

**ANNUAL REPORT
FOR THE YEAR ENDING
31ST DECEMBER, 2013**



**Sugar Industry
Tribunal**

13 June 2016

Rear Admiral Josaia Voreqe Bainimarama
Prime Minister & Minister for Sugar
P O Box 2353
Government Buildings
SUVA

Dear Sir

RE: ANNUAL REPORT - 2013

As required by Section 30 of the Sugar Industry Act of 1984, a report on the activities of the Tribunal, the Industrial Commissioner, and the Accountant to the Tribunal is submitted for the period 1st January, 2013 to 31st December, 2013 as well as a report on the extent to which the objects of the Act set out in Section 3 have been achieved.

Also enclosed is a copy of the audited statement of accounts of the Tribunal for the same period prepared in accordance with Section 29 of the Act.

Yours sincerely



(Timothy Brown)

REGISTRAR OF THE TRIBUNAL

Encls.



ANNUAL REPORT 2013

PART I - ESTABLISHMENT

The Sugar Industry Tribunal was established under the Sugar Industry Act Cap. 206. The functions of the Tribunal and its Accountant and Industrial Commissioner are described in Sections 21, 22 and 26 of the Act.

Mr. Anu Patel was appointed the Acting Sugar Industry Tribunal with effect from 3rd September 2002.

Timothy Brown was reappointed the Industrial Commissioner and Registrar of the Tribunal with effect from 1st August 2013 for a term of three years.

In addition, the Tribunal employed one Personal Assistant, an Assistant Registrar, one Accounts Clerk, one Gang Administrator, an Office Assistant/Driver and a Front Desk Officer.

FINANCE

Section 29 of the Act provides that the expense of the Tribunal is a charge on the consolidated fund. The Government allocated a grant of \$500,000 for 2013.

PART II - OBJECTIVE OF THE ACT

Pursuant to section 30(1) of the Act, the Tribunal is obliged to advise the Hon. Minister for Sugar about the extent to which the objects of the Act have been achieved in the period under review. These are set out in section 3 of the Act as follows:

- To promote the efficiency and development of the industry;
- To co-ordinate the activities of all sections of the industry and to promote goodwill and harmony between them;
- To prescribe standards governing the mutual rights and obligations of the Corporation and the growers, and to provide for the keeping of an official register of growers;
- To encourage, and provide the means for, conciliation with a view to the prevention and settlement of all disputes within the industry by amicable agreement; and
- To provide means for preventing and settling disputes within the industry which are not resolved by amicable agreement with the maximum of expedition and the minimum of legal form and technicality.

The Tribunal warmly acknowledges the support it has had from all parties in the Industry and wishes to record in particular its appreciation for the work of the Industrial Commissioner and Registrar of the Tribunal, the Accountant



PART III – THE REGISTRAR OF THE TRIBUNAL

NATIONAL HARVEST QUOTA

The Fiji Sugar Corporation did not inform the Tribunal as required under Regulation 5.6(i) of the Master Award that it intends to purchase 100% of the NBA of 2,92,5889 tonnes for the 2013 season.

PURCHASE OF ALL CANE 2013

The Fiji Sugar Corporation did not inform the Tribunal of its intention to purchase all cane as required under Regulation 5.6(iv) of the Master Award.

FORECAST PRICE 2013

Under Regulation 19.1(i) of the Master Award the Corporation informed the Tribunal that the likely price for cane for the 2013 season would be \$73.63. This price was discounted by 15% to allow for the possible adverse fluctuations in exchange rates as provided for in the Master Award to arrive at a forecast price of \$63.58 per tonne of cane.

COMMENCEMENT OF CRUSHING

Under Regulation 4 of the Master Award, the Corporation is required not later than the 30th of April in each year to submit to the Tribunal and the Council a written statement in respect of each mill specifying the intended date of commencement of crushing, the date on which growers and gangs will be required to commence harvesting, and the date on which, if normal circumstances exist throughout the crushing season, crushing is likely to be completed at each mill.

Regulation 4.1(a) of the Master Award provides that crushing shall commence no later than the third Tuesday of June. In 2013, this day fell on Tuesday, 18th June, 2013.

The Corporation wrote to the Tribunal by letter dated 5th June 2013 advising of its intention to commence crushing for Lautoka, Rarawai, Labasa and Penang Mills as follows:

Penang Mill	25 th June 2013
Lautoka Mill	2 nd July 2013
Rarawai Mill	26 th June 2013
Labasa Mill	27 th June 2013

The Tribunal consulted the Acting Chief Executive of the Sugar Cane Growers Council, the Executive Chairman of the Fiji Sugar Corporation and the Industrial Commissioner and ORDERED on 10th June 2013 that the four mills are authorized to commence crushing on the following dates:-

Penang Mill	25 th June 2013
Lautoka Mill	2 nd July 2013
Labasa Mill	27 th June 2013
Rarawai Mill	26 th June 2013



LIKELY DATES FOR TERMINATION OF CRUSH

Regulation 4.8 of the Master Award requires the Tribunal to announce the dates by which crushing is expected to end at each mill.

The Corporation advised the Tribunal on 5th June, 2013 that the likely date for termination of crush for each of the mills is as follows:-

Labasa Mill	21 st October 2013
Penang Mill	30 th September 2013
Lautoka Mill	13 th October 2013
Rarawai Mill	26 th October 2013

ACTUAL DATES FOR TERMINATION OF CRUSH

The Corporation in their letter dated 4th October 2013 applied to the Tribunal for the termination of crush at each of the mills as follows:-

Lautoka Mill	27 th October 2013
Rarawai Mill	29 th October 2013
Labasa Mill	27 th October 2013
Penang Mill	19 th October 2013

After consulting the Acting Chief Executive Officer of the Sugar Cane Growers Council, and the Industrial Commissioner; the Tribunal ORDERED that the Corporation terminate crush at each of the mills as follows:-

Lautoka Mill	27 th October 2013
Rarawai Mill	29 th October 2013
Labasa Mill	17 th October 2013
Penang Mill	19 th October 2013



Tipping of cane – Rarawai Mill

BURNT CANE

“On Programme Burning” was approved in all mills for the 2013 season.



REGISTER OF GROWERS

During the year the Registrar dealt with the following applications for new registrations, transfers and other amendments to the Register of Growers:-

REGISTRATIONS

	<u>Lautoka</u>	<u>Rarawai</u>	<u>Labasa</u>	<u>Penang</u>	<u>Total</u>
Applications	58	38	57	19	172
Approvals	57	37	52	18	164
Rejections	-	-	-	-	-
In Process	1	1	5	1	8

TRANSFERS

	<u>Lautoka</u>	<u>Rarawai</u>	<u>Labasa</u>	<u>Penang</u>	<u>Total</u>
Applications	21	33	20	7	81
Approvals	17	33	13	7	70
Rejections	3	-	7	-	10
In Process	1	0	0	-	1

OTHERS

The Registrar dealt with 2902 other matters involving amendments to the Register. These included estate matters, sector changes, changes in method of delivery, amendments to Farm Basic Allotment and registered area, replacement of lost certificates and cancellation of Registrations. These were distributed per mill as follows:-

	<u>Lautoka</u>	<u>Rarawai</u>	<u>Labasa</u>	<u>Penang</u>	<u>Total</u>
Applications	126	203	176	49	554
Approvals	124	197	162	49	532
In Process	2	6	14	0	22

Attached as Appendix I are statistics taken from the Register of Growers dealing with the number of growers in each mill, district and sector.

ALTA EXPIRY LEASE

A total of 393 new registrations were issued on ALTA expired leases, over the period 01/01/13 to 31/12/13 of these 40 new registrations were issued to new incoming landowner/ITaukei tenants and 353 were issued to new Indo Fijians tenants while no new registrations were issued to sitting tenants. (Refer Appendix I (g)).

To date a total of 4924 registrations have been issued to tenants on ALTA expired leases, of these 1785 were issued to new incoming landowner/ITaukei tenants and 3139 registrations were issued to new Indo Fijian tenants while 504 registrations were issued to sitting tenants.



FORECAST CANE PRICE		2013	2012	2011
Tonnes of cane paid	MT	1900,000	1,906,000	2,100,000
Which Produced:				
Sugar	MT	190,000	150,079	168,000
[TCTS]			12.70	12.50
Molasses	MT	76,000	76,240	84,000
Proceeds:				
From Sugar - Overseas (net of marketing commission)		159,262,121	132,121,727	145,019,400
- Local & Regional		34,955,976	34,955,976	30,200,948
- Stocks				17,573,600
From Molasses - Overseas		14,947,368	13,632,854	496,000
- Local		620,000	1,240,000	
TOTAL		209,785,466	180,950,557	193,289,948
Additional Income was Received from:				
Fiji Sugar Marketing Co Ltd				
(Excess Income for the year)				
Sundries				
		209,785,466	180,950,557	193,289,948
Deductions prior to dividing proceeds were:				
Export duty - Sugar		4,777,864		527,208
- Molasses		4,484,81	408,986	
Bulk loading costs & SCRC		1,577,717	1,577,717	1,200,000
Wharfage, sugar		53,988	40,814	45,540
molasses		110,050	102,672	124,000
Molasses Handling		122,830	114,595	138,400
Marketing Cost		300,000	300,000	
Rouging Costs		100,000	200,000	200,000
Lorry Transport Allowance		1,166,301	1,169,984	1,335,500
Sundries				
Cost of Importing sugar				3,570,648
Cost Handling import sugar				
Total Deductions		8,657,170	3,914,768	
Revenue for Distribution		201,128,295	177,035,790	189,719,294
This was divided under the terms of the Master Award as follows:				
Payable to the Growers		140,789,807	123,925,053	132,803,506
Less growers contribution to SRIF		900,000	900,000	900,000
Less growers contribution to SCGF		-	2,940,839	2,940,839
Nett payable to growers		139,889,807	120,084,214	128,962,667
Equaling per tonne of cane		73.63	63.00	61.41
The forecast price was:		62.58	53.55	52.20
The Millers share was:		60,338,488	53,110,737	56,915,788
or per tonne of cane crushed		31.76	27.00	27.10



FORECAST CANE PRICE		2010	2009	2008
Tonnes of cane paid	MT	1,993,800	2,385,300	2,585,000
Which Produced:				
Sugar	MT	189,730	238,530	274,000
[TCTS]		10.5	10.00	9.43
Molasses	MT	79,750	107,339	106,328
Proceeds:				
From Sugar –				
- Overseas		149,642,457	210,845,757	209,674,513
- Local & Regional		20,799,120	32,640,840	22,566,600
- Freight & Commission				24,193,032
From Molasses - Overseas		12,751,137	15,978,142	12,133,706
- Local		425,000	1,813,815	282,880
TOTAL		183,618,714	261,278,554	244,657,700
Additional Income was Received from:				
Fiji Sugar Marketing Co Ltd (Excess Income for the year)				
Sundries				
Total Income		183,618,714	261,278,554	244,657,700
Deductions prior to dividing proceeds were:				
Export duty - Sugar		4,871,838	6,804,717	6,654,247
- Molasses				
Bulk loading costs & SCRC				
Wharfage, handling costs,				75,570
Insurance and bagging costs				159,650
Wharfage, Sugar		62,610	70,795	
Molasses		115,863	133,300	
Molasses Handling		129,318	148,780	
Prior Season Adjustments				178,190
Costs drawn by Sugar Commission of Fiji and Mill Area Committees				780,000
Contributed to the costs of the Sugar Cane Research Centre		1,400,000		
Rouging Costs		200,000	200,000	200,000
Lorry Transport Allowance		1,400,000	600,000	600,000
Sundries				
Cost of importing Sugar		22,796,770	6,767,130	32,796,841
Cost Handling import sugar			105,857	1,090,500
Total Deduction		29,576,399	14,930,579	42,534,998
Revenue for Distribution		154,042,315	246,347,975	202,122,701
This was divided under the terms of the Master Award as follows				
Going to the Growers		107,829,621	172,443,583	141,485,891
Less growers contribution SRIF		706,694	800,000	800,000
Nett going to growers		107,122,927	171,643,583	140,685,891
Equaling per tonne of cane		53.73	71.96	54.42
The forecast price was:		46.87	61.17	46.26
The Millers share was:		46,212,694	73,904,393	60,636,810
or per tonne of cane crushed		23.18	30.98	23.46



REGISTER OF GROWERS' STATISTICS
MILLS, DISTRICTS AND SECTOR
As at 31.12.13

<u>LAUTOKA MILL</u>					
Lautoka District					
	Drasa Sector	- 706			
	Natova Sector	- 455			
	Saweni Sector	- 250	2,069		
	Lovu Sector	- 403			
	Lautoka Sector	- 253			
	Estate	- 2			
Nadi District					
	Qeleloa Sector	- 308			
	Malolo Sector	- 412			
	Nawaicoba Sector	- 397			
	Meigunyah Sector	- 354	2,099	5,287	
	Yako Sector	- 323		33%	
	Legalega Sector	- 303			
	Estate	- 2			
Sigatoka District					
	Cuvu Sector	- 381			
	Lomawai Sector	- 525	1,119		
	Olosara Sector	- 213			
<u>RARAWAI MILL</u>					
	Koronubu Sector	- 728			
	Varavu Sector	- 623			
	Veisaru Sector	- 564			
	Varoko Sector	- 487			
	Mota Sector	- 478	3,528		16,089
	Naloto Sector	- 350			
	Rarawai Sector	- 282			
	Estate	- 2			
Tavua District					
	Tagitagi Sector	- 589			
	Drumasi Sector	- 565	1,617	5,145	
	Yaladro Sector	- 463		32%	
<u>PENANG MILL</u>					
	Malau Sector	- 685			
	Ellington I Sector	- 350	1,671	1,671	
	Nanuku Sector	- 347		10%	
	Ellington II Sector	- 289			
<u>LABASA MILL</u>					
Labasa District					
	Bucaisau Sector	- 555			
	Wailevu Sector	- 634			
	Wainikoro Sector	- 414			
	Labasa Sector	- 434	3,357		
	Vunimoli Sector	- 511			
	Waiqele Sector	- 432			
	Daku Sector	- 377			
Seaqaqa District					
	Natua Sector	- 189			
	Solove Sector	- 255	629	3,986	
	Bulivou Sector	- 184		25%	
	Seaqaqa Estate	- 1			



APPENDIX 1(b)

[illegible]

REGISTER OF GROWERS**R A C E S**

	LAUTOKA	RARAWAI	PENANG	LABASA	TOTAL
INDIAN	4,192	4,171	1,039	3,407	12,809
FIJIAN	1,053	940	622	556	3,171
OTHERS	42	34	10	23	109
TOTAL	5,287	5,145	1,671	3,986	16,089

TOTAL

INDIAN	-	12,809	79.61%
FIJIAN	-	3,171	19.71%
OTHERS	-	109	0.68%
		-----	-----
		16,089	100.00%
		=====	=====

**REGISTER OF GROWERS
METHOD OF DELIVERY**

	LAUTOKA	RARAWAI	PENANG	LABASA	TOTAL
PORTABLE LINE	425	759	216	680	2,080
TRACTOR TRAILER	2,210	2,048	246	1,369	5,873
LORRY DIRECT	2,652	2,338	1,209	1,937	8,136
TOTAL	5,287	5,145	1,671	3,986	16,089

TOTAL

PORTABLE LINE	-	2,080	12.93%
TRACTOR TRAILER	-	5,873	36.50%
LORRY DIRECT	-	8,136	50.57%
		-----	-----
		16,089	100.00%
		=====	=====





Cane transported by rail



Cane transported by Tractor Trailer



Cane transported by lorry.



REGISTER OF GROWERS**FORM OF LAND TITLE**

	LAUTOKA	RARAWAI	LABASA	PENANG	TOTAL
NATIVE LAND	2,822	2,674	2,684	450	8,630
CROWN LEASE	1,087	1,330	1,000	378	3,795
FREEHOLD	601	496	122	264	1,483
VAKAVANUA	264	75	4	182	525
OTHERS	513	570	176	397	1,656
TOTAL	5,287	5,145	3,986	1,671	16,089

TOTAL

NATIVE LEASE	-	8,630	54%
CROWN LEASE	-	3,795	24%
FREEHOLD	-	1,483	9%
VAKAVANUA	-	525	3%
OTHERS	-	1,656	10%
		-----	-----
		16,089	100.00%
		=====	=====



REGISTER OF GROWERS**FARM BASIC ALLOTMENT**

	0-100	101-300	OVER 301	TOTAL
LAUTOKA	1,813	2,753	721	5,287
RARAWAI	1,569	2,871	705	5,145
LABASA	1,073	2,000	913	3,986
PENANG	709	782	180	1,671
TOTAL	5,164	8,406	2,519	16,089

TOTAL

0-100	-	5,164	32%
101-300	-	8,406	52%
OVER 301	-	2,519	16%
		-----	-----
		16,089	100.00%
		=====	=====

**REGISTERED GROWERS PRODUCTION RANGE
SEASON 2013**

Production Report 2013						
	No Of				Area	
Range	Growers	SCA	FBA	Productions	Cut	TPHA
1 - 50.00	3210	11614.61	352901.8	87438.37	3874.8	22.57
50.00 - 100.00	3216	12535.8	498143	237732.15	7103.3	33.47
100.00 - 200.00	3662	15828.4	801488	523716.12	12052.4	43.45
200.00 - 300.00	1675	8531.5	512001	403787.5	7598.04	53.14
300.00 - 400.00	541	3348.6	216763	183871.81	3073.24	59.83
400.00 - 500.00	201	1478.6	101373	88785.46	1459.6	60.83
500.00 - 700.00	93	899.8	59330	51912.47	951.9	54.54
500.00 - 700.00	26	470.5	20025	19827.69	337.5	58.75
> 1000.0	8	315.1	13840	13276.25	181.9	72.99
	12632	55022.91	2575864.8	1610347.82	36632.68	459.57



APPENDIX I(g)**TOTAL REGISTRATION ISSUED ON EXPIRED ALTA LEASES BETWEEN
01/01/97- 31/12/13**

	FIJIAN			INDIAN			TOTAL		
	NEW	SIT	TOT	NEW	SIT	TOT	NEW	SIT	TOT
LTK	592	9	601	1038	171	1209	1630	180	1810
RAR	530	7	537	798	112	910	1328	119	1447
LAB	492	4	496	770	185	955	1262	189	1451
PEN	141	10	151	59	6	65	200	16	216
TOT	1755	30	1785	2665	474	3139	4429	504	4924

APPENDIX I(h)**TOTAL REGISTRATION ON ISSUED ON EXPIRED ALTA
LEASES BETWEEN 01/01/13 - 31/12/13**

	FIJIAN			INDIAN			TOTAL		
	NEW	SIT	TOT	NEW	SIT	TOT	NEW	SIT	TOT
LTK	10	0	10	87	2	89	97	2	99
RAR	18	1	19	146	4	150	164	5	169
LAB	5	0	5	103	1	104	108	1	109
PEN	6	0	6	10	0	10	16	0	16
TOT	39	1	40	346	7	353	385	8	393

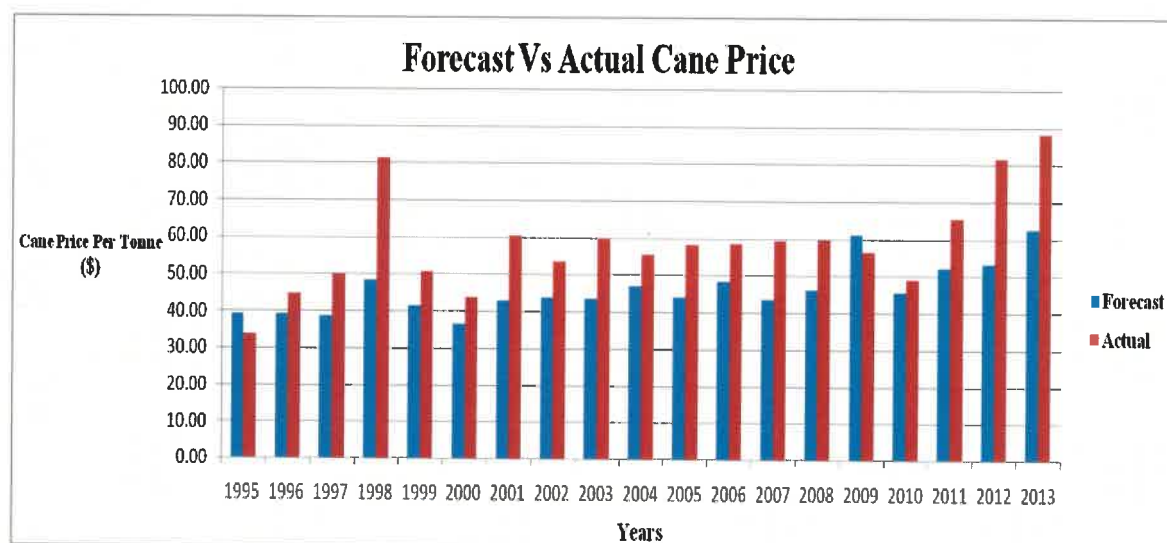


PART IV – ACCOUNTANT TO THE TRIBUNAL

FINAL CANE PRICE FOR 2013 SEASON

The 2013 season returned to the growers \$88.49 per tonne of cane. The final cane price was calculated as follows:

Total Income from Sugar & Molasses Sale as Per Regulation 17.2 of the Master Award	\$204,864,156
Growers Share of Proceeds (Sec 20.2)	\$142,504,909
Tonnes of Sugar Produced	179,870
Tonnes of Molasses Produced	
Tonnes of Cane Delivered and paid for	1,610,407
Price per tonne of Cane	\$88.49



Forecast	39.18	39.21	38.62	48.61	41.70	36.72	43.03	43.99	43.50	47.10	44.28	48.54	43.76	46.26	61.17	45.67	52.20	53.55	62.58
Actual	33.78	44.81	50.07	81.51	50.76	44.00	60.80	53.80	60.12	55.87	58.35	58.60	59.65	59.70	56.59	49.16	65.67	81.82	88.4



PART V – INDUSTRIAL COMMISSIONER

GANG MATTERS

The Industrial Commissioner was given the responsibilities to handle gang matters when the Sugar Commission of Fiji was dissolved by Cabinet in 2009. The Industrial Commissioner prepared the Memorandum of Gang Agreement (MOGA) for the 2013 season in consultation with the Sugar Cane Growers Council and Fiji Sugar Corporation. During the year the Industrial Commissioner dealt with gang matters such as gang transfer, gang amalgamation and formation of new gangs.

Amalgamation / Formation of new gang

29 applications received. 13 approved and 6 pending.

Change of Method of delivery

5 applications received and all approved.

Gang transfer

182 applications received. 180 approved and 2 not approved.

130 applications received on other matters such as individual harvesting, bond, substitutes etc.

Gang Disputes

In the year 2013, 9 gang disputes were referred to the Industrial Commissioner for decisions. The decision on each of the 9 cases was handed down by the Industrial Commissioner.



EMPLOYEE BENEFIT FUND

THE FIJI SUGAR TRADESMEN'S UNION EMPLOYEE BENEFIT FUND

The Fiji Sugar Tradesmen's Union Welfare Benefit operated successfully during the year. A total of 502 loans amounting to \$200,465.00 were approved to members during the year. The Fund has total net assets worth \$377,453.67.

THE FIJI SUGAR CLERKS/SUPERVISORS ASSOCIATION WELFARE BENEFIT FUND

The Fiji Sugar Clerks/Supervisors Association Welfare Benefit Fund operated successfully during the year. A total of 133 loans amounting to \$48,920.00 were approved to members during the year.

SUGAR MILLING STAFF OFFICERS ASSOCIATION WELFARE BENEFIT FUND

The Sugar Milling Staff Officers Association Welfare Benefit Fund operated successfully during the year. A total of 216 loans amounting to \$90,770.00 were approved to members during the year. The Fund has total net assets worth \$137,900

FAIR-TRADE

LABASA CANE PRODUCERS ASSOCIATION

The following activity or assistance was offered to cane growers in the year 2013:

- Productivity Subsidy – It was an optional program from which the farmer had options such as cane planting, drainage, infarm roads and culverts. A total sum of \$500.00/contract holder was provided to cane grower
- Weedicide Subsidy
- Waste Management
- Vegetable seed packs
- Fertilizer Subsidy
- Pre harvest Assistance
- Community development projects- FEA, Solar, Water, Sanitation, Public Utilities etc...
- Death Benefit- \$500/ contract holder



RARAWAI AND PENANG CANE PRODUCER ASSOCIATION – RPCI

2013 – DEVELOPMENT ACTIVITIES

Direct Farmer Benefits

Activity	Objective
Provision for Mill Muds to farmers who planted new cane	Improve soil fertility Use of organic manure Increase of production
First Aid Kit Box and first aid training 1 box per gang	Farmers will have proper medicine in cast of accidents, and will have knowledge of basic lifesaving knowledge.
Drainage and Bulldozing Scheme- RPCPA funded for drains and farm bulldozing on 2/3 contribution and 1/3 farmer contribution.	Improve drainage on farms Support in preparing more farm Increase cane planting Improve on farms
Pension Scheme – The association provided monetary benefit of \$100.00per contract holder at and above the age of 70 years.	Benefiting old and poor farmers Support their livelihood
Medicine Discount Scheme – Farmers at the age of 70 and above were given 10% medicine discount	Cushion the cost of medicine expenses for poor farmers



Social and Community Benefits

<p>All 14 sectors have done community Development projects, with allocation of \$20,000 to each sector.</p> <p>The projects included water catchment, water tanks and bore hole for communities, church, temple renovation, school renovation, bus shelter and others</p>	<ol style="list-style-type: none"> 1. To provide basic needs for farmers. 2. To alleviate poverty level in the farming communities. 3. To improve the level of education standards in the farming community. <p>Community responsibility</p>
Community Projects	Examples Rural electrification, water supply.
<p>Fair-trade awareness and Environment Training was provided to farmers.</p>	<ol style="list-style-type: none"> 1. To assist farmers to identify soil erosion and good practice to improve soil fertility and productivity of the farm. 2. Knowledge HCV areas and its importance 3. Follow fair trade Standard procedures in regards to weedicide 4. Benefits of better Farm management 5. Child Labour Law 6. Safe storage, handling, practice and disposal of weedicides <p>External Training to Staffs and Board members and Members</p>
Better farming practice training and awareness to farmers	<p>Training farmers to improve and better method of farming</p> <p>Awareness on contour farming, trash cover, farm management, weed control.</p>



LAUTOKA CANE PRODUCERS ASSOCIATION – ACTIVITY REPORT 2013

The Association developed a Fairtrade Development Plan based on the Fairtrade Standards which requires that project selection and the management of the Fairtrade Premium monies be made through transparent, participative and democratic Process. In accordance with the guidelines of Standards a needs assessment was carried and based on the needs assessments, the board and management drafted a Fairtrade Development plan for the year 2013 and presented it to the Annual General Assembly for discussion, amendments and approval. The General Assembly approved the Fairtrade Development Plan by majority decision on the 24th April, 2013. The association received a premium of FJ\$ 1,437,635.00 in 2013 for the sugar which was produced in 2012 crushing season. This premium money was paid by consumers through our sugar buyers Tate & Lyle Sugars.

The summary of budget allocations and expenditure is for the period of one year ending 31st December 2013 with a total actual expenditure incurred for a sum of FJ\$ 903,993.00.

Fertilizer Subsidy.

A total of FJ\$ 277, 011 was paid to members for Fertilizer Subsidy from the premium funds. A subsidy of FJ\$ 3.00 per bag was paid to all the members who purchased fertilizer through FSC from May 2013 to Dec 2013. This was a direct benefit to members, comparatively non-certified farmers paid FJD 31.50 per bag, whereas Fairtrade certified members paid FJ\$ 28.50. This project allowed additional inputs and productivity level was improved.

Weedicide Subsidy.

A total of FJ\$ 212,241 was spend on this particular productivity project where all the members were distributed free weedicides.

Safety Gear.

A total of FJ\$ 102,049 was spend on distribution of Safety Gears to all the members. A set of Hand gloves, respiratory musk and safety goggles was given to each member.

Training Awareness Workshop.

A total of FJ\$ 4118.00 was spend and this expenditure was for carrying out training and awareness programs for members on all aspects of Fairtrade Standards.

Internal Control Cost.

A total of FJ\$ 24392.00 was spend on carrying out the First Inspection cycle. Through this exercise members are monitored on the compliances criteria of Fairtrade Standards.



Community Development Projects.

Funds were allocated from premium to support the community in order to alleviate poverty in rural communities. A total of FJ\$ 120,734.00 was spend on community developments project. Project selections and implementation were based on needs basis.

Occupational Health & Safety.

A total of FJ\$ 4371.00 was spend on this particular category. All the Harvesting gangs were provided First Aid Kits.

Staff Costing.

The association has four full time paid workers

1. Arvin Singh – Executive Manager.
2. Mouzima Shanin – Accountant.
3. Moshim Muktar Khan – Assistant ICS Officer
4. Shiu Kumar – Environment Officer.

For full-time employed staff, the Association has spent FJ\$59977.00 on staff salary & wages, FNPF Contribution, PAYE for the staffs.

Board Allowance.

The association had spent FJ\$ 43200 on this particular category.

Fixed Assets.

The association has a total Fixed Asset of FJ\$ 77615. This expenditure was done on various categories of assets which includes:

Office Equipment: FJ\$12443

Computers: FJ\$5557

Office Furniture: FJ\$6532

Motor Vehicle: FJ\$53083

Office Operation Cost.

A sum of FJ\$ 35238 has been spent on the day to day operation of the association.

FLO- AUDITS.

A total of FJ\$ 1499 was paid to FLO-cert for carrying out surveillance audits for the association.

Research & Development.

A total of FJ\$ 5663 was spent on this category for external training and capacity building of staffs, board members and members.



CANE QUALITY PROJECT ANNUAL REPORT - 2013

BACKGROUND:

Cane Quality Payment System is a payment system where cane is paid according to its quality. In simple terms, "The better the quality, the better the payment". Fiji is one of the few countries in the sugar cane producing countries that is still paying cane according to its weight. Therefore in order for Fiji to be on par with other Sugar producing countries in terms of quality, the idea of introducing the cane quality payment system to replace the more than 100 years tonnage based payment system in Fiji was conceived. During the Fiji National Budget announcement in November 2012 by the Prime Minister of Fiji, \$4.4M was allocated to the Fiji Sugar Corporation in 2013 for the Implementation of the Cane Quality Payment System in all the 4 sugar mills. The total budget required for the project was \$5.8M of which \$4.4M was allocated by Government and the Industry had to meet the other \$1.4M needed to fully implement the project in 2013.

Therefore, in January 2013, all the capital proposals for the ordering of equipments, materials, glassware's and chemicals needed in the 4 mills was submitted for approvals so that purchase orders can be raised. Tenders was also placed in the dailies for interested building contractors who can be tasked with building the cane quality office and laboratories in the 3 sugar mills except Lautoka Mill which already had an office space used for the cane payment trials in previous years starting from 2009.

The sourcing of quotes from reputable suppliers locally and overseas started in February 2013 with the help of the Supply Chain Department in FSC. The 3 main overseas suppliers that was contacted to supply equipments needed for the project in the 3 mills were namely; Mirrabooka System Pty Ltd, FOSS Pacific and Sugar Research Australia.

Mirrabooka Systems Pty Ltd, a company based in Brisbane Australia supplied all the Cane Tracking equipments needed in the mills. This company is a software development and support company which provides IT solutions to customers operating in the Health and Manufacturing Industries. Apart from supplying cane tracking hardware's, they also provide the software's to be used and also provide backup support services .FOSS a worldwide renown firm which specializes in analytical solutions for routine control of quality and processing throughout the supply chain for agricultural, food, pharmaceutical and chemical products. A branch of this firm is based in Brisbane Australia which looks after the Asia/Pacific region called FOSS (Pacific) and they supplied the Pro Foss equipment which measures the quality of cane received in all the mills. Apart from supplying the Pro Foss equipment, they also provide the software's to be used and also provide backup service and online support. Another company which provided online software support and backup service to the Cane Analysis System software's is SRA (Sugar Research Australia) also based in Queensland, Australia. They provide online support to most Sugar Mills in Australia as they are involved in a wide range of Sugar Research and Fiji is one of the overseas sugar mills that they also provide online support. Other overseas companies that was supplied with purchase orders for the supply of chemicals, equipments and glassware's needed in the 4 mills include Ajax Chemicals, Jeffress Engineering Pty Ltd, Rowe Scientific, Merck Group, Brian Fein, CAS Scales, Labec Pty Ltd and Scand International.



The Industry decided that for transparency sake between the Miller - Fiji Sugar Corporation and the Cane Farmers - Sugar Cane Growers Council, the body that has to look after the implementation of the Cane Quality Payment System shall come under the Sugar Industry Tribunal's office. Therefore while the Fiji Sugar Corporation still supervised the ordering of materials and building of the Cane Quality Buildings in the 3 mills, recruitment of new staffs needed for the project and the supervising of this project came under the Industrial Commissioner of the Sugar Industry Tribunal's Office.

CANE QUALITY PROJECT BUDGET FOR 2013

A total budget of \$1.38M was approved by the Industry for the cane quality project for the year 2013 to cater for the staff wages, Chemicals, Equipments and Glassware's required in each mill, consultancy charges for overseas consultants and others.

SUMMARY OF 2013 CANE QUALITY PAYMENT PROJECT BUDGET:

OPERATIONS BUDGET:

A)	Services and General Materials	Lautoka Mill	Rarawai Mill	Penang Mill	Labasa Mill
	Wages (2 analyst)	\$12,310.56	\$12,310.56	\$12,310.56	\$12,310.56
	Gen Materials	\$4,231.01	\$4,331.01	\$3,831.01	\$4,431.01
	Gen Supplies	\$2,940.00	\$2,940.00	\$2,940.00	\$2,940.00
B)	Hire of Contractors	\$161,332.00	\$152,952.00	\$152,952.00	\$152,952.00
	Total:	\$180,813.57	\$172,533.57	\$172,033.57	\$172,633.57



ANNUAL BUDGET:

A)	Establishment	Lautoka Mill	Rarawai Mill	Penang Mill	Labasa Mill
	Wages (1 staff & 2 analysts)	\$53,585.25	\$53,585.25	\$51,585.25	\$51,585.25
	Materials	\$4,702.88	\$4,702.88	\$4,702.88	\$4,702.88
	Other Charges	\$1,180.00	\$1,180.00	\$1,180.00	\$1,180.00
	CQP Building	\$55,000.00	-	-	-
B)	OHS	\$500.00	\$500.00	\$500.00	\$500.00
C)	CQP Awareness	\$1,170.00	\$2,820.00	\$2,940.00	\$11,160.00
D)	Electrical – Wages	\$2,548.00	\$7,192.00	\$5,386.00	\$7,450.00
E)	Instrument – Wages	\$2,960.80	\$3,476.80	\$3,476.80	\$3,476.80
F)	Certification Costs	\$11,668.00	\$5,908.00	\$5,908.00	\$11,668.00
	Total:	\$133,314.93	\$79,364.93	\$75,678.93	\$91,722.93

	Item:	4 mills administration:	Budget Amount:
A)	Vehicle	Used by CQM for project	\$65,000.00
B)	Additional Training	In-house training for cane quality analysts & chemists	\$57,036.79
	TOTAL:		\$122,036.79



SUMMARY OF TOTAL BUDGET:

	Lautoka Mill:	Rarawai Mill:	Penang Mill:	Labasa Mill:	4 mills admin
Operations:	\$180,813.57	\$172,533.57	\$172,033.57	\$172,633.57	-
Annual	\$133,314.93	\$79,364.93	\$75,678.93	\$91,722.93	\$122,036.79
Operations + Annual	\$314,128.50	\$251,898.50	\$247,712.50	\$264,356.50	\$122,036.79
15% contingency	\$47,119.28	\$37,784.78	\$37,156.88	\$39,653.47	\$18,305.52
Total Budget:	\$361,247.78	\$289,683.28	\$284,869.38	\$304,009.97	\$140,342.31
BUDGET GRAND TOTAL = \$1,380,152.72					

A FSC Project Team comprising of Mr. Mikaele Biukoto - General Manager Special Duties FSC, Mr. Navin Charan - NIR Chemist Lautoka Mill and Mr. Sikeli Waqatakirewa - NIR Chemist Lautoka Mill handled the project in the initial stages which included mills visits to identify sites where the Cane Quality Project Office will be built, meetings with Mill management teams on the ground works that need to start, identifying all the material needs in each of the mills and initial supervision of work progress.



Sites Initially Identified for the Cane Quality Project Office:

1. Labasa Mill.



Site identified by the Project Team is next to the Cooling Tower because of its close proximity to the Cane Carrier and the #1 Mill

2. Rarawai Mill.



Initial site identified was the old PA Room for the Lab because of its close proximity to the Cane Carrier and #1 Mill.

2. Penang Mill.



Initial Site identified was the Carpenter Work Shop to be modified and relocate the Carpenter shop somewhere else because of the building's close proximity to the cane carrier and #1 mill.



BUILDING OF THE CANE QUALITY OFFICE:

After further discussions with the Mill Team in the 3 mills and the FSC Management in Head Office, it was decided that new sites had to be re-looked at in Rarawai and Penang Mill because of future plans in the mill for upgrading works to be carried out in the initial sites identified. Only in Labasa Mill, the site identified was given the all clear by the Labasa Mill Team and reputable building contractors in the district of Ba, Rakiraki and Labasa were contracted to build the cane quality office at those sites.

1. Labasa Mill.



Cane Quality Project Office/Laboratory constructed on initial site identified - beside the Cooling Tower.

2. Rarawai Mill.



Cane Quality Project Office/Laboratory built on the site where the old Rarawai Mill Cane Carrier was.

3. Penang Mill.



Cane Quality Project Office/Laboratory constructed on a site which is above #1 Milling area.



RECRUITMENT OF STAFFS FOR THE CANE QUALITY PAYMENT SYSTEM PROJECT IN THE 4 MILLS:

Advertisements for the positions of Cane Quality Chemists and Analysts were placed in the dailies during the month of April, 2013 and shortlisted candidates were interviewed in May. There were vacancies advertised for 16 cane quality analysts/clerks and 4 mill chemists who will be supervisor's in the 4 mills.

On the 3rd June 2013, 20 newly recruited staffs were employed by the Sugar Industry Tribunal to work under the Cane Quality Project in the 4 mills.

The following are the name of the personnel's who were employed for the Cane Quality Payment System on 3rd June, 2013.

Cane Quality Manager - Sikeli Waqatakirewa.

MILL STAFFS:

Lautoka Mill:	Rarawai Mill:	Penang Mill:	Labasa Mill:
Jason GuoFu	Romika Chand	Carolynne Prasad	Saleshni San
Jokatama Rabukuivalu	Vasiti Volavola	Masilina Sesenicagi	Sainimere Vosare
Gade Raikoro	Avinesh Prasad	Eseroma Takala	Seruwaia Nanidrau
Sisilia Sovea	Navitalai Kerevanua	Esita Tau	Serevia Naituku
Lice Balekaba	Elina Kaumaitotoya	Makereta Rugu	Vilisi Kunabuli



Picture of some of the Cane Quality Staffs that were recruited for the Project in 2013.



CANE QUALITY TRIALS IN THE 4 MILLS:

The Cane Quality Trials was only conducted well in Lautoka Mill in 2013 crushing season because:

- All the equipments needed for the cane quality trials were already in place from the past years the trials was conducted in Lautoka Mill.
- All the FSC staffs that were involved in the past years trials were based in Lautoka Mill and they helped the new Cane Quality Project Team a lot in the 2013 crushing season.
- Most of the FSC Lautoka Mill employees in the Feeding Station, Traffic Dept, and Engineering Dept were well aware of the cane quality project requirements and they ensured that those requirements were followed at all times.

In the other 3 mills, the trials was not conducted well during the 2013 crushing season because of:

- Late arrivals of laboratory equipments, chemicals and glassware's that were ordered overseas.
- Late Installation of Cane Tracking and Cane Analysis Equipments by the mill teams in the 3 mills.
- Time taken to educate cane farmers and mill workers on some of the requirements of the project which took time for most people to understand and follow.
- The Cane Quality Project requirements were not followed on a daily basis by the Mill workers concerned as they were not well versed with the project requirements.
- Cane farmers were not meeting the daily cane supply requirements like supplying a minimum of 9tons of cane for rail cane farmers and rail trucks from a single farm to be transported together.
- Late trainings provided by overseas consultants on the proper use of software's and hardware's used for the Cane Quality Project because they had to wait for installations to be completed first
- Mill breakdowns and frequent mill stops encountered during the 2013 crushing season.

2013 was quite a challenging year for the Cane Quality Department as everyone involved in the project was involved in it for the first time starting from the recruitment of new staffs for the department and training them on what the project is about and what is expected from them. Educating the Cane Farmers on this new way of cane payment which is not an easy thing to do given the literacy level of some cane farmers and the generations after generations of Cane Farmers who only know the Tonnage based payment system. Lastly, the Installation of equipments in the 3 mills and educating the FSC Mill workers on some of the requirements of this project which means that some of the old way of operations has to change to suit the cane quality project requirements.



SUGARGIS PORTAL ANNUAL REPORT

2013

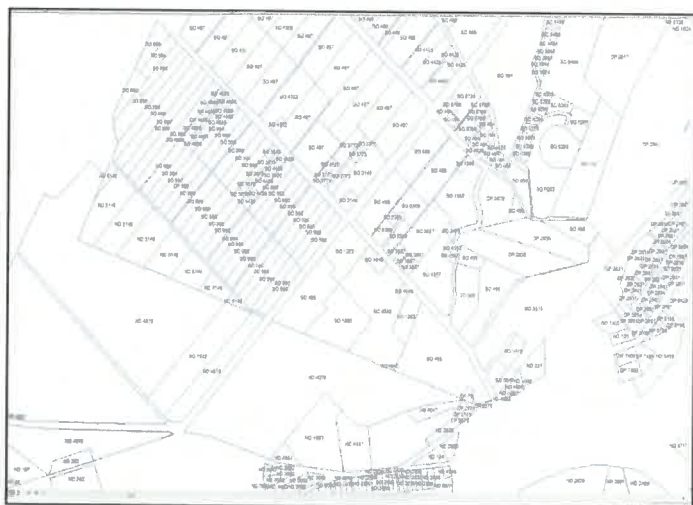


Literature Review:

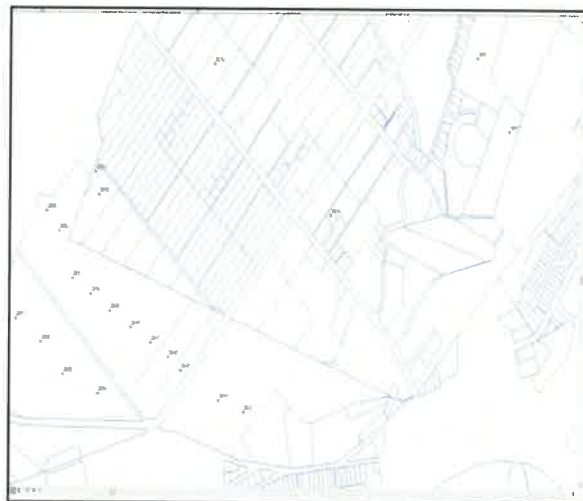
Sugar Cadastre is the second spatial map layer to be produced in Fiji, as a matter of fact this has been long overdue. The Fiji Land Information System under the Ministry of Land owns a GIS layer called cadastral map. These maps are all registered surveyed lots and are identified either with its plan number (DP8896) or land name (Vitogo). This surveys was done by registered surveyors and together with GIS application this data was merged into one spatial layer called cadastral data. GIS Application enables viewing of this data into a map layout and in a 3D perspective.

Amendments to the land such as change of ownership, land area or tenancy, FLIS (Fiji Land Information System) under the Ministry of Lands and Mineral Resources, makes the necessary adjustments and updates the Fiji cadastral data.

Having to see how easy it was to locate survey lease plans and their location, the Sugarcane Industry Stakeholders adopted the concept and replicated the process within the Sugar portfolio.



FLIS □ cadastral map with lots identified in there DP Numbers.



Sugar cadastre □ with lots identified as growers numbers.

Ministry of Lands cadastral layer was used as a basemap for the sugar cadastre. Added to the base layer was the newly mapped farmers location. This work was carried out in 2003, and all data was reserved for Sugarcane Industry viewing only. With more advance technology now begin used for good farming practice, and increase productivity, the Sugarcane Industry Stakeholders once again ventured into investing another perspective to Sugar Cadastre only this time introduce, overview of productive and non productive farmers, overview of production trends, identify plots by variety basis, narrow the communication gap between farmers and FSC field officers and better delivery service.



History of GIS for the Sugar Industry:

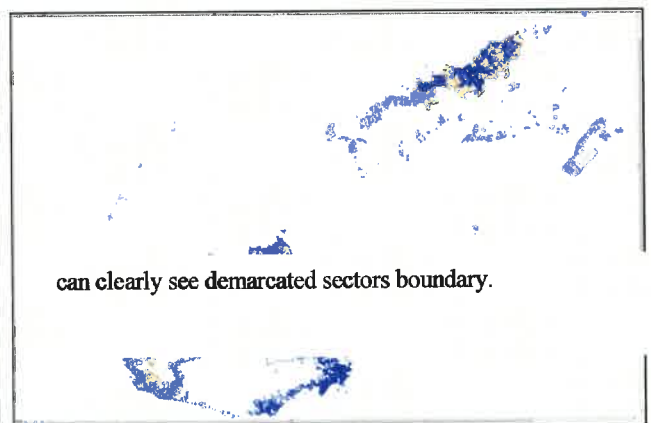
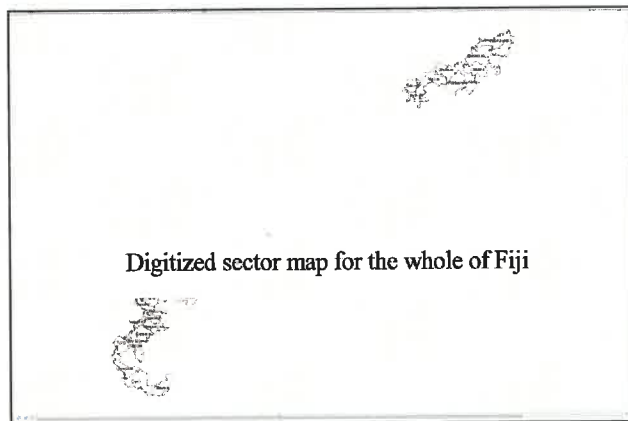
Phase 1:

In 2003, GIS (Geographical Information System) was first introduced into Sugar Industry. Sugar stakeholders together with the Australian Government and the assistance from FLIS (Fiji Land Information System) conducted a thorough survey where vital information were captured and map out.

The 3 main areas o intervention were:

1. Sector - demarcating sector boundary across sugarcane belt area in Fiji.
2. Mill Location - Geographically identify the location of the 4 mills.
3. Farmers Location - GPS coordinates of all farmers location.

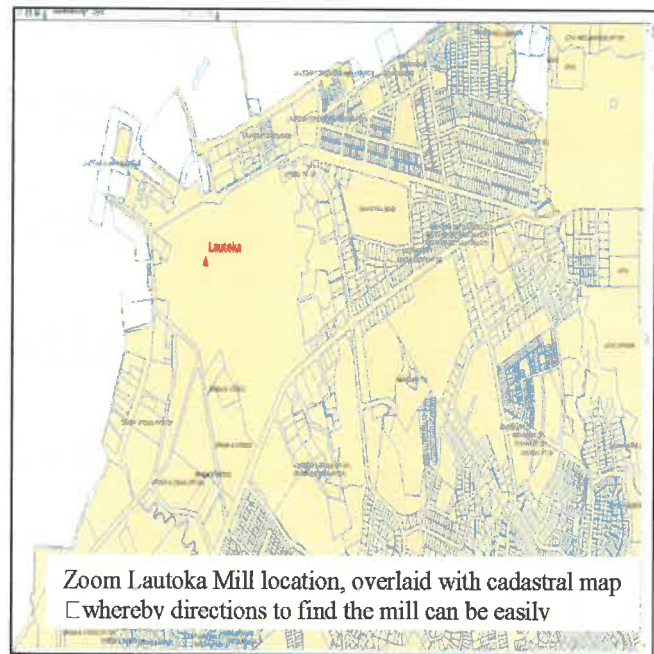
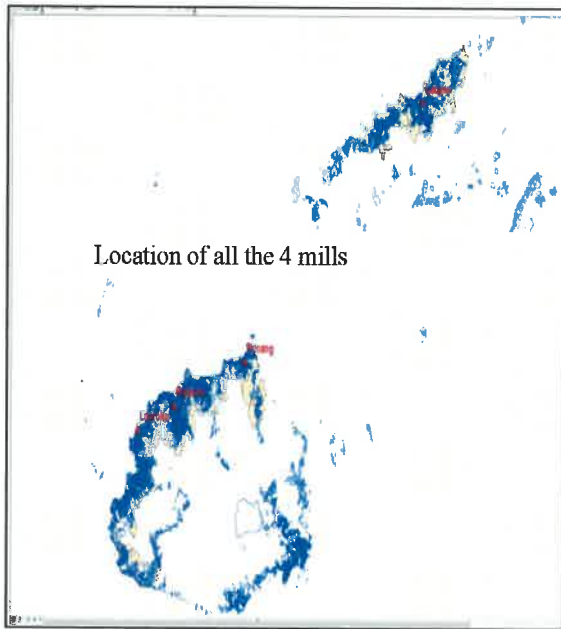
Sector:



By doing the above mapping, the Industry has now captured 3 main base layer map that would assist in the monitoring of farmers movement and productivity.

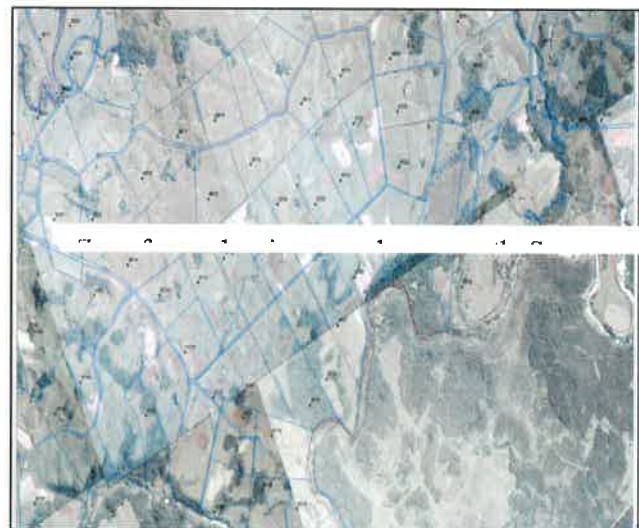
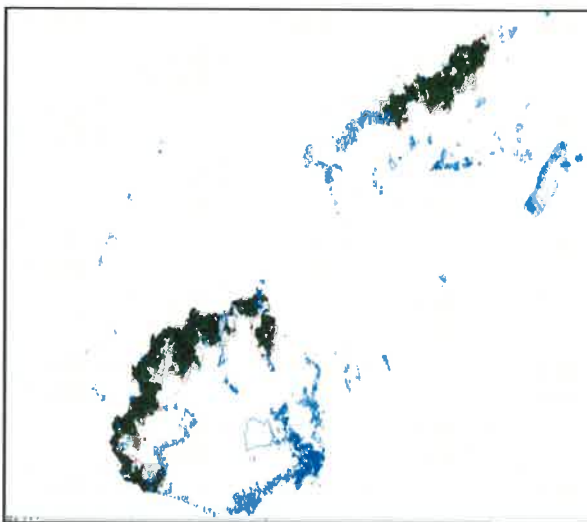


2. Mill Location:



Identifying the location of 4 mills is important not only to the sugar industry stakeholders but also for the general public. By knowing the location of the mill, one can now estimate time taken for each farmer to have his sugarcane transferred from his farm to the mill. Options of locating his best route to reduce transportation cost was also made possible to be visualized using the base layer introduced above.

3. Farmers Location:



Farmers location overview for the whole of Fiji



The success of mapping the location of farmers was a milestone. Not only were we able to visualize the farms landscape prior survey but also identify nearby farms, creeks, rivers, and other essential landmarks.

Phase 2: The Sugar Industry and I-Mage Consultant – Belgium

In 2006, the Sugarcane Industry Stakeholders together with the Belgium government invested more on this base layer and further enhanced the project into 4 main components.

The Project is divided into 4 major components:

1. The cartographic works and the GIS database implementation
2. The web-based application
3. The decision making tool
4. Processing of radar imagery

I-Mage Consultant was tasked to implement the project in a period of 3 years.

1. The cartographic works and the GIS database implementation

The Fiji Sugar Corporation stores crucial data into 2 main databases:

- (1) Sugar 4
- (2) Sugar 3.

Selected information from this database was then extracted, analyzed and map out spatially to allow viewing of cane production in a 3 dimensional layout. Information such as grower location, cultivated area, cane variety, age, and tenancy was spatially digitized and captured into 2 tables.

2. The Web – based application:

With the scarce programmer in Fiji who knows how to use open source, the need to engage specialist from Overseas was much recognized. I-Mage consultant improvised for this need and assisted the Industry by supplying a specialist in this area. Designing the portal using open source was exactly what Fiji Sugar Corporation with its stakeholders needed, to save cost. The development of the web-based platform and its related decision making tool application will allow non GIS- Users to view the same information spatially without having to know what GIS application tool is.



3. Decision Making Tool:

The design of the portal was done in such a way that vital information is captured on open screen. Extra tools were customized specifically to meet the needs of the researcher such as, find grower 321_8986. The researcher can also view the cane production yield for one sector and even distance of farms from the mill. This development is exactly what the Sugarcane Industry stakeholders' needs to better its services to the farmers and save industrial cost.

4. Processing of radar imagery:

Having satellite imagery backdrop is crucial for any GIS work. This allows digitizing process, data analysis and classification of vegetation type to name a few. The radar images bought for the project was used to identify flood affected areas within the sugar cane belt after Tropical Cyclone Evans struck the western part of Fiji in 2012. The same imagery was later used by other organization to analyze the impact of flood on affected areas.

Phase 3: Pilot Site

5 sectors were selected to be the pilot site for the project:

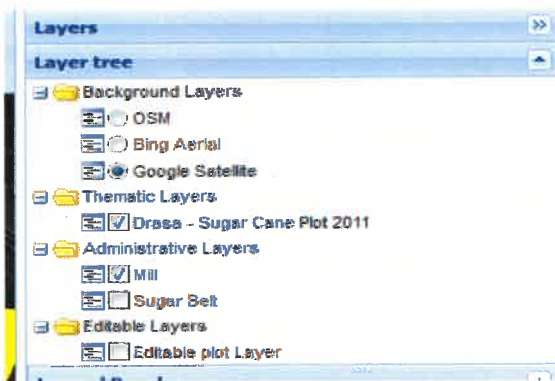
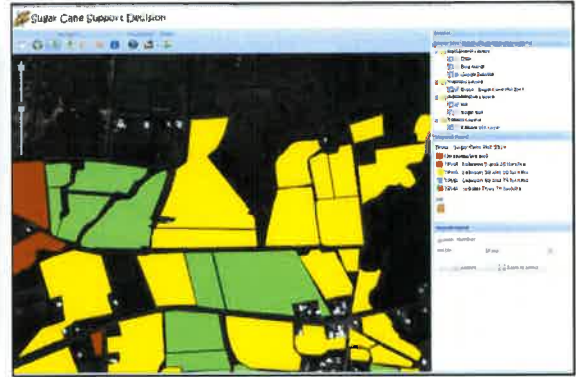
- Drasa - Viti Levu
- Lovu - Viti Levu
- Natua - Vanua Levu
- Solove - Vanua Levu
- Bulivou - Vanua Levu

Drasa and Lovu Sectors:

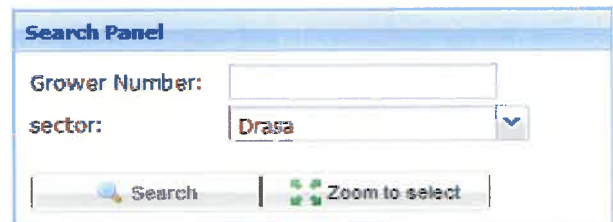
The sugar cadastre has been acquired over the Drasa and Lovu sector is now complete. The procedure has been successfully tested and can now be reproduced on a larger scale. Survey is now complete and all updates have been done on the portal.



Some features of the Portal is shown below:

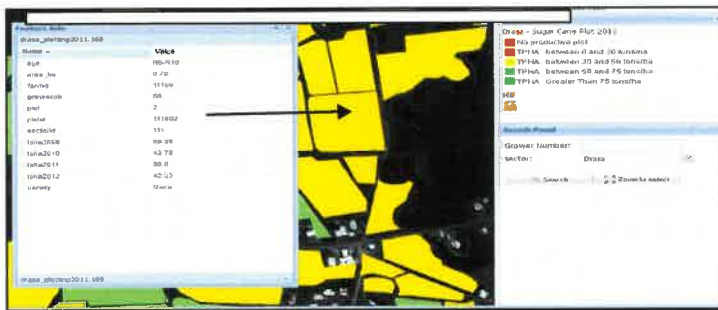


Legend on the right panel of the screenshot is the indication of the different color codes. In this image, yellow is cane production between 30-50tons p/ha



The search panel makes it easy to search for the sector

Other features of the GIS Portal:



Ad on Tool feature that told flexibility for users to navigate and use own preference in the portal.

With just a click of the identify tool, one can view information as shown in the image. This information is available on a plot by plot basis.

Therefore real time monitoring for Drasa and Lovu is visible and one can derive multi indicator performance and track movement sugar cane once delivered to the Mill.



Current Status of Drasa and Lovu:

Due to this new system, changes have been made to the ticket book for the pilot site, i.e. all ticket books for Drasa and Lovu has a new field in the table that is plot number. This plot number is the primary key or the link back to this GIS Portal.

Fiji Sugar Corporation Extension Manager, Samuela Railoa together with his extension officer conducted farmer awareness on this change and educating the farmers.

Assigned officers by FSC are trained to update the portal directly without any post GIS analyses. Harvesting monitoring is evaluated when farmers identify the plots and fill in the details in the table regarding the plot in the of sugar cadastres.

Updating of the system is on a case by case basis depending as when arrival of new information.

Other Indicators for 2013

Recruitment of the GIS Manager:

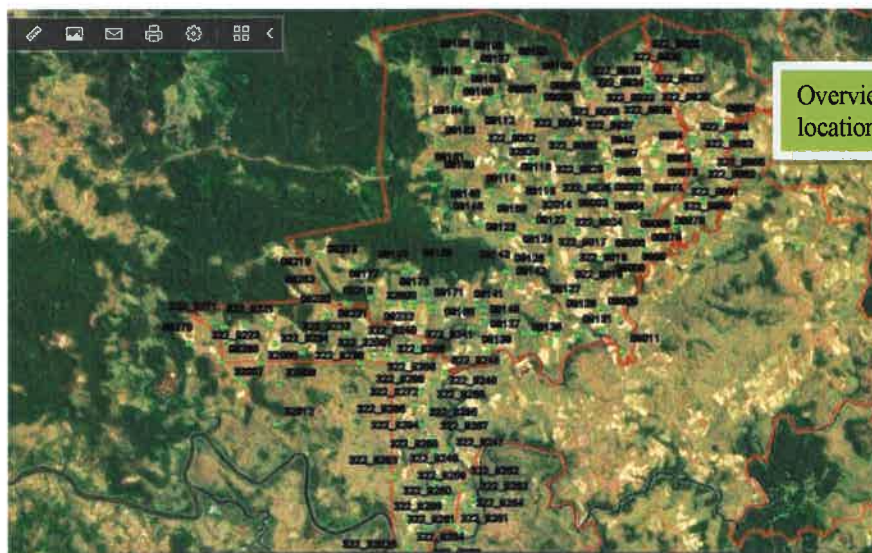
Appointment of the GIS Manager was done on the 23rd April, 2013. The appointment is for 3 years.

April 2013

The team conducted GPS survey for Seqaqa district. This survey took 1 month to complete for the 3 sectors. The teams are made up of short termed enumerators, field officers and representative from the Tribunal Office to survey Solove.

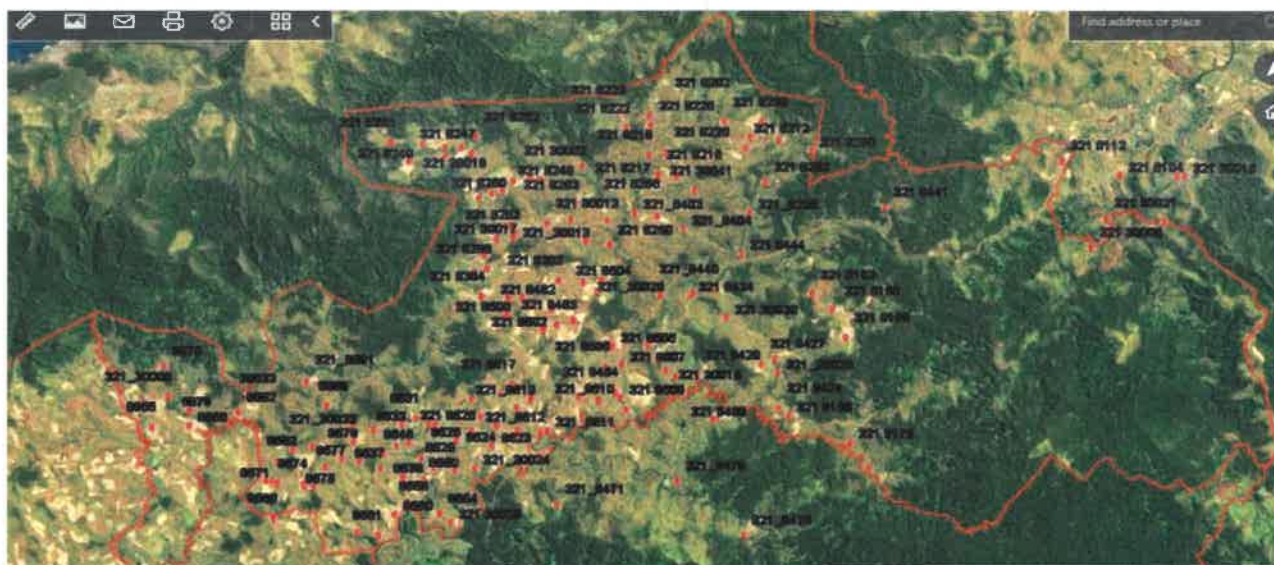


Bulivou and Natua Sector.



Overview of Natua Sector with farmers location

ArcGIS Earth, 2016



Total number of growers for Seqaqa district which was surveyed

The total number of growers for Natua Sector	188
The total number of growers Solove Sector	210
The total number of growers Bulivou	204
Total Growers for Seqaqa Dsitric	602



June - September 2013

The Sugar Tribunal office was fortunate to have the support from the Sugar Cane Growers Council by allowing Ms. Fane Vika to assist the GIS Manager with digitizing sectors in Seqaqa. Below is the summary table of the number of plots digitized for each sector:

The total number of digitized plots for Natua Sector	1495
The total number of digitized plots Solove Sector	1345
The total number of digitized plots Bulivou	1475
Total digitized plots for Seqaqa District	4315

Digitizing took us awhile as there was no complete image backdrop for Seqaqa district. Through the assistance from the Ministry of Sugar and the Ministry of Foreign Affairs we were able to obtain this images free of charge from SPC/SOPAC division.

Summary:

Now we can view the growers in Seqaqa district with their farm information i.e.

- different cane variety in this farm,
- the size of each plot,
- accurate area under cane,
- accessibility of growers from the main highway
- Age of the cane
- Production pattern in previous and current year

Having the above baseline data, we can than now forecast:

- pattern of production of each farm
- better advise farm on their yield and best return cane variety
- Identify growers who needs more assistance regarding better housing, sanitation etc
- Overlay the above data with other data such as soil, remote sensing images to predict yield that give more returns to the growers especially with cane quality payment coming soon to the picture.
- improved and accurate advice to growers regarding planting method, proper use of fertilizers, and many more



October 2013

Malau Sector Survey:

With Seaqaqa district now completed, the survey than moved to Malau sector in Penang mill. Below is the summary of the work carried out:

Existing data from 2006 for growers location	196
Field officer surveyed data for growers location	111
Total growers that were surveyed	378
Newly registered grower after 2013 survey	5
Total Number of growers for Malau Sector	690

Backdrop images:

With the assistance from Fiji Land Information System under Ministry of Lands, we were able to obtain aerial photos taken in 2006.

Though this backdrop images are quite old, this was our only available imagery that we can used. This set of 15 aerial photos was than rectified to Fiji map grid.



Malau Sector overlaid with Sugarcane Contract Numbers and there location:



41



Training with Fiji Sugar Corporation - A continuous process



Ensuring that Fiji Sugar Corporation field staff are up to par with GIS was conducting training with them was a must and a continuous process. From Managers Visit presenting the new look of the GIS Portal to training them how use GPS to conduct field work and verification.



INTERNATIONAL CONFERENCES

The Tribunal Office co-ordinated the following International Conference for the Ministry of Sugar.



INTERNATIONAL CONFERENCES

THE FOOD & AGRICULTURE ORGANIZATION SUGAR CONFERENCE

20TH – 24TH AUGUST 2012 – WESTIN RESORT & SPA, DENARAU, NADI

FAO/FIJI ASIA/PACIFIC 2012 SUGAR CONFERENCE CONFERENCE DECLARATION

1. The FAO/Fiji 2012 Asia/Pacific Sugar Conference was held at the Westin Hotel, Denarau, Nadi from 21-23 August 2012 under the theme “*Sugar Policies to Promote Trade, Development and Growth: Priorities to Face Future Challenges*”. The conference heard from internationally renowned speakers from Brazil, India, Thailand, Australia and Swaziland who made presentations on the impact of their respective sugar policy on the World Sugar Economy. Speakers also included representatives from sugar stakeholders (Czarnikow and Tate and Lyle) as well as international organizations including the International Sugar Organization (ISO), South Pacific Commission (SPC) and Food and Agriculture Organization of the United Nations (FAO). The Conference served as a useful forum for exchange of information and sharing of experience and ideas from the various key sugar industry players.
2. The Conference was officially opened by Prime Minister Josaia Voreqe Bainimarama and who inter alia underlined the following:
 - That the Government was determined to create a modern, economically viable and sustainable sugar industry in Fiji reiterating that the sugar industry was here to stay.
 - Urged that all stakeholders take advantage of the rare opportunity presented by the Conference to develop new insights into the challenges being faced in the international sugar market.
 - Government initiatives and financial backing would only be fully achieved through dialogue, team work, a sense of common purpose and willingness to accept new ideas to make the Industry successful.
3. The Permanent Secretary for Sugar Mr. Manasa Vaniqui echoed the Prime Minister's statement and outlined as follows:
 - Confidence in the industry was gradually being restored. This was due to the good cane prices paid by FSC in 2011 and the forecast price for 2012.
 - Mill performance was gradually improving. For the 2012 crush the mills were performing exceptionally well.
 - FSC financial position was showing modest improvement. Although not officially released yet, the EBITDA for the financial year, 31 May 2012 would project a positive figure.



4. Presentations were also made on the ACP Perspective on the Implementation of EPA/EBA Sugar Arrangements and the Interaction between EU's domestic policy for sugar and its imports of sugar from ACP and LDC's. Tate & Lyle representative spoke on threat to ACP suppliers and EU cane refiners arising from EU Commission CAP Reform proposals. The Conference requested that given the timeframes that have been announced that significant efforts be made to ensure that on a timely basis steps be taken to increase the EPA/EBA lobby efforts to protect and promote our interests.
5. Mr Inoke Ratukalou of SPC highlighted the importance of proper land use management in regards to expending of cane farms into marginal and steep land and its impact.
6. The presentation on Case Studies included:
 - The Fiji Sugar Corporation: Its problems Challenges and Future Prospects.
 - Sustainable Land Management in the Sugar Sector
 - Impact of Biofuel Feedstock on sugar prices.
 - EU Commission CAP Reform Proposals: A threat to ACP suppliers and EU cane refiners.
 - Determinants of Smallholders' Revenue Growth in the Sugar Sector (FAO Case study on Ethiopia and Tanzania)
 - The Causes and Effects of the Low Adoption Rate of Technology in Sugar Cane production.
7. The Conference noted the opportunities offered by the biofuel and chemical feedstocks. However, it was mentioned that for relatively small sugar industries, biofuel would be the most effective alternative, but adequate enabling policies should be developed. Hence a strategic plan for a biofuel sector, which covers policies and incentives, was needed.
8. It was stressed that the focus should be on the sugarcane industry as against sugar industry with a view to increasing revenue stream. This approach should focus on :
 - Good quality cane yield
 - Efficient and effective processing
 - Increase in revenue through multiple products and multiple customers.



9. There was a need for concerted efforts on increasing efficiencies and productivity of sugar production including various measures to increase sugar content, yield of sugar cane, and labor productivity.
10. It was recognized that further consultations on specific issues needed to be undertaken at the field/sector levels. In this context, FAO assured the Fiji Sugar Industry for support for necessary capacity building with a view to acquiring appropriate resource persons to pursue this exercise.
11. The Conference noted the significant advancement made by Brazil and Thailand in terms of their respective sugar industries as well as in biofuel and other diversification initiatives. The offer of assistance from Brazil was welcomed and it was agreed that this should be further progressed at the Diplomatic as well as the Industry levels. This initiative was also seen as an important step to deepen South-South co-operation.
12. The Conference also noted that the high cost of production of sugar was a world wide phenomenon and not isolated to Fiji but was an issue in all other sugar producing countries. It was therefore necessary to share information and experience on the development in other countries.
13. The Conference recognized that suppliers under the Economic Partnership Agreement (EPAs), like Fiji, and Everything But Arms Initiative (EBA) would not achieve their promised developmental role without a fair and remunerative price for ACP sugar suppliers. Guaranteed market access in the post 2015 scenario, stable prices, adequate and effective border measures were necessary for investment in this very capital-intensive industry, notably because the crop had a minimum seven-year production cycle.
14. It was also recognized that EPA/EBA suppliers needed a viable EU refining industry to provide a dedicated entry to the EU market and to maintain a plurality of potential buyers for EPA/EBA sugar.
15. The Conference underscored the roles and needs of small land holders to be factored into the overall development strategy and their specificities to be recognized.
16. The Conference noted with appreciation Tate and Lyle's assurance to continue to buy Fiji sugar beyond 2015.
17. The Conference agreed to convene the international sugar conference every five years, the next being in 2017 in Fiji.



Photos taken during the conference



Secretariat garlanding PS & PM in the opening of the FAO-Sugar Conference



PM in his opening address in the FAO-Sugar Conference





Delegates foreign & locals in the FAO-Sugar Conference.



Secretariat assisting delegates with their registrations



INTERNATIONAL SUGAR COUNCIL SESSION CONFERENCE

03RD – 7TH JUNE 2013 – SOFITEL FIJI RESORT & SPA – DENARAU, NADI

Background

The **International Sugar Organization** is an intergovernmental organization, based in London, which was established by the [International Sugar Agreement](#) of 1968, as the body responsible for administering the Agreement.

The ISO exists to administer the internationally negotiated 1992 International Sugar Agreement (ISA), the objectives of which are:

- to ensure enhanced international cooperation in connection with world sugar matters and related issues.
- to provide a forum for intergovernmental consultations on sugar and on ways to improve the world sugar economy.
- to facilitate trade by collecting and providing information on the world sugar market and other sweeteners.
- to encourage increased demand for sugar, particularly for non-traditional uses.

To fulfill these objectives the ISO undertakes many distinct activities:

- The ISO is the only worldwide forum for the exchange of views by major producing, consuming and trading countries at an intergovernmental level. Council sessions, held twice a year in May and November, afford the opportunity for policy issues to be debated at a multi-lateral level.
-
- The ISO contributes significantly to improved market transparency through its long established and widely recognized statistical and analytical activities. The Market Evaluation, Consumption & Statistics Committee (MECAS), also meeting twice a year, allows a serious and in depth debate of the short term market perspective based on the ISO Secretariat's independent view, longer term perspectives and studies carried out by the Secretariat and others of issues and problems of common interest to members.
- The ISO holds annual seminars with the objective of increasing knowledge and understanding of the sugar market and related problems. Starting in 1992, ISO Seminars have already established themselves as important and well organized events on the sugar calendar, not only providing a wealth of information but giving the opportunity for decision makers representing growers, processors, trade, governments, banks and press to gather together.
- The ISO holds Workshops on subjects of special interest and importance to the sugar world. Topics covered include: The Implications of the GATT Uruguay/WTO Round for Sugar, Alcohol & the Environment, Alternative Uses of Sugar and By-products, Alternative Uses of Bagasse, Developments, Opportunities in Sugar Technology (beet/cane) and Diversification, World Market Situation and Impact of Latin America on Sugar Markets. Cogeneration, RTAs, Alternative Sweeteners, Prices/Exchange Rates, Futures, Freight Rates, Consumption Patterns.



- As the designated International Commodity Body (ICB) for sugar for the Amsterdam based Common Fund for Commodities (CFC), the ISO is uniquely able to formulate and sponsor projects from developing countries and
- countries in transition seeking finance from the first and second accounts of the CFC. Since the CFC is a commodity-wide lending agency, projects to improve productivity, widen product-base and diversify vertically the sugar industry benefit all ISO members, not just the country where the project is sited. Benefits derived from CFC projects enable members to repay their ISO contribution many times over ISO CFC Projects.

The ISO will continue to expand its activities. Expanding from its traditional areas of sugar statistics, short and long term forecasting and market analysis, the ISO is tackling issues like sugar and health, sugar and the environment, fortification of sugar with Vitamin A, Organic Sugar and the promotion of sugar. Product coverage has been expanded to deal with related or associated products like alcohol, molasses and alternative sweeteners, both calorific and non-calorific, Biofuels, Carbon Credit Trading.

Unlike its predecessors under pre-1968 versions of the International Sugar Agreement, it does not have the power to regulate the international sugar trade by price-setting or export quotas but seeks to promote the trade in and consumption of sugar by gathering and publishing information on the sugar market, research into new uses for sugar and related products and as a forum for intergovernmental discussions on sugar. As of September 2011, its membership consisted of the [European Union](#) and 59 other countries.

The ISO is based in London, the 86 member states of the ISO represent (based on data for 2009):

- 87% of world sugar production
- 69% of world sugar consumption
- 95% of world exports
- 44% of world imports

Fiji ratified the International Sugar Agreement on 21st December 1992.

Benefits

One of the objectives of holding the Conference is that the theme of the conference will be at the discretion of the host country and could be used to address issues relevant to the respective country's own interest and those of the wider region. Fiji will therefore have the choice to propose a theme which is relevant to the industry, for example, enhancing efficiency and productivity, diversification, ethanol and cogeneration, etc. Internationally renowned speakers could be called on to address issues in these areas which would be very useful for our policy makers as well as the industry representatives.

The participants at the Conference can include, over and above the ISO membership, investors and sugar specialist. This will be ideal for our industry and governmental officials to interact and make useful personal contacts to assist in further enhancement and development of the industry.

There will also be spin offs, in terms of airline and hotel bookings, and related direct economic benefits. It has been seen that most participants travel with their spouses to these meetings.





Dr. Barron delivering his welcome speech



Ms. Rusila garlarning Dr. Barron (Chairman of the International Sugar Organization) & Ms. Ledua garlarning the Hon. Prime Minister, Mr. Bainimarama



Opening Ceremony



Conference Proper



Prime Minister delivering his opening speech



Cocktails



13TH ACP MINISTERIAL CONFERENCE ON SUGAR

14TH – 18TH OCTOBER 2013 – SHANGRI-LA'S FIJIAN RESORT & SPA

"THE EVOLVING POLICY ENVIRONMENT FOR THE ACP CANE INDUSTRY"

Brief

The ACP ministers responsible for sugar met at the Shangri-La's Fijian Resort in Fiji from 14-17 October for their 13th ACP Ministerial Conference on Sugar. The Conference was opened by the Prime Minister of Fiji, Commodore Josaia Voreqe Bainimarama and was chaired by the Hon. Satya Veyas Faugoo, Minister responsible for Agro Industry and Food Security of Mauritius and the Chairman of the ACP Ministerial Committee on Sugar.

Ministers reviewed the latest developments which have taken place in the international context regarding sugar since their last Conference in Mozambique in 2011. In particular they focused attention on the Common Agricultural Policy (CAP) reform undertaken by the EU which has resulted in the abolition of the sugar quotas in 2017.

Ministers expressed their deep disappointment at this decision despite the representation they had been consistently making to extend the current CAP until 2020, a position which was strongly supported by the European Parliament and the European sugar stakeholders.

Ministers reiterated their fears based on the Commission's report on the Prospects for Agricultural Markets in the EU 2012-2020 that the end of the EU quota will lead to a reduction of the EU domestic sugar price and make preferential access less attractive.

Ministers re-emphasized the need for certainty and consistency in their trading relationship with the EU especially since with the latter's support, the ACP countries have embarked upon major reforms and restructuring program to ensure the long term sustainability, of their sugar industries.

Ministers underscored that their countries were small and vulnerable and that the people involved with the sugar industry sought to secure their livelihoods, through a sustainable industry, with predictable and viable revenue. In this context, it was imperative to expand economic opportunities, boost their national economies and lift the overall living standards of all their peoples.

Ministers strongly felt that the EU decision overlooked the impact of its domestic CAP proposals on ACP's trade and developmental interests and the specific commitment taken by the EU in the Lisbon Treaty and the Cotonou Agreement to ensure EU Policy coherence.

Ministers reiterated the need for the EU to ensure that their preferences are not further eroded by the new Free Trade Agreements being negotiated with other parties.



Ministers urged the European Commission to exercise flexibility in the on-going EPA negotiations in order to avoid the loss of market access to the EU for those countries who may not have completed negotiations in time for the necessary legislations to be put in place by 30th September 2014. They further requested the EU to ensure that the development dimension is fully taken account of in this respect.

Ministers also reviewed the support provided by the EU under the Accompanying Measures Support Programme (AMSP) and urged the EU to show flexibility in the disbursement of the allocations and to ensure that unutilised funds are promptly reallocated. They also resolved to seek the review of the AMSP in the form of an integrated Commodity Development Program.

Ministers emphasised the role that innovation and research and development can play in the promotion of value addition and diversification as well as the broader objective of increasing productivity and competitiveness of their sugar industries. Ministers considered ways and means of increasing the competitiveness of ACP sugar. In this regard they encouraged deeper collaboration and exchange of best practices among the Research Centres of the ACP regions, and renewed their request for a prolongation of the support to the ACP Sugar Research sector beyond the current 13 million Euros program in 2013.

Ministers expressed their deep appreciation and gratitude to the Government and people of Fiji for their warm and traditional hospitality.

Pictures from the conference

Hard working secretariat team



Opening Ceremony



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6-8TH Floor, Ratu Sukuna House
2-10 McArthur St
P.O.Box 2214, Government Buildings
Suva, Fiji



Telephone: [679] 330 9032
Fax: [679] 330 3812
Email: info@auditorgeneral.gov.fj
Website: <http://www.oag.gov.fj>



File: 1370/1

30 July 2015

Timothy Brown
Industrial Commissioner
Sugar Industry Tribunal
Sugar House
Walu Street
LAUTOKA

Dear Mr. Brown

SUGAR INDUSTRY TRIBUNAL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

Audited financial statements for the Sugar Industry Tribunal for the year ended 31 December 2013 together with my audit report on them are enclosed.

Particulars of the errors and omissions arising from the audit have been forwarded to the management of the Tribunal for their actions.

Yours sincerely

Atunaisa Nadakuitavuki
for AUDITOR GENERAL

Encl.



SUGAR INDUSTRY TRIBUNAL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013



**SUGAR INDUSTRY TRIBUNAL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

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INDEPENDENT AUDITOR'S REPORT

To the members of Sugar Industry Tribunal

Report on the Financial Statements

I have audited the accompanying financial statements of Sugar Industry Tribunal, which comprise the statement of financial position as at 31 December 2013, 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 18.

Tribunal and Management's Responsibility for the Financial Statements

The Tribunal 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 Sugar Industry Act (Cap 206). 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 Sugar Industry Tribunal, 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 Sugar Industry Tribunal as at 31 December 2013 and of the results, and cash flows of Sugar Industry Tribunal for the year ended on that date; and
- b) give the information required by the Sugar Industry Act (Cap 206) 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 Nadakuitavuki
for AUDITOR GENERAL



**SUGAR INDUSTRY TRIBUNAL
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Note	2013 \$	2012 \$
INCOME			
Government grant -Operational		403,889	434,782
Other income	4	272,675	25,759
Total income		676,564	460,541
EXPENDITURE			
Personnel expenses		218,548	214,482
Operating expenses		404,569	123,685
Administrative expenses		57,560	47,036
Depreciation		30,934	22,688
Total expenditure		711,611	407,891
(Deficit)/Surplus		(35,047)	52,650
Other Comprehensive Income		-	-
Total Comprehensive (Loss)/Income for the year		(35,047)	52,650

(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 8 to 13)

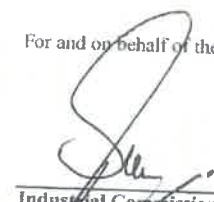


**SUGAR INDUSTRY TRIBUNAL
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013**

	Notes	2013 \$	2012 \$
Current assets			
Cash at bank and on hand	5	9,481	93,560
Trade and other receivables	6	145,667	71,455
Total current assets		<u>155,148</u>	<u>165,015</u>
Non-current assets			
Property, plant and equipment	7	163,659	90,238
Total non-current assets		<u>163,659</u>	<u>90,238</u>
Total Assets		<u>318,807</u>	<u>255,253</u>
Current liabilities			
Trade and other payables	8	60,872	38,235
Employee benefit liability	10	3,779	4,937
Provisions	9	8,700	5,000
Deferred income	11	30,934	76,743
Total current liabilities		<u>104,285</u>	<u>124,915</u>
Non-current liabilities			
Deferred income	11	124,370	13,495
Finance lease liability	12	8,356	-
Total non-current liabilities		<u>132,726</u>	<u>13,495</u>
Total Liabilities		<u>237,011</u>	<u>138,410</u>
Net Assets		<u>81,796</u>	<u>116,843</u>
Equity			
Retained earnings		81,796	116,843
Total Equity		<u>81,796</u>	<u>116,843</u>

(The Statement of Financial Position is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 9 to 13)

For and on behalf of the Tribunal.


Industrial Commissioner

Mr. Timothy Brown

Date:

29/7/15



**SUGAR INDUSTRY TRIBUNAL
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Note	Asset Realisation Reserves	Asset Revaluation Reserves	Retained Earnings	Total
		\$	\$	\$	\$
Balance as at 31 December 2011		295	14,713	49,185	64,193
Transfers of reserves	2	(295)	(14,713)	15,008	-
Net surplus for the year		-	-	52,650	52,650
Balance as at 31 December 2012		-	-	116,843	116,843
Net deficit for the year				(35,047)	(35,047)
Balance as at 31 December 2013		-	-	81,796	81,796

(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 8 to 13)



**SUGAR INDUSTRY TRIBUNAL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Notes	2013 \$	2012 \$
<u>Cash Flows from Operating Activities</u>			
Receipts from government and customers		667,417	501,141
Payments to suppliers and employees		(655,499)	(446,687)
Interest and bank charges		-	(460)
Net Cash provided by Operating Activities	13	11,918	53,994
<u>Cash Flows from Investing Activities</u>			
Payments for property, plant and equipment		(95,998)	-
Net Cash provided by Investing Activities		(95,998)	-
Net (decrease)/increase in cash		(84,080)	53,994
Cash at the beginning of the year		93,560	39,566
	5	9,481	93,560

(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 8 to 13)



SUGAR INDUSTRY TRIBUNAL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

NOTE 1: REPORTING ENTITY

The Sugar Industry Tribunal was established under the Sugar Industry Act (Cap. 206). The objective of the Sugar Industry Tribunal (SIT) is to resolve disputes in the Sugar Industry. In carrying out its statutory functions, Sugar Industry Tribunal is empowered under section 69 of the Sugar Industry Act, subject to the Minister's directive, to make and prepare any master award. The Sugar Industry Tribunal also hears and determine any question as to whether all or any of the expenses incurred by Fiji Sugar Corporation in providing and maintaining facilities for the storage of sugar should be paid out of, and be a charge on the proceeds of sale of sugar, molasses and other by-products of sugar.

NOTE 2: BASIS OF PREPARATION

The financial statements of the Sugar Industry Tribunal have been drawn up in accordance with the International Reporting Standard for Small and Medium-sized Entities ("IFRS for SMEs"). This is the first set of financial statements prepared by the Tribunal in accordance with IFRS for SMEs as adopted by the Fiji Institute of Accountants. The financial statements prior to the adoption of IFRS for SMEs had been prepared in accordance with the Fiji Accounting Standards (FAS).

2.1 Transition to IFRS for SMEs

The Tribunal's financial statements for the year ended 31 December 2013 is the first annual financial statements prepared under the accounting policies that comply with the IFRS for SMEs. The Tribunal prepared its opening balances for the Statement of Financial Position under IFRS for SMEs as at the date of transition, 1 January 2012. The Tribunal has only applied the mandatory exceptions.

Effect of IFRS for SMEs as at 31 December 2011:

	Reported Results under FAS	Effect of transition to IFRS for SMEs	Restated Balance under IFRS for SMEs
Retained Earnings	49,185	15,008	64,193
Asset revaluation reserve	14,713	(14,713)	-
Asset realisation reserve	295	(295)	-
Total	64,193	-	64,193

NOTE 3: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of measurement

The financial statements have been prepared on an historical cost basis and, except where stated, do not take into accounts current valuation of fixed assets.

(b) Functional currency

The financial statements are presented in Fiji dollars.



SUGAR INDUSTRY TRIBUNAL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

NOTE 3: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Use of estimates and judgements

The preparation of the financial statements in conformity with IFRS for SMEs requires management to make judgements, estimates and assumptions that affect the applications of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

Information about judgments in applying accounting policies that have an effect on the amounts recognised in the financial statements is included in the following notes:

Note 6 - Recoverability of trade and other receivables

Note 7 - Impairment of property, plant and equipment

(d) Revenue recognition

Revenue is recorded in the income statement on accrual basis. Grants relating to the purchases of property, plant and equipment are included in deferred income and are credited to the income statement on a straight-line basis over the expected lives of the related assets.

(e) Income tax

By virtue of Section 17 clause 4 of the Income Tax Act, the Tribunal's net income is exempt from income tax.

(f) Property, plant and equipment

Recognition and measurement

Depreciation on assets is calculated on straight-line method by which the book value is written off over the estimated useful life of the assets.

Fixed assets are stated at cost. When assets are retired or otherwise disposed of, the related cost is removed from the account and the resultant profit or loss is brought to account as revenue or expenditure as appropriate.

Depreciation

Depreciation is charged using the straight-line method. The following annual rates are used for the depreciation of property, plant and equipment:

	Rate
Furniture & Fittings	10%
Office Furniture	10%
Motor Vehicle	15%

(g) Cash and cash equivalents

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

(h) Trade and other receivables

Receivables are stated at expected realised value. A provision is raised for any doubtful debts based on a review by the Tribunal for all outstanding amounts at year end. Bad debts are written off during the year in which they are identified.

(i) Trade and other payables

These amount represent liabilities for goods and services provided to the Tribunal prior to the end of the year.



SUGAR INDUSTRY TRIBUNAL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

NOTE 3: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(J) Comparatives

Where necessary, amounts relating to prior year have been adjusted to conform with changes in presentation in the current year.

	2013 \$	2012 \$
NOTE 4: OTHER INCOME		
Interest in Salary Advance	1,236	1,141
Deferred Income	30,934	22,688
Gain - Trade in of fixed assets	200	1,680
PMU Receipts	320	-
Receipt from ACIAR account	4,949	-
FSC Funding - NIR Project	235,030	-
Miscellaneous	6	250
	<u>272,675</u>	<u>25,759</u>

NOTE 5: CASH AND CASH EQUIVALENT

Cash and cash equivalents at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the following:

Cash at bank	9,400	93,384
Cash on hand	81	176
	<u>9,481</u>	<u>93,560</u>

NOTE 6: TRADE AND OTHER RECEIVABLES

Salary advance	2,768	3,063
Sundry Debtors Box Rental - PMU	40	40
Sundry Debtors - NIR	1,904	-
Deposits Paid	1,836	1,359
Prepayments	16,623	-
Claims	74,215	23,785
VAT receivable	48,281	43,208
	<u>145,667</u>	<u>71,455</u>



**SUGAR INDUSTRY TRIBUNAL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

NOTE 7: PROPERTY, PLANT AND EQUIPMENT

	Furniture & Fittings	Equipment	Motor Vehicle	Total
Cost	\$	\$	\$	\$
Balance at 31 December 2012	11,002	32,309	123,670	166,981
Additions	9,354	38,652	56,513	104,519
Disposals	-	(5,857)	-	(5,857)
Transfers	-	(300)	-	(300)
Balance as at 31 December 2013	20,356	64,804	180,183	265,343
Accumulated Depreciation				
Balance at 31 December 2012	5,359	22,137	49,247	76,743
Annual depreciation	1,753	10,011	19,170	30,934
Disposals	-	(5,993)	-	(5,993)
Balance as at 31 December 2013	7,112	26,155	68,417	101,684
Carrying amount at 31 December 2012	5,643	10,172	74,423	90,238
Carrying amount at 31 December 2013	13,244	38,649	111,766	163,659

NOTE 8: TRADE AND OTHER PAYABLES

	2013 \$	2012 \$
Other Creditors & Accruals	40,508	29,282
Rent Due	20,364	8,953
	60,872	38,235

NOTE 9: PROVISION

At 1 January 2013	5,000	4,011
Add: Additions during the year	5,700	5,000
Less: Amount charged against provisions during the year	-	(4,011)
Unused amounts reversed	(2,000)	-
	8,700	5,000

The provision relates to audit fees.

NOTE 10: EMPLOYEE BENEFIT LIABILITY

Annual leave entitlement	3,779	4,937
	3,779	4,937

NOTE 11: DEFERRED INCOME

Deferred income relates to Capital Grants received for the purchases of fixed assets. The income approach has been used to account for Capital Grant.

Balance at the beginning	90,238	166,981
Add: Additional capital grant for the current year	96,000	-
Less: Amortisation of deferred income for the current year	(30,934)	(76,743)
	155,304	90,238
Comprise of:		
Current	30,934	76,743
Non-current	124,370	13,495
	155,304	90,238



SUGAR INDUSTRY TRIBUNAL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

NOTE 12: FINANCE LEASE LIABILITY

	2013 \$	2012 \$
The finance lease liability is payable as follows:		
No later than 1 year	1,671	-
Later than 1 year but no later than 5 years	6,685	-
Total	8,356	-

The Tribunal leases a telephone system (PABX system) from Telecom Fiji Limited on a financial lease agreement. The lease terms is for 5 years with a monthly lease rental of \$139.

NOTE 13: NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

Cash at bank	9,400	93,384
Cash on hand	81	176
	9,481	93,560

(b) Reconciliation of operating profit to cash provided by operating activities:

Net (Deficit)/Surplus	(35,048)	52,650
Add/(less) non-cash items:		
Depreciation	30,934	22,688
Amortisation of Deferred income	-	(22,688)

Changes in assets and liabilities during the financial period:

Increase/(Decrease) in deferred income	65,065	-
Decrease/ (Increase) in receivables	(74,212)	(17,362)
Increase/ (Decrease) in accounts payable	22,637	18,706
Increase/ (Decrease) in provisions	(1,158)	-
Increase/ (Decrease) in employee benefit	3,700	-
	11,918	53,994

NOTE 14: RELATED PARTY TRANSACTIONS

(a) Transaction with Key Management Personnel

The key management personnel of the Tribunal during the year include :

Mr. Timothy Brown - Industrial Commissioner

Mr. Anu Patel - Acting Sugar Industry Tribunal (*appointment ceased March 2015*)

Key management personnel remuneration for the year amounted to \$96,691.



**SUGAR INDUSTRY TRIBUNAL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

NOTE 14: RELATED PARTY TRANSACTIONS (continued)

(b) Transaction with Funding Agency - Service Agreement

During the financial year, the Tribunal received fundings from the Ministry of Sugar (Operating grant), the European Union (GIS projects) and from the Fiji Sugar Cooperation for the NIR project. This fundings incorporate specials terms and conditions which are stated the grant agreements.

	2013	2012
	\$	\$
Ministry of Sugar		
Fiji Sugar Co-operation	500,000	500,000
FairTrade Coordination Unit	300,000	-
Total Funding	40,000	40,000
	<u>840,000</u>	<u>540,000</u>

(c) Year end balances arising from inter-related party transactions.

Receivables from related parties		
Fiji Sugar Co-operation		
Sugar Cane Growers Council	51,581	23,785
Project Management Unit	1,265	-
FairTrade Coordination Unit	40	-
Payables to related parties	20,000	-
S.K Trust		
Net Total	20,364	8,953
	<u>52,522</u>	<u>14,832</u>

NOTE 15: CONTINGENT LIABILITY

There is no contingent liabilities at balance date.

NOTE 16: CAPITAL COMMITMENTS

There is no capital commitments at balance date.

NOTE 17: SUBSEQUENT EVENTS

Since the end of the financial year, the Tribunal is not aware of any matter or circumstance not otherwise dealt with in the report or financial statements that has significantly or may significantly affect the operations of the Tribunal, the results of those operations or state of affairs of the Tribunal in subsequent years.

NOTE 18: APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Tribunal and authorised for issue on 29 July 2015.









Sugar Industry Tribunal
P.O Box 5123, Sugar House, Walu Street, Lautoka
Phone: 666 6900 / 666 6920 Fax: 666 3520