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# **FILM FIJI**

**ANNUAL REPORT FOR THE YEAR ENDED**

**31 DECEMBER 2014**

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**8 July 2019**

**The Honorable Ms Premila Kumar**

Minister for Industry, Trade, Tourism, Local Government, Housing and Community Development  
Level 3, Civic Tower  
SUVA

Dear Minister,

In accordance with section 11(1) of the Film Fiji Act 2002, I present, on behalf of Film Fiji, the Annual Report and Statements of Account for the year ended 31<sup>st</sup> December 2014.

On behalf of the Board, I would like to thank Government for its continued support and financial contribution to Film Fiji.

Yours sincerely,

Shaenaz Voss  
**Chairperson**

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# **FILM FIJI**

**ANNUAL REPORT FOR THE YEAR ENDED**

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## Introduction

Film Fiji is constituted by and operates in accordance with the Film Fiji Act 2002. Its primary function is to develop and promote the audio-visual industry in Fiji. Film Fiji is empowered under the Income (Film-making and Audio-visual) Incentives Regulations 2016 (previously Sixth Schedule of the Income Tax Act) to administer incentives offered by the Fiji Government to prospective film makers who wish to come to Fiji to film their productions.

Film Fiji provides location services, administers the various incentives, grants film permits and facilitates necessary approvals from authorities such as the Fiji Revenue and Customs Service (formerly Fiji Revenue and Customs Authority), Immigration and other government departments.

Film Fiji also provides advice and assistance with administrative procedures, with the aim of making the business of filmmaking exciting, stress-free, and ultimately positioning Fiji as one of the most sought-after film destinations in the world.

Film Fiji has a large network of local stakeholders including the Audio Visual Agents who are directly involved in the film industry, ensuring that production companies have a pleasant experience while shooting in Fiji.

## The Board

The Film Fiji Board (**“the Board”**) is the lead authority for Film Fiji in mandating strategic policies and key decisions of Film Fiji. The Board is appointed by the Minister for Industry, Trade and Tourism.

The following were members of the Board as at 31<sup>st</sup> December 2014:-

- Shaenaz Voss – Acting Chairperson
- Vanessa Chang - Member
- Akuila Qumi – Member
- Maciu Lumelume – Member
- Sakiusa Bolaira – Member

## Meetings

In 2014, the Board held 5 meetings including 2 full Board meetings and 3 Board Sub-Committee meetings. This exceeded the expected number of meetings as outlined in section 7(1) of the Film Fiji Act, which required the Board to meet at least 4 times in a year.

## Performance Results by Focus Areas

Since its establishment in 2001, Film Fiji has been receiving annual grants from Government through its line Ministry. In 2014, Film Fiji received an annual grant amount of \$0.9 million. As in previous years, Film Fiji focused its activities on promotions and marketing allocating 36% of the budget for this in 2014.

## Key Outcomes

During this period a total of 54 productions were filmed in Fiji. These productions came from various countries including the United States of America (US), Australia, China, Japan and Hong Kong. Some of the major studios that shot in Fiji in 2014 are:

| Studio Name/Production House    | Country   | Project                        |
|---------------------------------|-----------|--------------------------------|
| Channel 7 Australia             | Australia | Big Adventure 2                |
| China Central Television (CCTV) | China     | Where Are We Going Daddy, 2?   |
| Icon Films (Discovery Channel)  | England   | River Monsters                 |
| Nine Network Australia          | Australia | Getaway                        |
| ASP-Greenlight Production       | USA       | ASP Fiji Pro-World Surf League |

The 54 productions that came to Fiji in 2014 generated \$32.6million of New Economic Activity (NEA) in the Fiji economy with a corresponding increase in local employment created totaling 751 for the same year. The return to Government from its investment of \$0.9million was commendable.

The past years has seen growth in the development of the Filming Industry. Film Fiji continues to market Fiji as a film destination, promoting its competitive tax incentives and other advantages. This was done mainly through innovative and creative approaches that stretched our meagre budget to enable us to make an impact on a highly competitive multi-billion dollar industry.

As a result, Film Fiji received a great deal of positive feedbacks from prospective major production houses and studios world-wide. Film Fiji worked with producers and production companies in the provision of scouting and confirming use of locations and other logistical support for various types of productions where necessary.

The geographical locations of the productions were concentrated mostly along Pacific Harbour, Coral Coast and the Mamanucas except for the film “Where Are We Going Daddy 2” which was shot in Taveuni. As with other productions, there was a boost in economic activity in Taveuni whilst the film was in production. Apart from employing locals, the production improved existing infrastructure such as buildings (a church, the cinema, school buildings renovated and/or repaired) and providing business for villages for use of village halls, grounds etc.

Generally all film productions contributed in enhancing the welfare of the local community by providing employment, donation of infrastructure, equipment, and providing business for local service providers. The benefits to tourism are invaluable as the film and TV series expands the awareness of Fiji as a holiday destination.

Film Fiji is confident that it will continue to achieve great results with the influx of more film projects in the future.

## **Promotions and Marketing**

As Film Fiji is fully funded by Government, it is very mindful of the need to spend these resources prudently. As promotion is one of the core functions of Film Fiji, 36% of the budget this year was allocated exclusively to promote Fiji in the following strategic platforms:

## **Public Relations**

Film Fiji together with other stake holders collaborated on new promotion initiatives that included partnering with Tourism Fiji, Fiji Airways and the Fiji Embassy, New Delhi during our promotion in India in September. We also assisted both Investment Fiji with the Investment Guide and Fiji Airways with the Kula Masi Art competition.

Film Fiji continued to renew our membership to the following organizations in 2014:

1. Association of the Film Commissioners International (AFCI).
2. Fiji Commerce and Employers Federation.
3. Fiji/Australia Business Council.

Our continued membership with these organizations is beneficial to Film Fiji as they continue to supply regular updates on current industry news and trends, and other important business updates.

## **Website**

The Film Fiji website was an important platform in this year's promotional campaign. The website was constantly updated with current and important information for our customers.

Apart from Fiji, the top five countries to visit the Film Fiji website were the US, Australia, India, New Zealand and the United Kingdom. Total hits recorded this year was 19,001. The challenge remains for Film Fiji to continue to increase the number of new and returning visitors and to drive more traffic to the website. The incentives, news and the Kula awards were the most viewed pages on the website. There was a need to revamp the Film Fiji website to bring it up to par with the rest of the other Film Commissions around the globe. Work on upgrading the Film Fiji website commenced in the last quarter of 2014.

## **Facebook/Twitter**

Film Fiji actively uses Facebook and Twitter as part of its social media campaign. Regular industry updates are also posted on these platforms. The number of likes on the Film Fiji Facebook page stood at 7,514 while the total number of followers recorded on the Film Fiji Twitter account was 121 for this period.

## **Advertising**

As part of our promotional campaign for 2014, Film Fiji advertised in the "All Lights Film Magazine" in India to promote the Film Tax Rebate incentive to the Indian Film Industry.

## **Markets and Conferences**

### Locations World

Film Fiji attended the Locations World exhibition in Mumbai in September. Locations World brings Global vendors and allied service representatives to interact with the Indian Film Industry under one roof. The exhibition conference saw the presence of over 25 Countries / Regions / States / Resorts (Sellers) interacting with more than a 1,000 strong cross section with the Indian Film Industry (Buyers). Film Fiji was represented by the Acting Chairperson at this market.

### Screen Forever

Film Fiji participated in the Screen Forever conference in Australia this year. The Screen Forever Conference, organized by the Screen Producers Association of Australia took place from 16<sup>th</sup> - 19<sup>th</sup> November at the Crown Conference Centre in Melbourne. The conference provided attendees an opportunity to do business with the decision makers, influencers, and creators of screen content in Australia. Film Fiji was represented by the Chief Executive Officer in this conference.

## **General**

Film Fiji continues to track and propose legislative changes where such changes are deemed necessary to harmonize the relevant Acts to enhance the effectiveness of the audiovisual Industry. Film Fiji strives to maintain a seamless and cooperative relationship especially with the Fiji Revenue and Customs Service (FRCS). A joint Film Fiji/FRCS Audio Visual Committee meets regularly to vet all relevant applications and to discuss important issues and development in the industry.

## **Incentives**

The current incentives offered by Government was promoted heavily during this period. The Film Rebate is considered one of the best incentives in the world at 47%. No amendments were made to the incentives this year.

## **Audio Visual Agents**

As a requirement under Part 5 of the Income Tax (Film-making and Audio-visual Incentives) Regulations 2016, production companies must engage an Audio-visual Agent to qualify for the Film Tax Rebate. The licensing of Audio-visual Agents is administered by the Ministry of Industry, Trade and Tourism under the Film Fiji (Licensing of Audio-visual Agents) Regulations 2012.



The licensed Audio-visual Agents offer a range of services including logistical support, accounting services, legal services, to name a few. This further assisted productions in ensuring they work within the parameters of the law and ensure productions are compliant with the requirements of the incentives.

In 2014, there were 4 new licensed Audio-visual Agents registered with the Ministry of Industry, Trade and Tourism and 5 licenses were renewed for the same period. The number of Audio Visual Agents as at 2014 totaled 22.

Research on a Code of Conduct for Audio Visual Agents commenced during this period to provide a guide for the conduct & behavior of Audio Visual Agents and to encourage consistency in service delivery within the audio visual industry.

## **Local Development**

### **Kula Awards**

The Kula Awards is a major local development program for high school students in Fiji. The Kula Awards provides high school students an opportunity to participate and showcase their talents in three streams – film, dance and art competition.

The 2014 Fijiwood Dance Competition was held on the 25<sup>th</sup> July and the Kula Film and Art Awards on the 26<sup>th</sup> July. We were fortunate to have partnered with Fiji Airways for the Fiji Airways Art Competition and Goodman Fielder for the Tuckers Ice-cream Dance Competition.

The quality of both the films and dance performances confirms the premise of our holding this event – that there are latent talents in the area of creative arts and our young people need an avenue to develop these talents. The Kula Awards continues to provide this avenue for them.

As in previous years, Film Fiji organized free training for all the participants in the film and dance competitions. Training was provided by:

- VOU – for dance training
- Southern Institute of Technology, NZ- for film training

All the participating schools received a subsidy of \$200 each for participating in the Kula Awards.

### **Kula Film Awards – Schools' Competition**

A total of 19 schools participated in the Kula Film Awards in 2014.

Film Fiji organized editing assistance from local production houses whose representatives acted as mentors in the editing process for the film competition. The organization that assisted were:

- Pasifika Communications
- Mai TV
- Art and Soul Productions
- Bright Future Films
- Ministry of Information

The in-kind assistance provided by the above organizations contributed to the improvement in the quality of films submitted by the schools this year.

The schools' films were judged by a panel of film professionals and Awards were given for Best Film, Best Actor, Best Actress, Best Director, Best Camera-work, Best Script and Best Original Music Score. The Most Popular Film was voted by the public via the Film Fiji Facebook page.

All schools' films were shown on FBCTV on Wednesday the 16<sup>th</sup> July and on Fiji TV on Monday 21<sup>st</sup> & Tuesday 22<sup>nd</sup> July.

#### Open Category – Film Competition

The film competition again had an Open Category which was for budding and professional filmmakers. This was done to keep alive the interest in filmmaking at school level. Recognizing budding and professional filmmakers will also lead to the creation of an active local film industry. This year a total of 5 films were received for this category.

#### Tuckers Ice Cream Dance Competition

A total of 21 schools took part in the Fijiwood Dance Competition in 2014.

Film Fiji invited the Special Schools again to participate in this year's competition. The focus of the dance competition was FIJIWOOD – a fusion of song and dance reflecting the multiracial and multicultural nature of our country.

#### Fiji Airways Art Competition

This year, schools were also invited to participate in an Art Competition which was an initiative of Fiji Airways and held alongside the Kula Film and Fijiwood Dance Competitions. 20 shortlisted students from 10 schools were given the theme "My Fiji" for their final art piece. The theme allowed the finalists to visually demonstrate their talents and creativity. Fiji is a dynamic collection of people, events, experiences, culture and scenery. The students were asked to pick any one of these elements among others to demonstrate what Fiji means to them.

Awards for the art competition were also given out at the Kula Film Awards on Saturday 26th July. Voting for the most Popular Art was set up on the Fiji Airways Facebook page where members of the public vote for their favorite art piece.

## **Others**

There was an urgent need to overhaul the office to upgrade the furniture and equipment to cater for the needs of the increased number of international visitors (production executives) visiting the office. Work on the office renovation commenced in December 2014.

## **Human Resources**

In 2014, two staff resigned while three new staff members joined the team to fill the vacant positions of Chief Executive Officer, Legal & Compliance Officer and the Marketing Manager. The overall number of staff was 6. Film Fiji continued to provide relevant training on a regular basis to staff. Staff were allowed to attend professional training sessions organized by the Fiji Institute of Accountants, the Attorney General's Office and the likes to enhance their skills and keep abreast with the changes in their area of work.

## **Acknowledgement**

The Chairperson and Board would like to take this opportunity to thank Government for its support and financial contribution to Film Fiji. Special mention is made to the Ministry of Industry, Trade & Tourism, Ministry of Economy, Department of Immigration, Ministry of iTaukei Affairs, Fiji Revenue and Customs Service, Tourism Fiji, Investment Fiji, iTaukei Land Trust Board and Fiji Airways.

**FILM FIJI**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

**FILM FIJI**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

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**FILM FIJI**  
**DIRECTOR'S REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

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In accordance with a resolution of the Board of Directors, the Board herewith submit the Statement of Financial Position of Film Fiji as at 31 December 2014, the related Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flow for the year ended on that date and report as follows:

**1. Board**

The following were Directors of Film Fiji during the year:

|                    |                    |                                         |
|--------------------|--------------------|-----------------------------------------|
| Ms Shaenaz Voss    | Acting Chairperson | (effective 1 July 2013)                 |
| Ms Shaenaz Voss    | Member             | (effective 20 February 2013)            |
| Mr Akuila Qumi     | Member             | (20 February 2013 to 30 September 2014) |
| Mr Maciu Lumelume  | Member             | (effective 20 February 2013)            |
| Ms Vanessa Chang   | Member             | (14 May 2013 to 14 May 2014)            |
| Mr Sakiusa Bolaira | Member             | (effective 2 July 2013)                 |

**2. Principal Activities**

The principal activities of Film Fiji during the financial year were the development and promotion of the audio visual industry in Fiji.

**3. Results**

The net surplus for the year ended 31 December 2014 was \$58,397 (2013: \$162,273).

**4. Provisions**

There were no material movements in provisions.

**5. Bad and Doubtful Debts**

Prior to the completion of Film Fijis' financial statements, Film Fiji took reasonable steps to ascertain that action has been taken in relation to writing off of bad debts and the making of provision for doubtful debts. In the opinion of Film Fiji, adequate provision has been made for doubtful debts.

As at the date of this report, Film Fiji is not aware of any circumstances, which would render the amount written off for bad debts, or the provision for doubtful debts in Film Fiji, inadequate to any substantial extent.

**6. Current Assets**

Film Fiji took reasonable steps before the financial statements were made out to ascertain that the current assets were shown in the accounting records at a value equal to or below the value that would be expected to be realised in future.

As at the date of this report, Film Fiji is not aware of any circumstances which would render the values attributable to the current assets in the financial statements misleading.

**7. Unusual Transactions**

In the opinion of the Board, the results of the operations of Film Fiji 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 reporting period and the date of this report any item, transaction or event of an abnormal character likely, in the opinion of the Board, to affect substantially the results of the operations of Film Fiji in the current reporting period.

**FILM FIJI**  
**DIRECTOR'S REPORT (cont'd)**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

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**8. Events Subsequent to Balance Date**

No charge on the assets of Film Fiji has arisen since the end of the financial year to the date of this report to secure the liabilities of any other person.

No contingent liability has arisen since the end of the financial year to the date of this report.

No contingent liability or other liability has become enforceable or is likely to become enforceable within a period of twelve months after the end of the financial year which, in the opinion of the Board, will or may affect the ability of Film Fiji to meet its obligation as and when they fall due.

**9. Basis of Accounting**

Film Fiji believes that the basis of the preparation of accounts is appropriate and that Film Fiji will be able to meet its commitments as and when they fall due. Accordingly Film Fiji believes the classification and carrying amounts of the assets and liabilities as stated in these accounts to be appropriate.

**10. Other Circumstances**

At the date of this report, Film Fiji is not aware of any circumstances not otherwise dealt with in this report or accounts which would render any amounts stated in the accounts misleading.

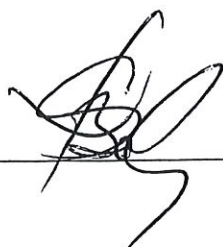
**11. Board's Benefit**

Since the end of the previous financial year, no member of the Board has received or become entitled to receive a benefit (other than those included in the aggregate amount of emoluments received or due and receivable by the Board shown in the financial statements or received as the fixed salary of a full-time employee of Film Fiji or of a related corporation) by reason of a contract made by Film Fiji or by a related corporation with Film Fiji or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

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

Dated this 21st day of October, 2015.

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director



**FILM FIJI**  
**STATEMENT BY THE DIRECTORS**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

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In accordance with a resolution of the Board of Directors, we state that in the opinion of the Board:

- (i) the accompanying Statement of Comprehensive Income of Film Fiji is drawn up so as to give a true and fair view of the results of Film Fiji for the year ended 31 December 2014;
- (ii) the accompanying Statement of Changes in Equity of Film Fiji is drawn up so as to give a true and fair view of the changes in accumulated fund of Film Fiji for the year ended 31 December 2014;
- (iii) the accompanying Statement of Financial Position of Film Fiji is drawn up so as to give a true and fair view of the state of affairs of Film Fiji as at 31 December 2014;
- (iv) the accompanying Statement of Cash Flow of Film Fiji is drawn up so as to give a true and fair view of the cash flows of Film Fiji for the year ended 31 December 2014;
- (v) at the date of this statement, there are reasonable grounds to believe that Film Fiji 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 Film Fiji.

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

Dated this 21st day of October, 2015.

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director



# OFFICE OF THE AUDITOR GENERAL

*Excellence in Public Sector Auditing*



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## INDEPENDENT AUDITOR'S REPORT

To the members of Film Fiji

### Report on the Financial Statements

I have audited the accompanying financial statements of Film Fiji, which comprise the statement of financial position as at 31 December 2014, and the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information as set out on Notes 1 to 16.

### *Directors 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 Standard for Small and Medium-sized Entities and the requirements of the Film Fiji Act 2002. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making estimates that are reasonable in the circumstances.

### *Auditor's Responsibility*

My responsibility is to express an opinion on these financial statements based on the audit. I have conducted the audit in accordance with International Standard 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 judgement, 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 company'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 the management, as well as evaluating the overall presentation of the financial statements.

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

### Audit Opinion

In my opinion:

- a) proper books of account have been kept by Film Fiji, 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 Standard for Small and Medium-sized Entities:
  - i. are in agreement with the books of account; and
  - ii. to the best of my information and according to the explanations given to me:

- a) give a true and fair view of the state of affairs of Film Fiji as at 31 December 2014 and of the results, and cashflows of Film Fiji for the year ended on that date; and
- b) give the information required by the Film Fiji Act 2002 in the manner so required.

I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.



Atunaisa Nadakuitayuki  
for AUDITOR GENERAL



27 October 2015  
Suva, Fiji

**FILM FIJI**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

|                                                | Notes | 2014<br>\$       | 2013<br>\$       |
|------------------------------------------------|-------|------------------|------------------|
| Government grant - operational                 |       | 678,599          | 778,560          |
| Deferred Income                                | 10    | 14,472           | 10,338           |
| Fees                                           |       | 1,100            | 1,000            |
| Kula Film Award                                |       | 4,316            | 6,618            |
| Sponsorship                                    |       | 61,092           | 55,000           |
| Miscellaneous                                  |       | 1,468            | 3,214            |
| <b>Total Income</b>                            |       | <b>761,047</b>   | <b>854,730</b>   |
| Administrative Expenses                        |       | (342,852)        | (267,293)        |
| Promotional Expenses                           |       | (109,731)        | (180,022)        |
| Employee Remuneration and Benefit              |       | (259,838)        | (230,792)        |
| Depreciation                                   | 6 (c) | (14,472)         | (10,338)         |
| Other Expenses                                 |       | (3,130)          | (4,348)          |
| <b>Total Expenditure</b>                       |       | <b>(730,023)</b> | <b>(692,793)</b> |
| <b>Profit for the year</b>                     |       | <b>31,024</b>    | <b>161,937</b>   |
| <b>Other Comprehensive Income (Loss)</b>       |       |                  |                  |
| Gain on Sale of Fixed Assets                   |       | 27,196           | -                |
| Gain on Foreign Exchange                       |       | 177              | 336              |
| <b>Total Comprehensive Income for the year</b> |       | <b>58,397</b>    | <b>162,273</b>   |


*(The Statement of Comprehensive Income is to be read in conjunction with accompanying Notes 1 to 16)*

**FILM FIJI**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2014**

|                                      | Notes | 2014<br>\$     | 2013<br>\$     |
|--------------------------------------|-------|----------------|----------------|
| <b>ASSETS</b>                        |       |                |                |
| <b>Current Assets</b>                |       |                |                |
| Cash and Cash Equivalent             | 2     | 205,612        | 275,112        |
| Prepayments                          | 3     | 103,172        | 17,725         |
| Receivables                          | 4     | 100,903        | 58,238         |
| Refundable Deposits                  | 5     | 8,141          | 8,141          |
| <b>Total Current Assets</b>          |       | <b>417,828</b> | <b>359,216</b> |
| <b>Non Current Assets</b>            |       |                |                |
| Property, Plant and Equipment        | 6     | 107,283        | 17,745         |
| <b>Total Non Current Assets</b>      |       | <b>107,283</b> | <b>17,745</b>  |
| <b>TOTAL ASSETS</b>                  |       | <b>525,111</b> | <b>376,961</b> |
| <b>LIABILITIES</b>                   |       |                |                |
| <b>Current Liabilities</b>           |       |                |                |
| Trade and Other Payables             | 7     | 1,448          | 10,504         |
| Employee Benefit Liability           | 8     | 8,921          | 5,901          |
| Provisions                           | 9     | 32,087         | 25,836         |
| <b>Total Current Liabilities</b>     |       | <b>42,456</b>  | <b>42,241</b>  |
| <b>Non Current Liabilities</b>       |       |                |                |
| Deferred Income                      | 10    | 107,283        | 17,745         |
| <b>Total Non Current Liabilities</b> |       | <b>107,283</b> | <b>17,745</b>  |
| <b>TOTAL LIABILITIES</b>             |       | <b>149,739</b> | <b>59,986</b>  |
| <b>NET ASSETS</b>                    |       | <b>375,372</b> | <b>316,975</b> |
| <b>EQUITY</b>                        |       |                |                |
| Accumulated Surplus                  |       | 342,199        | 311,175        |
| Other Reserves                       |       | 33,173         | 5,800          |
| <b>TOTAL EQUITY</b>                  |       | <b>375,372</b> | <b>316,975</b> |

*(The Statement of Financial Position is to be read in conjunction with accompanying Notes 1 to 16)*

Signed for and on behalf of the Board of Directors.

  
 Director

  
 Director



**FILM FIJI**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

|                                | Other<br>Reserves<br>\$ | Accumulated<br>Funds<br>\$ | Total<br>\$ |
|--------------------------------|-------------------------|----------------------------|-------------|
| Balance as at 31 December 2012 | 5,464                   | 149,238                    | 154,702     |
| Net Profit for the year        | -                       | 161,937                    | 161,937     |
| Gain on Foreign Exchange       | 336                     | -                          | 336         |
| Balance as at 31 December 2013 | 5,800                   | 311,175                    | 316,975     |
| Net Profit for the year        | -                       | 31,024                     | 31,024      |
| Gain on Sale of Fixed Assets   | 27,196                  | -                          | 27,196      |
| Gain on Foreign Exchange       | 177                     | -                          | 177         |
| Balance as at 31 December 2014 | 33,173                  | 342,199                    | 375,372     |

*(The Statement of Changes in Equity is to be read in conjunction with Notes 1 to 16)*

**FILM FIJI**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

|                                                    | Notes | 2014<br>\$       | 2013<br>\$     |
|----------------------------------------------------|-------|------------------|----------------|
| <b>Cash flows from Operating Activities</b>        |       |                  |                |
| Receipts from government and customers             |       | 660,308          | 830,872        |
| Payments to suppliers and employees                |       | (625,798)        | (656,337)      |
| <b>Net cash flows from Operating Activities</b>    |       | <u>34,510</u>    | <u>174,535</u> |
| <b>Cash flows from Investing Activities</b>        |       |                  |                |
| Payments for property, plant & equipment           |       | (104,010)        | (4,048)        |
| <b>Net cash flows used in Investing Activities</b> |       | <u>(104,010)</u> | <u>(4,048)</u> |
| Net (decrease)/increase in cash held               |       | (69,500)         | 170,487        |
| Cash at the beginning of the year                  |       | 275,112          | 104,625        |
| <b>Cash at the end of the year</b>                 | 2     | <u>205,612</u>   | <u>275,112</u> |

*(The Statement of Cash Flow is to be read in conjunction with Notes 1 to 16)*

**FILM FIJI**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

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**1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**Statement of Compliance**

The financial statements have been prepared in accordance with the requirements of the Film Fiji Act 2002 and the International Financial Reporting Standards for Small Medium-sized Entities (IFRS for SMEs) as issued by the International Accounting Standards Board (IASB).

The principal 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.

Set out below is a summary of the significant accounting policies adopted by Film Fiji in the preparation of the financial statements for the period ended 31 December 2014.

**1.1 Basis of Accounting**

The financial report has been prepared on the basis of historical costs and except where specifically stated do not take into account current valuations of non-current assets.

In the application of IFRS for SMEs, management is required to make judgements, estimates and assumptions about carrying value 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 judgements. Actual result may defer 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 estimates are revised if the revision affects only that period. Judgements made by management in the application of IFRS for SMEs that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed where applicable, in the relevant notes to the financial statements.

**1.2 Transition to IFRS for SMEs**

Film Fiji has adopted IFRS for SMEs with effect from 1 January 2011. No amendments have been made on transition to IFRS for SMEs as Film Fiji previously applied accounting policies which are generally aligned with IFRS for SMEs. However, additional disclosures have been made in the financial statements as required by IFRS for SMEs.

**1.3 Income Tax**

Film Fiji is exempted from income tax in accordance with Section 17 (58) of the Income Tax Act (Cap 201).

**1.4 Income and Expenses**

Income and expenses are brought to account on an accrual basis.

**1.5 Cash and Cash Equivalents**

Cash and cash equivalents are carried in the Statement of Financial Position at cost. For the purpose of the Statement of Cash Flow, cash and cash equivalents comprise cash at bank and cash on hand.

**FILM FIJI****NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (cont'd)  
FOR THE YEAR ENDED 31 DECEMBER 2014**

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**1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)****1.6 Property, Plant and Equipment**

Assets are depreciated or amortised from the date of acquisition or when an asset is completed and held ready for use. Depreciation is calculated on a straight-line basis so as to write off the cost or revalued amount of each fixed assets during its effective working life.

The principal depreciation rates in use are as follows:

|                            |             |        |
|----------------------------|-------------|--------|
| Motor Vehicles             |             | 20%    |
| Computer Equipment         | - Laptop    | 25.0%  |
|                            | - Desktop   | 20%    |
|                            | - Printers  | 20%    |
|                            | - Software  | 33.33% |
| Office Equipment           | - General   | 20%    |
|                            | - Telephone | 6.67%  |
| Office Fixtures & Fittings |             | 8.33%  |

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

**1.7 Trade & Other Receivables**

Receivables are recognised at fair value and do not bear interest. At the end of each reporting period, the carrying amounts of trade and other receivable are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in profit or loss. Allowance is raised on a specific debtor level. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the Statement of Comprehensive Income. When a receivable is uncollectible, it is written off against the allowance account for receivables. Subsequent recoveries of amounts previously written off are credited in the Statement of Comprehensive Income.

**1.8 Income**

Income is recognised to the extent that it is probable that the economic benefits will flow to Film Fiji and that it can be readily measured.

*Government Grant*

Grants from the government are recognised at their fair value in Income Statement where there is reasonable assurance that the grant will be received and Film Fiji has complied with all attached conditions. Grants related to assets are presented as Deferred Income and are brought to account in the same proportion that depreciation bears to the cost of the assets acquired with the grants.

*Fees*

Application fees are recognised as income on receipt.

*Kula Film Awards*

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



**FILM FIJI**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (cont'd)**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

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**1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**1.9 Deferred Income**

Significant items of income having a relationship to more than one accounting period have been brought to account over the period to which they relate.

**1.10 Value Added Tax (VAT)**

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

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

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

**1.11 Trade and Other Payables**

Creditors and accounts payables are recognised when Film Fiji becomes obliged to make future payments resulting from the purchase of goods and services.

**1.12 Provisions**

Provisions are recognised when Film Fiji has a present obligation (legal or constructive) as a result of past events; it is probable that Film Fiji will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainty surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of time value for money is material).

**1.13 Employee Benefit**

Liabilities for annual leave are recognised and are measured as the amount unpaid at the reporting date at current pay rates in respect of employee services up to that date.

**1.14 Foreign Currencies**

Foreign currency transactions during the year are translated to Fiji currency at rates ruling at the date of each transaction. Assets and liabilities in foreign currencies at year end are translated to Fiji currency at rates ruling at balance date. Gains and losses (realized and unrealized) are brought to account in determining the results for the year.

**1.15 Comparatives**

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year amounts and other disclosures.

**1.16 Reporting Currency**

All figures are reported in Fiji currency.

**FILM FIJI****NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (cont'd)  
FOR THE YEAR ENDED 31 DECEMBER 2014**

|                                   | 2014           | 2013           |
|-----------------------------------|----------------|----------------|
|                                   | \$             | \$             |
| <b>2 CASH AND CASH EQUIVALENT</b> |                |                |
| Cash at Bank                      | 205,112        | 274,612        |
| Cash on Hand                      | 500            | 500            |
|                                   | <u>205,612</u> | <u>275,112</u> |
| <b>3 PREPAYMENTS</b>              |                |                |
| Insurance                         | 3,952          | 6,172          |
| IT Support                        | 1,285          | 511            |
| Telephone                         | 2,638          | 2,232          |
| Books and periodicals             | 620            | 1,100          |
| Office rent                       | 5,048          | 5,048          |
| Professional Membership           | 125            | 165            |
| AFCI Membership                   | 1,510          | 1,446          |
| AFCI Location Booth               | 9,068          | -              |
| AFCI Advertisement                | 6,444          | -              |
| IIFTC Booth                       | 28,179         | -              |
| IIFTC Air Fare                    | 14,086         | -              |
| Computer Equipment                | 16,590         | -              |
| Office Equipment                  | 6,077          | -              |
| Workshop & Seminar                | 6,461          | -              |
| Postage                           | -              | 36             |
| Sundry                            | 1,089          | 1,015          |
|                                   | <u>103,172</u> | <u>17,725</u>  |
| <b>4 RECEIVABLES</b>              |                |                |
| Advances                          | 2,597          | 2,461          |
| Debtors                           | 1,368          | 4,432          |
| VAT                               | 96,938         | 51,345         |
|                                   | <u>100,903</u> | <u>58,238</u>  |

**FILM FIJI****NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (cont'd)  
FOR THE YEAR ENDED 31 DECEMBER 2014**

|                                                                                       | 2014<br>\$     | 2013<br>\$    |
|---------------------------------------------------------------------------------------|----------------|---------------|
| <b>5 REFUNDABLE DEPOSITS</b>                                                          |                |               |
| Fiji Electricity Authority                                                            | 3,268          | 3,268         |
| Suva City Council                                                                     | 3,653          | 3,653         |
| Colonial National Bank                                                                | 31             | 31            |
| Telecom Fiji Ltd                                                                      | 764            | 764           |
| Plant World                                                                           | 130            | 130           |
| Solo Hire                                                                             | -              | -             |
| Pleass Beverages & Packaging                                                          | 295            | 295           |
|                                                                                       | <u>8,141</u>   | <u>8,141</u>  |
| <b>6 PROPERTY, PLANT AND EQUIPMENT</b>                                                |                |               |
| a) Plant and equipment are stated in the financial statements on the following basis: |                |               |
| <b>Office furniture &amp; fittings</b>                                                |                |               |
| At cost                                                                               | 24,582         | 20,418        |
| Accumulated depreciation                                                              | (20,374)       | (20,023)      |
|                                                                                       | <u>4,208</u>   | <u>395</u>    |
| <b>Office equipment</b>                                                               |                |               |
| At cost                                                                               | 50,272         | 40,850        |
| Accumulated depreciation                                                              | (37,440)       | (32,974)      |
|                                                                                       | <u>12,832</u>  | <u>7,876</u>  |
| <b>Computer equipment</b>                                                             |                |               |
| At cost                                                                               | 52,902         | 47,696        |
| Accumulated depreciation                                                              | (42,195)       | (38,222)      |
|                                                                                       | <u>10,707</u>  | <u>9,474</u>  |
| <b>Motor vehicle</b>                                                                  |                |               |
| At cost                                                                               | 85,217         | 57,778        |
| Accumulated depreciation                                                              | (5,681)        | (57,778)      |
|                                                                                       | <u>79,536</u>  | <u>-</u>      |
| <b>Net Book Value</b>                                                                 | <u>107,283</u> | <u>17,745</u> |

- b) The depreciation policies adopted are set out in Note 1.6.

**FILM FIJI**
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (cont'd)  
FOR THE YEAR ENDED 31 DECEMBER 2014**
**6 PROPERTY, PLANT AND EQUIPMENT (cont'd)**

- (c) Reconciliation of the carrying amounts of each class of plant and equipment at the beginning and end of the current year is set out below:

|                                 | Office<br>Furniture<br>and Fitting | Office<br>Equipment | Computer<br>Equipment | Motor Vehicle | Total   |
|---------------------------------|------------------------------------|---------------------|-----------------------|---------------|---------|
|                                 | \$                                 | \$                  | \$                    | \$            | \$      |
| <b>Cost</b>                     |                                    |                     |                       |               |         |
| At 31 December 2013             | 20,418                             | 40,850              | 47,696                | 57,778        | 166,742 |
| Additions                       | 4,164                              | 9,422               | 5,207                 | 85,217        | 104,010 |
| Disposals                       | -                                  | -                   | -                     | -             | -       |
| Transfers                       | -                                  | -                   | -                     | -             | -       |
| Balance at 31 December 2014     | 24,582                             | 50,272              | 52,903                | 142,995       | 270,752 |
| <b>Accumulated Depreciation</b> |                                    |                     |                       |               |         |
| At 31 December 2013             | 20,023                             | 32,974              | 38,222                | 57,778        | 148,997 |
| Depreciation                    | 351                                | 4,466               | 3,974                 | 5,681         | 14,472  |
| Disposals                       | -                                  | -                   | -                     | -             | -       |
| Balance at 31 December 2014     | 20,374                             | 37,440              | 42,196                | 63,459        | 163,469 |
| <b>Written Down Value</b>       |                                    |                     |                       |               |         |
| At 31 December 2013             | 395                                | 7,876               | 9,474                 | -             | 17,745  |
| At 31 December 2014             | 4,208                              | 12,832              | 10,707                | 79,536        | 107,283 |

|                                   | 2014         | 2013          |
|-----------------------------------|--------------|---------------|
|                                   | \$           | \$            |
| <b>7 TRADE AND OTHER PAYABLES</b> |              |               |
| Trade Creditors                   | -            | 5,683         |
| Refunds for Over deductions       | 427          | 427           |
| Other Creditors and Accruals      | 1,021        | 4,394         |
|                                   | <u>1,448</u> | <u>10,504</u> |

**8 EMPLOYEE BENEFIT LIABILITY**

|                          |              |              |
|--------------------------|--------------|--------------|
| Annual leave entitlement | 8,921        | 5,901        |
|                          | <u>8,921</u> | <u>5,901</u> |

**9 PROVISIONS**

|                                           | Audit Fees   | TPAF Levy | Major Projects | Total         |
|-------------------------------------------|--------------|-----------|----------------|---------------|
|                                           | \$           | \$        | \$             | \$            |
| At 1 January 2014                         | 4,783        | 1,053     | 20,000         | 25,836        |
| Additions during the year                 | 3,131        | -         | 28,086         | 31,217        |
| Charged against provision during the year | (3,913)      | (1,053)   | (15,724)       | (20,690)      |
| Unused amount reversed                    | -            | -         | (4,276)        | (4,276)       |
| At 31 December 2014                       | <u>4,001</u> | <u>-</u>  | <u>28,086</u>  | <u>32,087</u> |



**FILM FIJI****NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (cont'd)  
FOR THE YEAR ENDED 31 DECEMBER 2014****9 PROVISIONS (cont'd)****a) Audit Fees**

The liability recognised for audit fees consist provisions for audit fees for the audit and review of the financial statements for Film Fiji.

**b) TPAF Levy**

Levy payable to TPAF at the end of the year.

**c) Major Projects**

Film Fiji has recognised a construction provision resulting from its decision to carry out a soft office renovation. This provision represents the estimated costs of refurbishment. It is estimated that the refurbishment costs will be paid off in the year ended 31 December 2015.

**10 GOVERNMENT GRANT - DEFERRED INCOME**

Grants from the government are recognised at their fair value in the Statement of Comprehensive Income where there is reasonable assurance that the grant will be received and Film Fiji has complied with all attached conditions. Grants related to assets are presented as deferred income and are brought to account in the same proportion that depreciation bears to the cost of the assets acquired with the grants.

|                                                      | 2014<br>\$     | 2013<br>\$    |
|------------------------------------------------------|----------------|---------------|
| Balance at the beginning                             | 17,745         | 24,035        |
| Add: Additional Grant                                | 104,010        | 4,048         |
| Less: Transfers to Statement of Comprehensive Income | (14,472)       | (10,338)      |
|                                                      | <u>107,283</u> | <u>17,745</u> |

**11 RELATED PARTY****a) Board of Directors**

The following were members of the Board in 2014:

|                    |                    |                                         |
|--------------------|--------------------|-----------------------------------------|
| Ms Shaenaz Voss    | Acting Chairperson | (effective 1 July 2013)                 |
| Ms Shaenaz Voss    | Member             | (effective 20 February 2013)            |
| Mr Akuila Qumi     | Member             | (20 February 2013 to 30 September 2014) |
| Mr Maciu Lumelume  | Member             | (effective 20 February 2013)            |
| Ms Vanessa Chang   | Member             | (14 May 2013 to 14 May 2014)            |
| Mr Sakiusa Bolaira | Member             | (effective 2 July 2013)                 |

**b) Identity of Related Party**

Film Fiji and the Government of Fiji are related by virtue of common executive (Parliament) authority.

**c) Transactions with Key Management Personnel**

The total remuneration for key management personnel in 2014 was \$109,655. (2013: \$85,323).

**FILM FIJI****NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (cont'd)  
FOR THE YEAR ENDED 31 DECEMBER 2014**

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**11 RELATED PARTY (cont'd)****d) Transactions with related party**

During the year, Film Fiji entered into an agreement with Government which were at normal terms and conditions of the annual service agreement. The value of the agreement/transactions with government for the provision of government grant during the year is \$900,000 (2013: \$900,000).

There are no amounts due to or receivable from Government at the end of the year.

**12 CONTINGENT LIABILITIES**

Film Fiji is not aware of any contingent liability as at 31 December 2014. (2013: Nil)

**13 SUBSEQUENT EVENTS**

There are no known subsequent events which will have a material effect on these financial statements except as otherwise disclosed in the accounts.

**14 PRINCIPAL ACTIVITIES**

The principal activities of Film Fiji during the financial year were developing and promoting the audio visual industry in Fiji.

| <b>15 NUMBER OF EMPLOYEES</b>          | <b>2014</b> | <b>2013</b> |
|----------------------------------------|-------------|-------------|
| Average number of employees in a year: | 6           | 5           |

**16 APPROVAL OF FINANCIAL STATEMENTS**

The financial statements were approved by the Board of Directors and authorised for issue on 21 October 2015.