arena renovation program in March 2018, further challenges were faced, with the Sports Council having to manage operations with one of the highest earning facilities being closed. This resulted in a loss of income for the remaining months of the financial year.

The Financial Year in Review

The total revenue reported for the Financial Year ended July 2018 amounted to \$7,909,479.

Total expenditure was recorded at \$11,717,868.

The graph below shows the comparison between years 2016 and 2017.



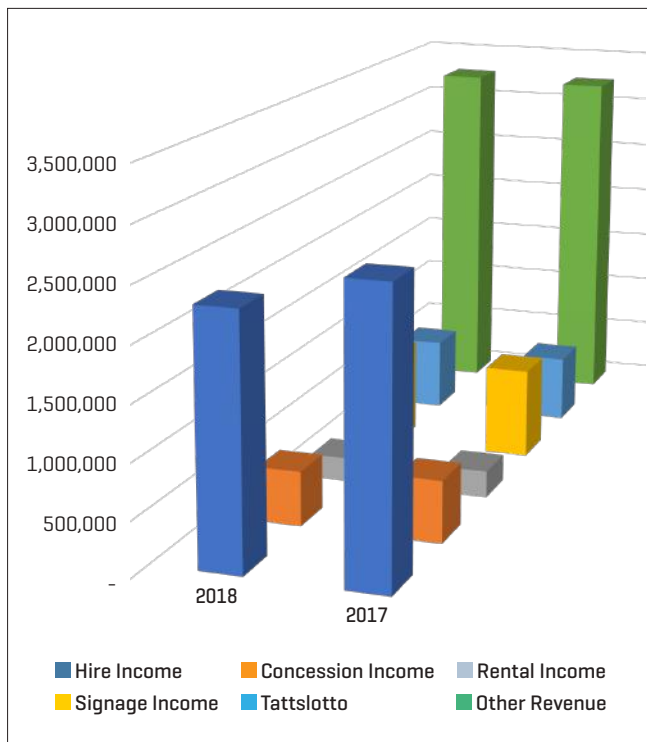
The operating profit showed an insignificant decline in comparison to year 2017, however, it was a notable increase compared with other previous years. The decline was due to the closures of the FMF Gymnasium from August 2017 until January 2018, and the Vodafone Arena from March 2018 until November 2019, in response to the major renovations being carried out on the facilities.

The Council sustained its ability to generate revenue in maintaining the daily operations even with the closure of its major income generating facilities for renovations.

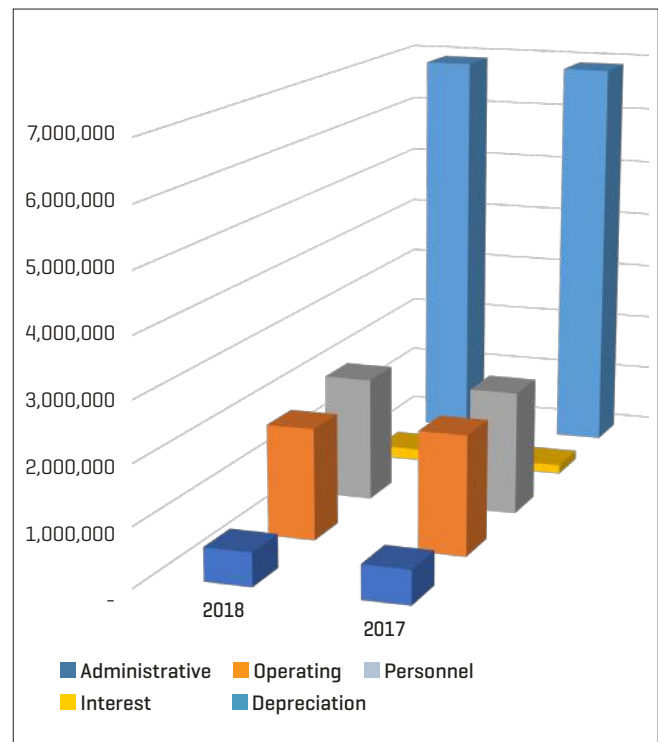
The Government of Fiji once again extended its support in terms of financial assistance through the capital grant to the Council, in order to begin with the Vodafone Arena renovation works.



Revenue Comparison



Expenditure Comparison



The Council continued to strengthen its financial processes, initiated more income streams to invest in, and worked within the budgetary limits of spending.

Net Worth

The Council was worth approximately \$75m for the period ended July 2018, which includes the Council's fixed assets including the property, plant and equipment with its total value of \$146m.

Year End Results & Going Forward

The Council has once again delivered a commendable performance,, despite being financially and operationally challenged by the closure of its two valuable facilities.

The Council is ready for a more optimistic year ahead with the anticipated re-opening of the Vodafone Arena in 2019.

The Council continues its efforts in performance growth and in maintaining and delivering service excellence to its valued customers.





FIJI SPORTS COUNCIL

Financial Statements

FOR THE YEAR ENDED 31 JULY 2018

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DIRECTORY

Nature of Business:	To promote and foster the development of amateur sports and recreation in Fiji including supporting and managing sporting facilities in Fiji.
Registered Office:	FMF Gymnasium 220 Laucala Bay Road Suva Fiji
Board Members:	Peter Mazey Daniel Lobendahn Colin Philp Lt. Col Ifereimi Vasu Vijendra Kumar Sundar Josefa Sania Joel Abraham Sakiasi Seru Sharon Smith
Board Secretary:	Losalini Waqausa
Bankers:	ANZ Banking Group Limited ANZ House Suva Bank South Pacific Suva
Offices:	Laucala Bay Road Suva Lawaqa Park Sigatoka

COUNCIL'S REPORT

FOR THE YEAR ENDED 31 JULY 2018

In accordance with a resolution of Board, the members herewith submit the statement of Financial Position of Fiji Sports Council as at 31 July 2018, the related statement of Profit or Loss and other Comprehensive Income, statement of Changes in Equity and statement of Cash Flows for the year then ended and report as follow:

1. The Board Members in office at the date of this report are:

	<u>Resigned</u>
- Peter Mazey	Current
- Daniel Lobendahn	Current
- Colin Philp	Current
- Lt. Col Ifereimi Vasu	Current
- Vijendra Kumar Sundar	24/11/2020
- Marigold Moody	17/05/2018
- Parmesh Chand	31/03/2018
- Elesi Ketedromo	16/04/2018
- Josefa Sania	Current
- Joel Abraham	30/04/2019
- Sakiasi Seru	23/01/2020
- Sharon Smith	Current

2. Principal Activity

To promote and foster the development of amateur sports and recreation in Fiji including supporting and managing sporting facilities in Fiji.

3. Operating Results

The Council recorded a loss for the year of \$3,808,389 [2017: Loss of \$3,576,444]

4. Bad and Doubtful Debts

Prior to the completion of the Council's accounts, the Members took reasonable steps to ascertain that action has been taken in relation to writing off bad debts and the making of provision for doubtful debts. In the opinion of the Board, adequate provision has been made for doubtful debts.

5. Current Assets

Prior to the completion of the Financial Statements of the Council, the Board took reasonable steps to ascertain whether any current assets were likely to realise in the ordinary course of the business, their values as shown in the accounting records of the Council.

Where necessary these assets have been written down or adequate provision has been made to bring the values of such assets to an amount they are expected to realise.

As at the date of this report the members are not aware of any circumstances which would render the values attributed to the current assets in the Council's Financial Statements misleading.

6. Events subsequent to balance date

Subsequent to year end, the World Health Organization (WHO) declared the Coronavirus (COVID 19) a "Public Health Emergency of International Concern". Whilst measures and policies have been taken by the national government and nearby trading countries to prevent the spread of the virus, the financial reporting impact of the virus on amounts and estimates reported or used in the preparation of the 2018 financial statements is not expected to be material.

Other than this, 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 to affect significantly the operations of the Council, the results of those operations, or the state of the affairs of the Council, in subsequent financial years.

COUNCIL'S REPORT (Cont'd)

FOR THE YEAR ENDED 31 JULY 2018

7. Unusual Transaction

In the opinion of the Board, the results of the Council during the financial year were not substantially affected by any item, transaction or event of an abnormal character nor has there arisen between the end of the financial year and the date of this report any item, transaction or an event of an abnormal character likely in the opinion of the Board to affect substantially the results of the operations of the Council in the current financial year.

8. Significant Events during the year

There were no significant changes in the operations of the Council during the financial period.

9. Related Party Transaction

In the opinion of the Board, all related party transactions have been adequately recorded in the books of the Council.

10. Going Concern

The financial statement of the Council have been prepared on a going concern basis. We consider the application of going concern principle to be appropriate in the preparation of this financial statement and we believe that the Council has adequate funds to meet its liabilities as and when they fall due in the next 12 months.

11. Other Circumstances

As at the date of this report:

- (i) No charge on the assets of the Council has been given since the end of the financial year to secure the liabilities of any other person;
- (ii) No contingent liabilities has arisen for which the Council could become liable; and
- (iii) No contingent liabilities or other liabilities of any Council has become or is likely to become enforceable within the year after the end of the financial year which in the opinion of the Board will or may substantially affect the ability of the Council to meet its obligation as and when they fall due.

As at the date of this report the Board are not aware of any circumstances that have arisen not otherwise dealt with in this report which would make adherence to the existing method of valuation of assets or liabilities of the Council misleading or inappropriate.

Dated at Suva this 30th day of Dec 2020.

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


.....
Chairman

30/12/20
.....
Date


.....
Member

30/12/20
.....
Date

Statement by the Board

FOR THE YEAR ENDED 31 JULY 2018

In accordance with a resolution and in the opinion of the members of FIJI SPORTS COUNCIL we state that:-

- (i) the accompanying statement of Comprehensive Income is drawn up so as to give a true and fair view of the results of the Council for the year ended 31 July 2018;
- (ii) the accompanying statement of Financial Position is drawn up so as to give a true and fair view of the state of affairs of the Council as at 31 July 2018;
- (iii) the accompanying statement of Changes in Equity is drawn up so as to give a true and fair view of the changes in equity of the Council for the year ended 31 July 2018;
- (iv) the accompanying Statement of Cash Flows is drawn up so as to give a true and fair view of the cash flows of the Council for the year ended 31 July 2018;
- (v) at the date of this statement, there are reasonable grounds to believe that the Council will be able to pay its debts as and when they fall due; and
- (vi) all related party transactions have been adequately recorded in the books of the Council and reflected in the financial statements.

Dated at Suva this 30th day of Dec 2020.

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


.....
Chairman

30/12/20
.....
Date


.....
Member

30/12/20
.....
Date

Independent Audit Report

FOR THE YEAR ENDED 31 JULY 2018

OFFICE OF THE AUDITOR GENERAL

Excellence in Public Sector Auditing



6-8th Floor, Ratu Sukuna House
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P.O.Box 2214, Government Buildings
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Fax: (679) 330 3312
Email: info@auditorgeneral.gov.fj
Website: <http://www.org.gov.fj>



INDEPENDENT AUDITOR'S REPORT

To the Board Members of Fiji Sports Council

Report on the Audit of the Financial Statements

Opinion

I have audited the accompanying financial statements of Fiji Sports Council ["the Council"], which comprise the statement of financial position as at 31 July 2018, statement of comprehensive income, statement of changes in equity and statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fiji Sports Council as at 31 July 2018, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

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

Emphasis of Matter

1. Attention is drawn to Note 28 of the financial statements which notes the novel coronavirus (COVID-19) global pandemic subsequent to 31 July 2018 and how this has been considered by the Council in the preparation of the financial statements. As set out in Note 28, no adjustment have been made to the financial statements as at 31 July 2018 for the impacts of COVID-19.
2. The Council has not undertaken a full review on impairment of assets with zero book value totaling \$4,829,003 included in its property, plant and equipment (Note 16). In addition, the Council is yet to carry out a review of the depreciation rates and the remaining economic useful lives of individual and major classes of property, plant and equipment in a progressive and structured manner for the consideration and review by those charged with governance.

My opinion is not qualified in respect of these matters.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible of overseeing the Council's financial reporting process.

Independent Audit Report (Cont'd)

FOR THE YEAR ENDED 31 JULY 2018

Auditor's Responsibility for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

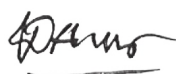
As part of an audit in accordance with ISA, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence, obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report on Other Legal and Regulatory Requirements

In my opinion, the financial statements have been prepared in accordance with the requirements of the Fiji Sports Council Act Cap 271A in all material respects, and;

- a) I have been given all information, explanations and assistance necessary for the conduct of the audit; and
- b) the Council has kept financial records sufficient to enable the financial statements to be prepared and audited.



Ajay Nand
AUDITOR-GENERAL



Suva, Fiji
05 January, 2021

Statement of Comprehensive Income

FOR THE YEAR ENDED 31 JULY 2018

	Notes	31 July 2018	31 July 2017
Revenue			
Operating income	5	4,122,496	4,388,633
Other income	6	2,818,424	2,793,402
Concession income		509,843	579,045
Government Grant	7	458,716	458,716
Total Revenue		7,909,479	8,219,796
Less: Cost of Sales	8	331,165	386,453
Gross Profit		7,578,314	7,833,343
Expenditure			
Administrative expenses	10	571,462	580,932
Operating expenses	9	1,265,570	1,301,559
Other operating expenses	12	307,685	352,406
Personnel expenses	11	2,118,330	2,110,427
Total Expenditure		4,263,047	4,345,324
Operating Profit before Depreciation, Interest and Tax		3,315,267	3,488,019
Depreciation		6,924,036	6,911,069
Interest		199,620	153,394
Net Operating Loss Before Income Tax		(3,808,389)	(3,576,444)
Other Comprehensive Income			
Impairment gain		-	-
Total Comprehensive Loss for the year		(3,808,389)	(3,576,444)

The Statement of Comprehensive Income is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 23 - 40.

Statement of Changes in Equity

FOR THE YEAR ENDED 31 JULY 2018

	Revaluation Reserves	Accumulated Funds	Total
Balance as at 01 January 2015	108,000	1,569,321	1,677,321
Impairment Gain - Property revaluation surplus	88,207,210	-	88,207,210
Net loss for the year ended 31 December 2015-Restated	-	(4,500,432)	(4,500,432)
Balance as at 31 December 2015	88,315,210	(2,931,111)	85,384,099
Net loss for the seven months ended 31 July 2016	-	(2,859,597)	(2,859,597)
Balance as at 31 July 2016	88,315,210	(5,790,708)	82,524,502
Net loss for the year ended 31 July 2017	-	(3,576,444)	(3,576,444)
Balance as at 31 July 2017	88,315,210	(9,367,152)	78,948,058
Net loss for the year ended 31 July 2018	-	(3,808,389)	(3,808,389)
Balance as at 31 July 2018	88,315,210	(13,175,541)	75,139,669

The Statement of Changes in Equity is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 23 - 40.

Statement of Financial Position

AS AT 31 JULY 2018

	Notes	31 July 2018	31 July 2017
Current Assets			
Cash & cash equivalents	13 (a)	3,764,532	470,700
Inventory	14	55,434	51,962
Trade and other receivables	15 (a,b)	770,949	966,109
Prepayments and deposits	15 (c) (i)	130,454	118,060
Total Current Assets		4,721,369	1,606,831
Non - Current Assets			
Prepayments and deposits	15 (c) (ii)	242,274	242,274
Property, plant and equipment	16	141,381,493	144,531,508
Total Non - Current Assets		141,623,767	144,773,782
Total Assets		146,345,136	146,380,613
Current Liabilities			
Bank Overdraft	13 (b)	-	10
Trade and other payables	17	923,526	1,222,585
Interest Bearing Borrowings	18 (i)	625,679	345,846
Total Current Liabilities		1,549,205	1,568,441
Non - Current Liabilities			
Interest Bearing Borrowings	18 (i,ii)	6,045,090	4,450,611
Deferred Income	19	63,611,172	61,413,502
Total Non - Current Liabilities		69,656,262	65,864,113
Total Liabilities		71,205,467	67,432,554
NET ASSETS		75,139,669	78,948,059
Equity			
Reserves		88,315,210	88,315,210
Accumulated Funds		(13,175,541)	(9,367,152)
TOTAL EQUITY		75,139,669	78,948,059

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



 Chairman

30/12/20

 Date



 Member

30/12/20

 Date

The Statement of Comprehensive Income is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 23 - 40.

Statement of Cashflows

FOR THE YEAR ENDED 31 JULY 2018

	Notes	31 July 2018 (\$)	31 July 2017 (\$)
Cash flows from operating activities			
Receipts from customers		5,568,285	5,764,736
Payments to suppliers, creditors and employees		(4,896,745)	(5,527,063)
Interest and Finance costs paid		(199,620)	(153,394)
Net cash used by operating activities		471,920	84,279
Cash flows from investing activities			
Acquisition of Property, Plant & Equipment		(3,774,020)	(1,606,284)
Proceeds from government grants		4,721,630	3,248,852
Disposal of Property, Plant & Equipment		-	-
Net cash used by investing activities		947,610	1,642,568
Cash flows from financing activities			
Proceeds from Interest bearing liabilities		1,874,312	(1,779,606)
Net Cash provided by financing activities		1,874,312	(1,779,606)
Net (Decrease)\ Increase in Cash Held		3,293,842	(52,760)
Cash at Bank Balance at the Beginning of the Year		470,690	523,446
Cash and cash equivalents at the end of the year	13	3,764,532	470,690

The Statement of Cash Flows is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 23 - 40.

Notes to and Forming Part of the Financial Statements

FOR THE YEAR ENDED 31 JULY 2018

1. GENERAL INFORMATION

To promote and foster the development of amateur sports and recreation in Fiji including supporting and managing sporting facilities in Fiji.

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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted by Fiji Sports Council are stated to assist in the general understanding of these financial statements. These policies have been consistently applied except as otherwise indicated.

2.1 Basis of Preparation

The financial statements of Fiji Sports Council have been prepared in accordance with the International Financial Reporting Standards (IFRS). They have been prepared under the historical cost convention, as modified by the revaluation of investments property and derivative financial instruments at fair value.

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

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

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

The principal accounting policies adopted in the preparation of these financials statements are set out below. These policies have been consistently applied to all the periods presents, unless otherwise stated.

New and amended standards adopted by the Council

There are no IFRSs or IFRIC interpretations that are effective for the first time for the financial year beginning on or after 1 August 2016 that would be expected to have a material impact on the entity.

New standards, amendments, annual improvements and interpretation that have been issued and effective as at 01 January 2018

Certain new standards, amendments, annual improvements and interpretation which have been effective from 1 January 2018 and have not been adopted early in these financial statements, will or may have an effect on the council's future financial statements. The council intends to adopt these standards, amendments, annual improvements and interpretation if applicable, when they become effective.

New standards which are applicable to the Council are:

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

FOR THE YEAR ENDED 31 JULY 2018

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of Preparation (continued)

New standards, amendments, annual improvements and interpretation that have been issued and effective as at 01 January 2018 (continued)

IFRS 9 - 'Financial instruments'

This standard on classification and measurement of financial assets and financial liabilities will replace IAS 39, 'Financial instruments: Recognition and measurement'. IFRS 9 has two measurement categories: amortised cost and fair value. All equity instruments are measured at fair value. A debt instrument is measured at amortised cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. For liabilities, the standard retains most of the IAS 39 requirements. These include amortised-cost accounting for most financial liabilities, with bifurcation of embedded derivatives. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch.

IFRS 15 - Revenue from Contracts with Customers

IFRS 15 was issued in May 2014 and establishes a new five-step model that will apply to revenue arising from contracts with customers. Under IFRS 15 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IFRS 15 provide a more structured approach to measuring and recognising revenue.

The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under IFRS. Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2018 with early adoption permitted. The council is will assess the impact of IFRS 15 and plans to adopt the new standard in the next financial year, on the required effective date.

IFRS 16 - Leases

"IFRS 16 Leases, which supersedes IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC 15 Operating Leases-Incentives and SIC 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

IFRS 16 eliminates the classification by a lessee of leases as either operating or finance. Instead all leases are treated in a similar way to finance leases in accordance with IAS 17. Under IFRS 16, leases are recorded on the balance sheet by recognising a liability for the present value of its obligation to make future lease payments with an asset (comprised of the amount of the lease liability plus certain other amounts) either being disclosed separately in the statements of financial position (within right-of-use assets) or together with property, plant and equipment. The most significant effect of the new requirements will be an increase in recognised lease assets and financial liabilities.

IFRS 16 applies to annual periods commencing on or after 1 January 2019. Earlier adoption is permitted, but only IFRS 15 Revenue from Contracts with Customers is also adopted. The council will assess the impact of IFRS 16 and plans to adopt the new standard on the required effective date."

2.2 Foreign Currency Translation

i. Functional and presentation currency

The financial statements are presented in Fiji Dollars (\$FJ), which is the entity's functional currency.

ii. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other [losses]/gains - net'.

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

FOR THE YEAR ENDED 31 JULY 2018

2.3 Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less.

2.4 Trade Receivables

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Council will not be able to collect all amount due according to the original terms of the receivables.

2.5 Inventories

Inventories are stated at a lower of cost and net realizable value.

The cost of inventory has been determined on a weighted average cost basis. This includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. No provision has been made for slow moving or obsolete inventories on the basis that the amount is considered to be immaterial.

At each reporting date however, inventories are assessed for impairment. If inventory is impaired, the carrying amount is reduced to its selling price less cost to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.6 Property, Plant and Equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the Management.

The entity adds to the carrying amount of an item of property, plant and equipment the cost of replacing parts of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the Council. All other repairs and maintenance are charged to profit and loss during the year in which they are incurred.

Depreciation

Depreciation on the other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight line method on the basis of maximum rates allowed by Fiji Revenue and Customs Authority.

	Rates
Sports equipment	1-2 Years
Motor vehicles	1-5 Years
Plant & Equipment	1-5 Years
Office Equipment	1-5 Years
Concession Equipment	1-3 Years
Furniture & Fittings	1-10 Years
Leasehold Land	82-99 Years
Leasehold Building	1-20 Years

Amortization

The following upgrades of the Council's facilities over the years are amortized at a rate of 11.214% per annum. The amortized amount is transferred to the deferred income account every year.

Upgrade of ANZ Stadium-2012- \$21,181,322

Upgrade of Lawaqa Park-2015- \$2,575,936

Upgrade of FMF Gymnasium-2016- \$3,867,633

Donation from Government-Motor Vehicles-2018-\$109,174, Scoreboard-2018-\$25,300

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Capital work in progress is not depreciated.

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

FOR THE YEAR ENDED 31 JULY 2018

2.6 Property, Plant and Equipment (continue)

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 only when it increases the future economic benefits embodied in the items of property, plant and equipment.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within gains/(losses) on sale of fixed assets in the Statement of Comprehensive Income.

2.7 Provisions

Provisions are recognised when the Council has a present legal or constructive obligation as a result of past events. It is probable that a transfer of economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the amount expected to be required to settle the obligation.

2.8 Trade Payables

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

2.9 Employee Benefits

Superannuation plans

All employees who are Fiji Citizens belong to the Fiji National Provident Fund, an independent statutory administered funds. Obligations for contributions to defined superannuation plans are recognized as an expense in the profit and loss as incurred.

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 employees 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 on-costs, such as payroll tax. Increases or decreases in this obligation are recognized in the profit or loss.

Employee benefits long-service leave

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

2.10 Borrowings

Borrowings are recognised initially at the transaction price. Borrowings are subsequently stated at amortised cost. Interest expense is recognised on the basis of the effective interest method and is included in finance costs.

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

FOR THE YEAR ENDED 31 JULY 2018

2.11 Leases

Assets acquired under finance leases are included as property, plant and equipment in the statement of Financial Position. Finance leases effectively transfer from the lesser to the lessee substantially all the risks and benefits incidental to ownership of the leased property. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges are included in other long-term payables. The interest portion of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset or the lease term.

2.12 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 the donations of the property, plant and equipment are taken to property, plant and equipment and deferred income at cost.

The deferred income is recognized as 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.

2.13 Revenue Recognition

Services Rendered

Revenue from hire of facilities, advertising signs and concession is recognized in the profit or loss on an accrual basis. The entity recognizes revenue when the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the entity's activities.

Sale of Goods

Sale of goods are recognised when the Council sells a product to the customer as control passes to the customer on the day the transaction takes place. Retail sales are usually cash.

Interest Income

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

Grant Income

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

2.14 Net Finance Charges

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

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

2.15 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.

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

FOR THE YEAR ENDED 31 JULY 2018

2.16 Value Added Tax (VAT)

Revenue, expenses and assets are recognised net of the amount of respective VAT except:-

- where the value added tax incurred on the purchase of assets or services is not recoverable from the taxation authority, in which case the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables that are stated with the amount of value added tax included and payables that are stated with the amount of value added tax included.

The net amount of value added tax recoverable or payable to the tax authority is included as part of the receivables or payables in the statement of Financial Position.

2.17 Comparatives

The comparative are the audited figures for the year ended 31 July 2017 and have been regrouped where considered necessary.

2.18 Change in balance date

The Council changed its balance date to align its reporting with that of the Government of Fiji. The balance date of the Government budget and financial reporting is July from 2016 onwards.

3. FINANCIAL RISK MANAGEMENT

Overview

The Council's activities expose it to a variety of financial risks; market risk (including currency risk and price risk), credit risk and liquidity risk. The Council's controls over these risks focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Council's financial performance.

Risk management is carried out by Executive Management. Executive Management identifies, evaluates and monitors financial risks in close co-operation with the operating units. The Board provides policies for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

The Board has the overall responsibility for the establishment and oversight of the Council's risk management framework. The Council's risk management policies are established to identify and analyse the risks faced by the Council, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Council's activities.

The Council does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

3.1 Market Risk

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

Unfavourable changes to duty and tax regulations may expose the Council to a decline in revenue. To minimise this risk, the Council implemented appropriate strategies to ensure that products and prices remain attractive. The Council operates in Fiji and changes to government and the policies they implement affect the economic situation and ultimately the revenue of the Council. To address this, the Council reviews its pricing and product range regularly and responds appropriately to these changes.

• Foreign Exchange Risk

The Council undertakes transactions denominated in foreign currencies. Consequently, exposures to exchange rate fluctuation. Exchange rate exposures are managed within approved policy parameters. Major foreign exchange transactions relates to importation of goods of which settlement is based on spot rates. Foreign currency risk arises from recognised assets and liabilities that are denominated in a currency that is not the Council's functional currency. As a measure, the Council negotiates competitive rates with its bankers to minimise losses and maximise gains when foreign exchange receipts and payments become due.

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

FOR THE YEAR ENDED 31 JULY 2018

3. FINANCIAL RISK MANAGEMENT (continue)

3.1 Market Risk (continue)

- **Price Risk**

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

3.2 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 and investment securities.

- **Trade and Other Receivables**

The Council's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Council's customer base, including the default risk of the industry in which customers operate, as these factors may have an influence on credit risk, particularly in the currently deteriorating economic circumstances.

3.3 Liquidity Risk

Liquidity risk is the risk that the Council will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another cash financial asset. 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.

3.4 Operational Risk

Operational risk is the risk of loss arising from systems failure, human error, and fraud to external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial crisis. The Council cannot expect to eliminate all operational risk, but through a control framework and by monitoring and responding to potential risks, the Council is able to manage risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment procedures.

The following table details the Council's maturity profile of financial instruments as at 31 July 2018:

	Fixed Maturity Dates					Total \$FJ
	Less than 1 year \$FJ	1-2 years \$FJ	2-3 years \$FJ	3-4 years \$FJ	4-5 years \$FJ	
Financial Assets:						
Cash on hand and at bank	3,764,532	-	-	-	-	3,764,532
Trade and other receivables	770,949	-	-	-	-	770,949
	4,535,481	-	-	-	-	4,535,481

4. CRITICAL ACCOUNTING ESTIMATES & JUDGEMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 Impairment of Accounts Receivable

Impairment of accounts receivables balance is assessed at an individual as well as on a collective level certain debtors in the + 90 days category (excluding those covered by a specific impairment provision) are estimated to have been impaired and are accordingly provided for.

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

FOR THE YEAR ENDED 31 JULY 2018

4. CRITICAL ACCOUNTING ESTIMATES & JUDGEMENTS (continue)

4.2 Impairment of Property, Plant and Equipment and Investment Property

The Council assesses whether there are any indicators of impairment of all property, plant and equipment and investment property at each reporting date. Property, plant and equipment and investment property are tested for impairment and when there are indicators that the carrying amount may not be recoverable, a reasonable provision for impairment is created. For the year ended 31 July 2018 no provision for impairment has been made as the Council reasonably believes that no indicators for impairment exist.

4.3 Provision for Stock Obsolescence

Provision for stock obsolescence is assessed and raised on a specific basis based on a review of inventories. Inventories considered obsolete or non-saleable are written off in the period in which they are identified.

	31 July 2018 (\$)	31 July 2017 (\$)
5 OPERATING INCOME		
Hire Income	2,326,293	2,661,746
Rental Income	222,687	248,527
Signage Income	896,244	852,102
Tattslotto	677,272	626,258
	<u>4,122,496</u>	<u>4,388,633</u>
6 OTHER INCOME		
Amortization of government grant	2,523,960	2,456,864
Sponsorship/Donation	5,505	9,172
Media	79,369	66,670
Club-Subscription	58,231	55,493
Club-Membership	61,440	62,562
School Programs	-	4,823
Security	1,450	-
Towels	12,467	13,230
Tickets	-	1,869
Gain/Loss on Sale of Assets	2,274	-
Lighting - LED	-	1,287
Miscellaneous Income	2,197	-
Grass Sales	15,000	110,451
Sports Equipment for Sale	376	43
T-Shirt Sales	1,783	826
Recycled Items	892	792
Tender Document Fees	83	-
Personal Trainers Fees	82	-
Staff Sales Share - 10%	-	5
Unidentified Sales	769	-
Storage Hire	2,165	-
Training/Board Room Hire	17,586	-
FNU Training Grant	-	7,933
Phone/Equipment/Machinery	20,988	593
Sports Camp Income	-	138
Business House Income	11,807	651
	<u>2,818,424</u>	<u>2,793,402</u>

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

FOR THE YEAR ENDED 31 JULY 2018

	31 July 2018 (\$)	31 July 2017 (\$)
7 Government grant		
Operating Grant	458,716	458,716
The Council receives operating grant from the Ministry of Youth & Sports to facilitate utility bills for the Council facilities.		
8 COST OF SALES		
Concession Purchases	307,134	343,129
Liquor Purchases	22,851	40,482
Other Purchases	1,180	2,842
	<u>331,165</u>	<u>386,453</u>
9 OPERATING EXPENSES		
Waste Disposal & Cleaning	111,089	134,474
Utilities	660,453	805,766
Travelling & Accommodation	4,123	2,345
Licensing	10,933	9,749
Communication	80,071	92,222
Repair & Maintenance	336,788	197,151
Motor Vehicle	59,341	59,754
Inventory Shrinkage/Spoilage	2,772	98
	<u>1,265,570</u>	<u>1,301,559</u>
10 ADMINISTRATIVE EXPENSES		
Advertising	30,191	55,864
Audit Fees	15,000	23,730
Accounting & Software Support	12,443	29,231
Consultancy	16,300	8,098
Legal Fees	21,982	6,918
Departmental Supplies	1,039	192
Printing	6,097	17,194
Ticket/Books Printing	33,770	5,407
Postage	862	873
Stationery	13,966	7,427
City Rates	23,903	24,662
Insurance	330,915	314,243
Bank Fees/Charges	9,559	23,777
Computer & IT Expenses	24,840	7,521
Computer/Printer Consumables	7,602	11,156
Dues/Subscriptions	1,845	653
Freight, Duty & Cartages	21,148	13,986
	<u>571,462</u>	<u>580,932</u>
11 PERSONNEL EXPENSES		
Wages & Salaries	1,803,065	1,777,333
Superannuation - Fiji National Provident Fund	185,760	173,373
Acting Allowances	4,017	9,027
FNU Levy	19,449	18,504
Annual Leave	80,552	80,031
Other Leaves	-	3,980
Job Evaluation	-	10,249
Other Staff Expenses	25,487	37,930
	<u>2,118,330</u>	<u>2,110,427</u>

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

FOR THE YEAR ENDED 31 JULY 2018

	31 July 2018 (\$)	31 July 2017 (\$)
12 OTHER OPERATING EXPENSES		
Royalties/Levy	1,623	10,807
Promotions/Giveaways/Gifts	2,091	1,946
Plant/Nursery	-	1,629
Signages	12,446	12,813
Hiring & Leasing	89,176	123,999
Staff Training	1,431	12,627
Conferences & Meetings	10,756	9,673
Registration	702	750
Entertainment	8,435	6,135
Compensation Charges	-	135
Planning/Designing/Survey	18,775	33,780
Compliance Equipment	-	10,142
FSC Board Meeting Exp	596	2,922
FSC Board	62,986	72,567
Sevusevu	3,916	581
Uniforms & Safety Gears/Supplies	22,539	10,188
Rental Charges	5,543	5,415
Staff Re-treat/Teambuilding	1,711	-
Land Lease/Rentals	19,602	16,122
First Aid & Medical Supplies	1,562	2,492
Catering	35,982	13,397
Business House Exp	5,476	2,754
Equipment/Machinery for Hiring	2,337	1,532
	<u>307,685</u>	<u>352,406</u>

13 CASH AND CASH EQUIVALENTS

a. For the purposes of Statement of Cash Flows, cash includes cash on hand and cash at banks. Cash at the end of the reporting period as shown in the statement of cash flows comprises:

Vodafone Arena Capital Account - 13086632	3,526,416	-
Operational Grant Account - 11334850	3	-
Gate-taking Account - 565845	32,187	66,042
Concession Account - 12199466	124,259	147,931
General Account - 565798	55,349	117,320
Draw Down Account - 12980803	6	112,918
BSP Rakiraki - 1716104	9,832	9,978
Petty Cash	6,480	3,000
Cash Float	10,000	13,511
	<u>3,764,532</u>	<u>470,700</u>

The Vodafone Arena Capital account is restricted to the Vodafone Arena upgrade project only.

b. Bank Overdraft

Operational Grant Account - 11334850	-	10
	<u>-</u>	<u>10</u>

The Overdraft facility with ANZ Banking Group Limited is for working capital requirements of the Council. The current approved limit is \$300,000. The securities for the above facility is disclosed in Note 18 of this financial statements. The interest rate is 5% per annum.

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

FOR THE YEAR ENDED 31 JULY 2018

	31 July 2018 (\$)	31 July 2017 (\$)
13 CASH AND CASH EQUIVALENTS (continue)		
c. Reconciliation of Net Cash Provided by Operating Activities to Operating Loss After Income Tax		
Net Loss After Income Tax	(3,808,389)	(3,576,444)
Add/(Less) Non Cash Items:		
Depreciation	6,924,036	6,911,069
Amortization of government grant	(2,523,960)	(2,456,864)
	<u>591,687</u>	<u>877,761</u>
Changes in assets and liabilities during the financial year:-		
Decrease/(Increase) in Trade & Other Receivable	182,766	1,802
(Increase)/Decrease in Inventories	(3,472)	7,317
Increase in Trade & Other Payables	(299,060)	(802,600)
Net Cash Provided by Operating Activities	<u>471,921</u>	<u>84,280</u>
14 INVENTORY		
Concession Inventory	55,434	51,962
	<u>55,434</u>	<u>51,962</u>
15 RECEIVABLES		
(a) Trade Receivables		
Trade Debtors	387,745	520,772
Less: Provision for doubtful debts	-	-
	<u>387,745</u>	<u>520,772</u>
(b) Other Receivables		
Others Debtors - Tattslotto	73,098	65,047
Sundry Receivables	7,049	544
Staff Debtors	28,617	28,829
VAT Receivable	274,440	-
Other Receivable *	-	350,917
	<u>383,204</u>	<u>445,337</u>
	<u>770,949</u>	<u>966,109</u>
* The Ministry of Economy has paid off the VAT amounting to \$350,917 on capital grant for 2016 to the Fiji Revenue & Customs Services in July 2018.		
(c) Deposits & Prepayments		
(i) Current		
Other Deposits Paid	10,170	3,150
Insurance Prepaid	8,895	8,263
Dues/Subscriptions Prepaid	2,802	-
Rates & Licenses	14,819	14,054
FEA Deposits	92,594	92,593
Licensing	1,174	-
	<u>130,454</u>	<u>118,060</u>
(ii) Non-current		
FEA Deposits	<u>242,274</u>	<u>242,274</u>

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

FOR THE YEAR ENDED 31 JULY 2018

	31 July 2018 (\$)	31 July 2017 (\$)
16 PROPERTY, PLANT AND EQUIPMENT		
Property, plant and equipment are included in the accounts on the following basis:		
Leasehold improvements - Land	57,669,339	57,669,339
<i>Add: Additions</i>	-	-
<i>Less: Accumulated Depreciation</i>	(3,665,562)	(3,003,086)
	54,003,777	54,666,253
Leasehold improvements - Buildings	118,403,172	118,403,172
<i>Add: Additions</i>	3,931,907	40,209
<i>Less: Accumulated Depreciation</i>	(36,527,134)	(30,451,165)
	85,807,945	87,992,216
Motor Vehicles	459,627	459,627
<i>Add: Additions</i>	322,694	193,015
<i>Less: Accumulated Depreciation</i>	(491,541)	(451,552)
	290,780	201,090
Plant and Equipment	85,700	85,700
<i>Add: Additions</i>	14,772	4,105
<i>Less: Accumulated Depreciation</i>	(73,088)	(50,644)
	27,384	39,161
Furniture and Fittings	420,659	420,659
<i>Add: Additions</i>	19,102	-
<i>Less: Accumulated Depreciation</i>	(415,379)	(393,006)
	24,382	27,653
Office & Concession Equipment	321,403	321,403
<i>Add: Additions</i>	58,244	21,050
<i>Less: Accumulated Depreciation</i>	(286,732)	(245,959)
	92,915	96,494
Sports Equipment	327,705	327,705
<i>Add: Additions</i>	38,987	7,262
<i>Less: Accumulated Depreciation</i>	(225,465)	(166,532)
	141,227	168,435
Business Software	3,234	-
<i>Add: Additions</i>	-	3,234
<i>Less: Accumulated Depreciation</i>	(1,513)	(435)
	1,721	2,799
Work In Progress	991,362	1,337,407
	991,362	1,337,407
Total Written Down Value	141,381,493	144,531,508

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

FOR THE YEAR ENDED 31 JULY 2018

16 PROPERTY, PLANT AND EQUIPMENT

	Leasehold Land	Building & Improvements	Motor Vehicle	Plant & Equipment	Furniture & Fittings	Concession Equipment	Office Equipment		Sports Equipment		Business Software	Work in Progress	Total
							\$	\$	\$	\$			
Balance as at 01 August 2016	57,669,339	118,403,172	459,627	85,700	420,659	16,137	305,266	327,705	-	-	-	-	177,687,605
Acquisitions	-	40,209	193,015	4,105	-	-	21,050	7,262	3,234	1,337,407	-	-	1,606,283
Balance as at 31 July 2017	57,669,339	118,443,381	652,642	89,805	420,659	16,137	326,316	334,967	3,234	1,337,407	-	-	179,293,888
Balance as at 01 August 2017	57,669,339	118,443,381	652,642	89,805	420,659	16,137	326,316	334,967	3,234	1,337,407	-	-	179,293,888
Acquisitions	-	2,554,292	129,679	10,667	19,102	-	37,193	31,725	-	991,362	-	-	3,774,020
Transfer	-	1,337,407	-	-	-	-	-	-	-	-	-	-	1,337,407
Disposal	-	-	-	-	-	-	-	-	-	-	-	(1,337,407)	(1,337,407)
Balance as at 31 July 2018	57,669,339	122,335,079	782,321	100,472	439,761	16,137	363,510	366,692	3,234	991,362	-	-	183,067,908
Depreciation													
Balance as at 01 August 2016	2,340,610	24,419,221	429,347	22,750	335,458	13,136	187,593	103,195	-	-	-	-	27,851,311
Depreciation for the year	662,476	6,031,944	22,205	27,894	57,548	1,919	43,311	63,336	435	-	-	-	6,911,069
Balance as at 31 July 2017	3,003,086	30,451,165	451,552	50,644	393,006	15,055	230,904	166,532	435	-	-	-	34,762,380
Balance as at 01 August 2017	3,003,086	30,451,165	451,552	50,644	393,006	15,055	230,904	166,532	435	-	-	-	34,762,380
Depreciation for the year	662,476	6,075,969	39,989	22,444	22,373	1,082	39,691	58,934	1,078	-	-	-	6,924,036
Balance as at 31 July 2018	3,665,562	36,527,134	491,541	73,088	415,379	16,137	270,595	225,466	1,513	-	-	-	41,686,416
Carrying amount													
Balance as at 31 July 2017	54,666,253	87,992,216	201,090	39,161	27,653	1,082	95,413	168,435	2,799	1,337,407	-	-	144,531,508
Balance as at 31 July 2018	54,003,777	85,807,945	290,780	27,384	24,382	-	92,915	141,226	1,721	991,362	-	-	141,381,493

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

FOR THE YEAR ENDED 31 JULY 2018

	31 July 2018 (\$)	31 July 2017 (\$)
17 PAYABLES		
(a) Trade Payables		
Trade Creditors	289,842	365,462
	<u>289,842</u>	<u>365,462</u>
(b) Other Payables		
Other Payables	105,751	476,965
Payroll Liabilities	178,446	150,431
Provision for Audit Fees	38,750	23,750
Advanced Deposits/Income	204,816	169,387
VAT Liability	-	36,590
Retention - Projects	105,921	-
	<u>633,684</u>	<u>857,123</u>
	<u>923,526</u>	<u>1,222,585</u>
18 INTEREST BEARING BORROWINGS		
i. Australia and New Zealand Banking Group Limited		
Opening Balance	345,846	-
Add: Loan Drawn	2,499,990	397,986
Less: Repayments	(625,678)	(52,140)
Closing Balance	<u>2,220,158</u>	<u>345,846</u>
This is represented by:		
Current Liabilities	625,679	345,846
Non-current Liabilities	1,594,479	-
	<u>2,220,158</u>	<u>345,846</u>
<p>This Loan was for FMF Gymnasium upgrade. Interest was charged at a rate of 5.25% p.a.</p> <p>The securities to be lapsed are a corporate guarantee and indemnity dated 21st February 2013 limited to the amount of \$20m given by the Government of the Republic of Fiji on account of Fiji Sports Council to secure fully drawn advance.</p>		
ii. Government of Fiji		
Included in Non-current Liabilities	<u>4,450,611</u>	<u>4,450,611</u>
<p>The loan from FNPF to the Fiji Sports Council was for the construction of the Lawaqa Park in 1995. The loan was paid by the Government of Fiji for and on behalf of Fiji Sports Council to FNPF in full in 2013.</p> <p>This loan agreement between Government of Fiji and Fiji Sports Council is arising from cabinet decision dated 30th August 2005 which outlined the following:</p> <ol style="list-style-type: none"> the agreement be drawn up between the Government of Fiji and the Fiji Sports Council (FSC) to recover the loan paid by it to Fiji National Provident Fund; that the FSC commence payment of the principal amount after 84 months from the date of the agreement; and that the FSC will pay interest at 3% per annum on a semi annual basis. <p>The loan repayment will commence from 2022.</p>		
19 DEFERRED INCOME		
Opening balance	61,413,502	60,621,514
Government grant received during the year	4,721,630	3,248,852
	<u>66,135,132</u>	<u>63,870,366</u>
Amortisation transferred to income statement	(2,523,960)	(2,456,864)
	<u>63,611,172</u>	<u>61,413,502</u>

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

FOR THE YEAR ENDED 31 JULY 2018

19 DEFERRED INCOME (continue)

The deferred income includes facilities that were funded by the Government of China for the 2003 South Pacific Games. The deferred income also includes the loan taken from ANZ which was paid off by the Government of Fiji for the upgrade of the ANZ Stadium in 2013 and the grant given by the Government of Fiji for the upgrade of Lawaqa Park in 2015.

The Council further recorded the grant given by the Government of Fiji for the upgrade of FMF Gymnasium in 2016, grant by the Government of Fiji for the upgrade of Vodafone Arena in 2017. In 2018, the Council received two motor vehicles donated by the Fiji Government after successful hosting of international events. In addition, the Fiji National Sports Commission purchased a scoreboard for the National Aquatic Center which was handed over to the Council to manage.

All the grant are amortised on an yearly basis except for the Vodafone Arena upgrade which is Work In Progress.

20 PRINCIPAL ACTIVITIES

To promote and foster the development of amateur sports and recreation in Fiji including supporting and managing sporting facilities in Fiji.

21 ENTITY DETAILS

i Registered Office

FMF Gymnasium
220 Laucala Bay Road
Suva

ii Principal Place of Business

FMF Gymnasium
220 Laucala Bay Road
Suva

22 SEGMENT REPORTING

i Industry Segment

The Council operates predominantly in the sports and events industry.

ii Geographic Segment

The Council operates in Fiji and therefore has only one geographical area for reporting purposes.

23 CAPITAL EXPENDITURE COMMITMENTS

Commitments for capital expenditure approved and contracted is \$13,895,213.

Commitments in respect of loans and approved credit commitments offered as at balance date amounted to \$7,653,308 million out of which \$5 million was advanced in May 2018 for the Vodafone Arena Upgrade.

24 CONTINGENT LIABILITIES & COMMITMENTS

a. Contingent Liabilities

BW Holdings

- The Company has sued Fiji Sports Council (FSC) for breach of contract.
- The Plaintiff (BW Holdings) has not pursued this action to trial or arbitration. No steps has been undertaken for a period in excess of 6 years. The lawyers of Fiji Sports Council are now making an application to strike out this matter.
- The Council is awaiting a hearing date to be set by the Suva High Court.

b. Operating Lease Commitments

FSC has lease agreements with the following:

- i. Native Land Trust Board to lease lots 1 & 2 of Lawqa & Rakirakilevu contained in lease 23401 in Sigatoka. The lease is for term of 87 years, signed on 1 January 1998 and ending in 2085. The lease payment is \$1,000 per annum.
- ii. 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 term of 99 years, signed on 1 December 1978 and ending in 2077. The lease payment is \$100 per annum.

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

FOR THE YEAR ENDED 31 JULY 2018

24 CONTINGENT LIABILITIES & COMMITMENTS (continued)

b. Operating Lease Commitments (continue)

- iii. Government of Fiji to lease lot 1 on SO. 2659 known as Victoria Park contained in lease 12274 Suva. The lease is for term of 99 years, signed on 1 January 1979 and ending on 1 January 2078. The lease payment is \$10 per annum.
- iv. Government of Fiji to lease lot 1 plan S4488 Muanivatu known as National Aquatic & Netball Centre, contained in lease 13625. The lease is for term of 99 years, signed on 1 November 2001 and ending on 1 November 2100. The lease payment is \$100 per annum.
- v. Government of Fiji to lease lot 1 on SO 1143 at Veivadravadra, Sigatoka contained in lease 136333. The lease is for term of 99 years, signed on 1 April 1984 and ending on 1 April 2083. The lease payment is \$100 per annum.
- vi. Government of Fiji to lease lot 69 & 70 at Navua known as Thomson Park, contained in lease 481769. The lease is for term of 99 years, signed on 1 April 1999 and ending on 1 January 2098. The lease payment is \$500 per annum.
- vii. Native Land Trust Board to lease Lawaqa Park at Sigatoka, contained in lease 23401. The lease is for term of 99 years, signed on 1 January 1986 and ending on 1 January 2085. The lease payment is \$7,000 per annum.
- viii. A crown lease agreement to lease lot 1 SO3262 Penang Reclamation contained in lease 13343 in Rakiraki, Ba. The lease is for term of 99 years, signed on 1 January 1995 and ending on 1 July, 2094. The lease payment is \$100 per annum.

25 RELATED PARTIES

All transactions that occurred between the Council and Companies or Organizations in which a Council may have an interest, either as a member or employee, were at 'arms length' and in normal course of Council.

Transactions with related parties

- (i) The Government of Fiji allocated a \$5m grant to the Council in 2017 to upgrade the Vodafone Arena. The other grants allocated by the Government of Fiji to the Council until 2016 has been fully utilised.
In the current financial year:
- (ii) The Council received two motor vehicles from the Government of Fiji as donated asset.
- (iii) The Council received an electronic scoreboard for the Aquatic Center from the Fiji National Sports Commission.
- (iii) The Council received \$458,716 as Operating grant and \$4,721,630 as Capital grant for the upgrade of the Vodafone Arena.
- (iv) The Ministry of Economy paid the VAT due to the Fiji Revenue & Customs Services of \$350,917 for the grant given for the upgrade of the Vodafone Arena.

26 KEY MANAGEMENT PERSONNEL

The following are the key management personnel having authority and responsibility for planning, directing and controlling the activities of the Council, directly or indirectly as at the date of this report:

Litiana Loabuka - Chief Executive Officer
 John Pickering - Chief Operations Officer (Resigned 06/08/20)
 Ashni Sharma - Finance Manager (Promoted to COO 06/08/20)
 Eleina McDonald - Operations Manager
 Praneel Ram - Properties Manager
 Angie Kainamoli - Human Resources Manager
 Vikash Son - Acting Manager Finance (Promoted to Manager Finance 06/08/20)
 Alvinesh Chand - Internal Audit Manager (Contract ended July 2019)

27 SIGNIFICANT EVENTS

There were no significant changes in the operations of the Council during the financial year.

28 SUBSEQUENT EVENTS

Subsequent to year end, the World Health Organization (WHO) declared the Coronavirus (COVID 19) a "Public Health Emergency of International concern". Whilst measures and policies have been taken by the national government and nearby trading countries to prevent the spread of the virus, the impact of the virus on amounts and estimates reported or used in the preparation of 2018 financial statements is not expected to be material.

Detailed Income Statement

FOR THE YEAR ENDED 31 JULY 2018

	Notes	31 July 2018 (\$)	31 July 2017 (\$)
REVENUE			
Hire Income		2,326,293	2,661,746
Concession Income		509,843	579,045
Rental Income		222,687	248,527
Signage Income		896,244	852,102
Tattslotto		677,272	626,258
Other Income	6	2,818,424	2,793,402
Government grant	7	458,716	458,716
		7,909,479	8,219,796
Cost of Sales	8	331,165	386,453
Gross Profit		7,578,314	7,833,343
EXPENSES			
Administrative Expenses			
Advertising		30,191	55,864
Audit Fees		15,000	23,730
Accounting & Software Support		12,443	29,231
Consultancy		16,300	8,098
Legal Fees		21,982	6,918
Departmental Supplies		1,039	192
Printing		6,097	17,194
Ticket/Books Printing		33,770	35,407
Postage		862	873
Stationery		13,966	7,427
City Rates		23,903	24,662
Insurance		330,915	314,243
Bank Fees/Charges		9,559	23,777
Computer & IT Expenses		24,840	7,521
Computer/Printer Consumables		7,602	11,156
Dues/Subscriptions		1,84	653
Freight, Duty & Cartages		21,148	13,986
Total Administrative Expenses		571,462	580,932
Operating Expenses			
Waste Disposal & Cleaning		111,089	134,474
Utilities		660,453	805,766
Travelling & Accommodation		4,123	2,345
Licensing		10,933	9,749
Communication		80,071	92,222
Repair & Maintenance		336,788	197,151
Motor Vehicle		59,341	59,754
Inventory Shrinkage/Spoilage		2,772	98
Total Operating Expenses		1,265,570	1,301,559

Detailed Income Statement (Cont'd)

FOR THE YEAR ENDED 31 JULY 2018

Notes	31 July 2018 (\$)	31 July 2017 (\$)
Other Operating Expenses		
Royalties/Levy	1,623	10,807
Promotions/Giveaways/Gifts	2,091	1,946
Plant/Nursery	-	1,629
Signages	12,446	12,813
Hiring & Leasing	89,176	123,999
Staff Training	1,431	12,627
Conferences & Meetings	10,756	9,673
Registration	702	750
Entertainment	8,435	6,135
Compensation Charges	-	135
Planning/Designing/Survey	18,775	33,780
Compliance Equipment	-	10,142
FSC Board Meeting Exp	596	2,922
FSC Board	62,986	72,567
Sevusevu	3,916	581
Uniforms&Safety Gears/Supplies	22,539	10,188
Rental Charges	5,543	5,415
Staff Re-treat/Teambuilding	1,711	-
Land Lease/Rentals	19,602	16,122
First Aid & Medical Supplies	1,562	2,492
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Business House Exp	5,476	2,754
Equipment/Machinery for Hiring	2,337	1,532
Total Other Operating Expenses	307,685	352,406
Personnel Expenses		
Wages & Salaries	1,803,065	1,777,333
Superannuation - Fiji National Provident Fund	185,760	173,373
Acting Allowances	4,017	9,027
FNU Levy	19,449	18,504
Annual Leave	80,552	80,031
Other Leaves	-	3,980
Job Evaluation	-	10,249
Other Staff Expenses	25,487	37,930
Total Personnel Expenses	2,118,330	2,110,427
Total Expenses	4,263,047	4,345,324
Operating Profit before Depreciation, Interest and Tax	3,315,267	3,488,019
Depreciation	6,924,036	6,911,069
Interest	199,620	153,394
Net Operating Loss Before Income Tax	(3,808,389)	(3,576,444)

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.

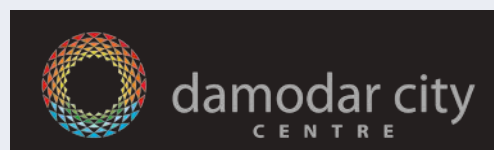
For more information on our sponsor, visit:
<http://www.anz.com>



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



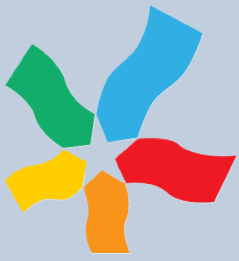
The FMF Group of companies has lent its trusted name in taking up naming rights to the National Gymnasium, which seats close to 1,600 spectators.

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



fiji sports council



AUGUST **2017** - JULY **2018**
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