



ANNUAL REPORT 2020



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Annual Report 2020

Cover Photo: A picture of Mofmanu beach, Motusa village, Itutiu District, Rotuma; taken by the visiting TTFB team during their inaugural visit to Rotuma in August 2020.

INTRODUCTION

VISION

The prominent institution empowering the Vanua to uplift the wellbeing of iTaukei and Rotumans.

MISSION

To develop and facilitate initiatives that will improve the quality of life and enhance cultural traditions and values of iTaukei and Rotumans through:

1. Culture, heritage and language programs
2. Leadership, management and entrepreneurship

To prudently invest the TTFB funds to earn superior returns while complying with the iTaukei Trust Fund Act and to enhance the long-term value of the Trust.

OBJECTIVES

To achieve our mission, TTFB aims to:

- To provide funding for the undertaking, promotion and sponsoring of programmes on Fijian language, culture and the study of ethno history and ethno geography.
- To provide funding to help develop the management, leadership and entrepreneurial skills of the iTaukei and Rotumans.
- To sponsor research into languages, art and culture of the iTaukei and Rotumans and the better understanding and preservation of their heritage.
- Any other purpose approved by the Board to be beneficial to the iTaukei and Rotumans.

NA IVAKAMACALA TAUMADA

NA TATADRA

Me tabana uasivi ena kena vakataudeitaki na Vanua, me vakatoroicaketaki nodra bulararabana iTaukei kei na Rotuma.

NA ITAVI

Me qarava na veisasaga eso ena vakavinakataki kina na ituvaki ni bula raraba, ka vakatoroicaketaka na nodra itovo kei na ivakarau ni bula na iTaukei kei na Rotuma ena veigaunisala oqo:

1. Porokaramu ni Vosa, iTovo kei na iYaunivanua;
2. Veiliutaki, qaravi sasaga, kei na cicivaki bisinisi.

Na itavi tale ga ni Matabose me cakacakataka vakayalomatua na vakatubuiyau ni Matabose me rawati na tubu e vinakati, me vaka e virikotori ena lawa na iTaukei Trust Fund Act [Amendment 2012] me vakaraibailevutaka na sasaga ni vakatubuiyau.

VEIKA ME VAKAVOTUI

Na veika me vakavotui oya:

- Me tokona vakailavo na sasaga ni kena tutaki na porokaramu ni vuli vosa VakaViti kei na iTovo, kei na kena vulici na itukutuku makawa se jiokaravi ni dua na matatamata;
- Me tokona vakailavo ka vukea na veivakatorocaketaki ni nodra qaravi sasaga, veiliutaki kei na cicivaki bisinisi na iTaukei kei na Rotuma;
- Me vakailavotaka na vakadidiketaki ni nodra Vosa kei na iTovo na iTaukei kei na Rotuma, me ra vakadeitaki ena bibi ni kena maroroi na nodra iyaunivanua;
- Na veika tale eso e vakadonuya na Matabose me yaga vakalevu i na nodra bula na iTaukei kei na Rotuma.

OUR VALUES

Caring

In the iTaukei manner, displaying kindness and concern for others.

Excellence

The quality of being outstanding in anything you do.

Transparency

Whilst being culturally respectful, exemplifying openness.

Accountability

Being answerable in all your actions and deeds.

Cultural sensitivity

The knowledge, awareness and acceptance of other cultures including your own.

CORE BUSINESS

To enhance, enrich and promote the culture, leadership, entrepreneurial knowledge and skills of iTaukei and Rotumans.

NA IVAKARAU ME VAKABIBITAKI

- Veikauwaitaki
- Uasivi ni veiqaravi
- Dina ni veiqaravi
- Veidokai
- Veirokovi

USUTU NI VEIQARAVI

Me vakatoroicaketaka, vakavutuniyautaka, ka tutaka na itovo bula, veiliutaki vinaka, kei na cicivaki bisinisi vei ira na iTaukei kei na Rotuma.

(Sitting L - R): Mosese Seavula, Unaisi Manulevu, CEO Aisake Taito, Alfred Fakraufono Wiliame Jr and Mikaele Sela.

(Standing L - R): Mikaele Livai Tamani, Elenoa Korovulavula, Kinijioji Turaga, James McGoon, Melania Qalikaono and Sekaia Druma



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BOARD OF DIRECTORS | NA MATABOSE



DAVID KOLITAGANE
Chairman

Appointed Chairman to the Board on 30th October 2017. Mr Kolitagane is currently the Permanent Secretary for the Ministry of Rural & Maritime Development and National Disaster Management.



PENI CAVUILAGI

Appointed to the Board on 26th November 2015. Mr Cavuilagi was previously the Director of the Fiji Arts Council.



EMI RABUKAWAQA

Appointed to the Board on 26th September 2016. An educator and a career civil servant, Mrs Rabukawaqa served for a considerable number of years as the Permanent Secretary of the Ministry of Education.



FATIAKI MISAU

Appointed to the Board on 26th September 2016. Mr Misau is a retired civil servant and served as Permanent Secretary in several ministries during his long tenure with the Civil Service.



PREETIKA PRASAD

Appointed to the Board on 11th October 2016. Ms Prasad is a Barrister and Solicitor with the Attorney General's Office and is currently the Acting Solicitor General of Fiji.



NAIBUKA SAUNE

Appointed to the Board on 26th November 2018. Mr Saune is the CEO of Merchant Finance Limited.



MELETI BAINIMARAMA

Appointed to the Board on 16th January 2019. Mr Bainimarama was the Permanent Secretary of the Ministry of iTaukei Affairs and Chief Executive Officer of the iTaukei Affairs Board. Mr Bainimarama passed away in June 2021.

CHAIRMANS REPORT

NODRA ITUKUTUKU NA
I LIULIU NI MATABOSE

DAVID KOLITAGANE



The Prime Minister of Fiji and Minister for iTaukei Affairs, Sugar Industry and Forests

The year in review is going to be synonymously remembered for COVID-19, the exasperating pandemic that literally brought the world to a standstill. From that perspective, the year in review proved to be an extraordinarily grim one exacerbated primarily by the swift and massive shock of COVID-19. The world was effectively in lockdown, and this sent economies into prolonged periods of recession. And Fiji was not immune to the disease’s far-reaching global economic effect.

International and domestic demand and supply, trade and finance were severely disrupted. The blow has been the harshest on the tourism sector. Moreover, interruptions in education and primary healthcare access are likely to have a lasting impact on villages and communities.

Investments

The global pandemic significantly impacted our returns to investment. The Fund’s investment in the tourism sector, namely the Radisson Blu Resort, unfortunately was severely hit. The closure on international borders together with travel restrictions and lockdowns devastated Fiji’s economy, in particular its largest industry - tourism. Major resorts and hotels were forced to lay off hundreds of employees and only open within reduced operational capacities. The local tourist market cushioned the loss somewhat, but it was not enough to fully sustain most hotel operations.

To some degree, the Fund’s diversified investment portfolio including our offshore investments softened the gravity of the COVID-19 impact on our financial performances and return on investments.

Na Paraiminisita kei Viti ka Minisita ni Veika Vakaitaukei, Tabana ni Suka kei na Veikaubula.

Na yabaki e dikevi tiko qo ena dau vakananumi tu me baleta na Covid-19, na ravuravu ni mate dewa ka tu vakadua kina o vuravura. Ena vuku ni rai oqo, na yabaki sa oti e vakadinadinataki ni dua na yabaki ka sega soti na rawaka vinaka, vakavuna duadua sara ga na kena veitakavi vakasauri na mate na Covid-19. Era sogosogo na veimatanitu e vuravura, ka mai vakanaulu sobu na veika vakailavo ena dua na gauna balavu. Na revurevu e vakavuna na mate dewa ka tara na bula vakailavo e vuravura, e sega ni vakuwai kina o Viti.

E vakaleqai vakalevu na ivakarau ni kena vinakati me sotavi na makete ni veivoli e noda vanua kei vuravura, vaka tale ga kina na bula vakailavo. E vakila sara vakalevu na tabana ni saravanua na leqa oqo.

Vakatubuilavo

Na mate dewa e vuravura e tara vakalevu na rawaka ni vakatubuilavo. E ka ni rarawa ni mai lutu sara vakalevu na rawaka ni vakatubuilavo ni Matabose mai na Radisson Blu Resort ni mai vakaleqai na ituvaki ni bula vakailavo e Viti, ena nodra sogosogo na veimatanitu e vuravura ka vakatabui na veitosoyaki. Era vakacegui na tamata cakacaka ena veiotela ka musuki sobu na tabana ni vei qaravi eso. E nanumi ni na bau veivuke na makete ni saravanua e Viti, ia e sega ni veiraurau kei na veika e gadrevi me cici vinaka kina na otela.

Me vaka ni rabailevu na sasaga ni vakatubuilavo ni Matabose, wili kina na vakatubuilavo mai vanua tani, e sega kina ni vakilai vakalevu sara na revurevu ni Covid-19 ki na rawaka vakailavo.

The Fund engaged Mercer Investments of Australia to review its investment portfolio. The objective of the review is to ensure the diversification of the Fund's assets with managed risks and the delivery of consistent returns on investment. The Fund is in the process to engage an Australian based Fund Manager to manage the Fund's overseas portfolio.

Due to the global pandemic, interest rates were negatively impacted resulting in increased liquidity in the market. The Fund took advantage of this by investing all its term deposits over the short - three to six months period. Although share prices in our Amalgamated Telecom Holdings and RB Patel Limited investments dropped significantly, our investment with ATH increased to 6.5 million from 5 million.

Our car park space at the corner of St Forts and Stewart Street continue to deliver constant revenue annually. And our tenants were given a rental concession of 25% during the COVID-19 pandemic. Overall, for the year, the Fund's net assets decreased from 324 million to 267 million.

Culture & Heritage

In the area of Culture & Heritage, the Fund continue to progress with its Vanua Fieldwork Project, a collection and video documentation of unique traditional practices and customs carried out in the Rewa province. These videos serve as important records to safeguarding traditional knowledge and useful tools for academic research.

The Sauvaki ni Vanua programme, a training on good governance and leadership for the isausauvou (traditional chiefly heirs), was completed for the Serua province. Thirty-two traditional leaders of Serua graduated with Certificate III in Traditional Leadership and Good Governance from the Centre for Appropriate Technology and Development (CATD) at Nadave. The programme is fully accredited by the Fiji Higher Education Commission. There were plans to engage the Namosi province in the second half of the year, however, this did not eventuate because of the COVID-19 pandemic.

During the year, the CATD at Nadave saw an upgrade to its educational facilities and accommodation bures. The Fund provided funding for this upgrade to the tune of \$130,000. The upgrades were long overdue for the centre and as a direct result of the upgraded facilities, CATD has been able to increase training opportunities, which in turn has generated more revenue for the centre.

Our partnership with the University of the South Pacific (USP) continues to grow and 2020 saw the development of the Post-Graduate Diploma in Fijian Studies. Senior Culturalist & Fijian Linguist Dr Apolonia Tamata was seconded to USP during the year and was instrumental in the development of the Post-Graduate programme, along with the accompanying curriculum and courses.

In the year, developmental work towards the online projects such as the Solesau www.solesau.com, Healing Plants of Fiji app and our revamped website www.itaukeitrustfund.com.fj commenced. The Solesau is an online learning management

Na cakacaka ni kena dikevi lesu na tobu ilavo ni Matabose, a mai soli vei Mercer Investments mai Ositerelia. Na kena inaki me dikeva na veitabana eso e rawa ni vakatuburi kina na iyau ni Matabose, ia me qaravi vinaka ena gauna ni leqa tubukoso, kei na kena sasagataki me rawati mai na tubu e vinakati. E sasaga tiko na Matabose me vakacakacakataka e dua na Manidia mai Ositerelia me wanonova ka qarava vakatabakidua na tobu ilavo mai vanua tani.

Se tomani tiko ga na kena rawati na ivakayaga mai na ikelekele ni motoka ena kona ni gaunisala na Saint Fort kei na Stewart Street ena loma ni dua na yabaki. Kivei ira na saumi rede kina, e musuki na rede ena 25% ena gauna ni Covid-19. Kena levu taucoko, ena loma ni yabaki, na iyau tudei ni Matabose e lutu mai na 324 na milioni ki na 267 na milioni.

iTovo kei na iYau ni Vanua

Ena tabana ni iTovo kei na iYau Mareqeti, e tomana tiko vakavinaka na Matabose na vei qaravi ni Vakadidike Vanua, me sokumuna ka tabaka na itovo kei na ivakarau duidui eso ena loma ni yasana o Rewa. E vakayagataki na ilavelave ni vidio kece qo me maroroi kina na itukutuku ni vuku ni vanua, ka na veivuke sara ena vakadidike eso ni vuli toro cake.

Sa mai vakacavari na porokaramu ni vuli ni Sauvaki ni Vanua, e dua na ituvatuva vakavuli ni veiliutaki kei na vakatulewa matau, vei ira na isausauvou ni veiliutaki vakavanua ni yasana o Serua. Era lewe tolusagavulukarua (32) na isausauvou era taurivola ena Setivikiti III ni Sauvaki ni Vanua mai na Centre for Appropriate Technology and Development (CATD) e Nadave. Na porokaramu oqo sa vakadonui ka vakadeitaki mai na Fiji Higher Education Commission. Ena ikarua ni wasewase ni yabaki, a dodonu me qaravi na vuli kivei ira na isausauvou ena loma ni yasana o Namosi, ia mani sega ni vakavotukana ena vuku ni mate dewa na Covid-19.

Ena loma ni yabaki, mai vakadinadinataka na koronivuli e Nadave na kena vakavinakataki cake na veivalenivuli kei na bure ni vakacegu. Sa dede mai na gauna, sega ni se caka na vakavinakataki ni koronivuli, ia ena vuku ni veivuke oqo, sa rawa kina vei CATD me vakarautaka e vuqa tale na porokaramu ni vuli, ka sa rawaka tiko mai kina vakailavo.

E tubu cake tiko ga na ivakarau ni neitou vei qaravi kei na Yunivesiti ni Ceva ni Pasivika. Ena yabaki 2020, a mai vakatoroicaketaki kina na porokaramu ni vuli Vosa VakaViti ki na Post-Graduate Diploma. Ena loma tale ga ni yabaki, mai dewa kina ki USP na vakaillesilesi ni Matabose se Senior Culture & Heritage Specialist, Dr. Apolonia Tamata, o koya ka vakaitavi sara vakalevu ena kena buli na porokaramu vou ni vuli na Post Graduate Diploma.

E mai tekivutaki tale ga ena loma ni yabaki na sasaga ni kena buli eso na ituvatuva ena mona livaliva me vaka na Solesau, Healing Plants of Fiji App, kei na kena vakavoutaki na veilawa ni iTaukei Trust Fund Board. Na Solesau, e dua na ituvatuva ni vuli Vosa kei na iTovo VakaViti ka vakarautaki ena monalivaliva se Learning Management System. Na sasaga kece oqo era na qai vakavotukana ena yabaki vakailavo ka tarava. Na inaki tale

programme on iTaukei culture, tradition and language. These online projects are expected to materialise in the next financial year. The Healing Plants of Fiji book is being designed and formatted with the anticipation to have it printed in 2021.

Given the Fund's new strategic focus on Rotuma, in August, a team comprising of a Board Member Mr Misau Fatiaki, Management and three staff carried out an inaugural scoping exercise in the island to identify areas of economic intervention by the Fund. The team met with the Rotuman Council of Chiefs, several Youth and Womens' groups, farmers and fishermen and small micro entrepreneurs during their visit. These meetings and talanoa sessions brought about valuable insights into the island resources and how it can be turned into viable prospects to improve the livelihood of people in Rotuma.

Entrepreneurship Framework

In 2020, an entrepreneurial value-chain framework was developed for resource-owners. It focuses on agriculture, fisheries and forests sectors, which resource-owners have in abundance. Through an Expression of Interest process, a few resource-owner businesses have been identified for potential partnerships. Central to the ideals of these new partnerships is the materialisation of wholistic social and economic growth, for these resource-owner businesses and the communities within which they exist and operate in.

Development was not to be limited to just financial returns but the improvement of standards of living for the greater villages and communities through proper sanitation, cyclone certified dwellings and upgrade of utilities like access to clean water and access to electricity. The Fund looks forward to progressing some of these business partnerships from semi-commercial to fully-fledged commercial operations.

Reset for Recovery

The COVID-19 pandemic has been harshly relentless this year, impacting the Fund's financial outcomes. As we close the chapter on what has been a very challenging year, we remain steadfast and optimistic for better year's ahead of recoveries by building resilience based on our diversified investment portfolio and staff to bring smarter value to the stakeholders we serve.

Appreciation

I wish to take this opportunity to extend my appreciation to the CEO and Staff, bankers, business associates, stakeholders and the Government for their unwavering support during this difficult year.

ga ni sasaga me baleta na Healing Plants of Fiji oya me tabaki vakaivola ena 2021.

Ena vuku ni tuvatuva vou ni Matabose, a lesi e dua na timi me veisiko i Rotuma ena vula o Okosita. Okati ena ilesilesi oqo e dua na lewe ni Matabose o Mr. Fatiaki Misau, na Chief Executive Officer, kei na 3 na vakaillesilesi, me ratou lai vakadikeva taumada na ivurevure ni iyau se nodra bula na lewenivanua e rawa ni veivueti kina na Matabose. A vakayacori na veitalanoa kei na Matabose Vakaturaga e Rotuma, na isoqosoqo ni Tabagone kei na Marama, o ira na dauteitei kei na dauqoli, kei ira na itaukei ni bisinisi lalai. E vure mai na bese kei na veitalanoa oqo, eso na vakasama vinaka me baleta na iyaubula ni vanua, kei na gaunisala eso e rawa ni sasagataki kina me rawa na bula sautu kivei ira na lewenivanua.

Yavu ni Veiqaravi ni Vakavure Bisinisi

Ena yabaki 2020, a mai vakarautaki kina e dua na yavu ni veiqaravi ni vakavure bisinisi me veiganiti vei ira na itaukei ni iyaubula. E vakatabakidua na yavu qo, ki na tabana ni teitei, qoliqoli kei na veikaubula ka sautu tu e noda vanua. E vica na itaukei ni bisinisi era vakadeitaki me tokona na Matabose ena kena mai tabaki na Expression of Interest. Na inaki bibi ni sasaga ni cakacakavata qo, oya me vakavotui ka rawati na tubu ena veiyasana kece ni bula vei ira na itaukei ni bisinisi kei na vanua era veiqaravi kina.

Na ivakayaga mai na veivakatorocaketaki oqo, e sega ni vakaiyalayala ga ki na rawaka nib ula vakailavo. E namaki me sotava na bula raraba kece ni lewenivanua ena veikorokoro, ena kena vakavinakataki na itikotiko, na itarata na vale, vaka tale ga kina na nodra rawa ni vakayagataka na wai savasava kei na livaliva. E vakanamata na Matabose ki na kena tomani na veiqaravi kei ira na itaukei ni yaubula mai na tauyavu bisinisi lalai ki na bisinisi lelevu.

Saumaki me Vuavuai

Sa bau ravuravu saraga na mate dewa na Covid-19 ena loma ni yabaki, ka vakilai kena revurevu ki na rawaka vakailavo ni Matabose. Ni mai cava na yabaki ena dua na gauna bolebole ka lako curumi, e tudei na neitou vakabauta kei na vakanananu, ni na vuqa tale na yabaki vuavuai e matada, ena kena vakaukauwataki na tabana ni vakatubuilavo ni Matabose, ka laveti cake na itagede ni nodra veiqaravi na vakaillesilesi vei ira lewenivanua se tabana kece ga keitou veiqaravi kina.

Vakavinavinaka

Au gadreva meu taura na gauna qo, meu vakavinavinakataka na CEO kei ira na vakaillesilesi, na dauveitokoni vakabisinisi, veitabana eso kei na matanitu, ena vuku ni veitokoni na loma ni yabaki bolebole da lako curuma.

I would also like to thank my fellow Directors for their guidance and stewardship in such a trying year.

We look forward to a new dawn come 2021.

David Kolitagane
Chairman

Au via vakavinavinakataki iratou tale ga na noqu itokani Dairekita ena nodratou veivakasalataki ka veivakadeitaki ena yabaki dredre oqo.

Keimami sa vakanamata tu ki na cadra ni dua na matanisiga vou ena yabaki 2021.

David Kolitagane
Jeameni

Graduates of the Serua Province Sauvaki ni Vanua Training Programme



OPERATIONAL REPORT

NA ITUKUTUKU NI VEIQARAVI

INVESTMENTS

The Fund's broad investment aims are to maintain and improve the value of the Fund's portfolio by creating and maintaining a diversified portfolio comprising asset classes that are considered trustee investments.

The portfolio remains shares, fixed income and properties.

The global covid-19 pandemic has decimated the world economy and nowhere more so for the Fiji economy. The year was unusual from previous years. Performances of investment portfolio the Trust held was affected. Given the diversified investment portfolio of the Fund, this helps to cushion the impact of COVID-19 on the performances and return from the investments.

In ensuring the financial stability of the Fund, for 2020, the Fund continued to prudently manage the investments in line with Priority Area 1 of the Fund's Strategic Plan 2019 – 2023.

At the beginning of the year, for the first time, the Fund reviewed the investment portfolio.

The Fund wants to be reassured that the investment policies and portfolio are sufficient to give maximum returns necessary for TTFB to fulfil its mandated objectives.

The review was independently carried out by Mercer Investment of Australia. The review undertaken were to:

- a. Reassure the Fund that the investment policies and portfolio are sufficient to give maximum returns necessary to fulfil its mandated objectives;
- b. Protect the governance and stewardship role of the Trustees as the findings will provide to the Fund with a clear road map in the long term for effective stewardship of the investment portfolio; and
- c. Ensure the Fund will employ financial resources to areas that will yield optimal return and at the same time provide financial stability, growth and sustainability in the long term

The Fund during the year commenced working on the recommendation from the Review. This include working towards the engagement of a Fund Manager in Australia to manage the overseas portfolio. The overseas portfolio is currently being managed by an Advisor – Morgans based in Brisbane, Australia.

With the impact of COVID-19 pandemic on the economy driving down interest rates and increasing the liquidity in the money market, all term deposits were invested for short term periods of three (3) and six (6) months. This allowed the Fund to manage its accumulated cash and the low interest rates over that period to meet its equity contribution for major capital developments and new investment ventures in the future.

VAKATUBUILAVO

Na inaki raraba ni vakatubuilavo ni Matabose, oya me vaqacacotaka ka vakatoroicaketaka nona tobu ilavo, ena kena vakasaqarai na gaunisala eso me vakarabailevutaki kina na sasaga ni vakatubuilavo.

Na iwasese wase duidui ni vakatubuilavo ni Matabose e oka tiko ga kina na sea, na ilavo tudei e curu mai, kei na kena taukeni na veivale.

Na mate dewa a mai tarai vuravura ena vuku ni Covid-19, a vakamalumalumutaka na bula vakailavo e vuravura, ka sega ni vakuwai kina o Viti. E sega ni vaka na veiyabaki sa sivi. E tara tale ga na rawaka ni vakatubuilavo ni Matabose. Ia, na rabailevu ni vakatubuilavo e mai vukea na kena taqomaki na rawaka vakaiyau ni Matabose mai na revurevu ni Covid-19.

Ena vuku ni sasaga me vakataudeitaki na bula vakaiyau ni Matabose, e lewa vakamatau tiko kina na Matabose na ivakarau ni vakatubuilavo, me vaka e dusimaki tiko ena Priority Area 1 ni Tuvatuva ni Veiqaravi ni Matabose 2019 -2023.

Ni tekivu na yabaki, se qai matai ni gauna me mai dikevi lesu kina vakamatau na tobu ni vakatubuilavo ni Matabose. Na kena inaki me vakadeitaka vua na Matabose na ivakarau ni vakatubuilavo e gadrevi, me rawata na tubu vinaka ena kena iyalayala e cake me qarava vinaka kina na nona itavi.

A mai qarava na Mercer Investment mai Ositereli na kena dikevi lesu na tobu ni vakatubuilavo, ka kena inaki me:

- a. Vakadeitaka na Matabose ni veiyavu ni vakatubuilavo ena solia na tubu vinaka sara ena kena iyalayala e cake me qarava vinaka kina na nona itavi;
- b. Taqomaka na vakatulewa kei na veiqaravi ni lewe ni Matabose, ni veika e sokumuni ena vakarautaka e dua na idusidusi matata me cici balavu ka rawa ni wanonovi kina vakamatua na tobu ni vakatubuilavo; kei
- c. Na kena vakagolei na iyau ni Matabose ki na veitabana eso, ena rawati vakalevu duadua mai kina na tubu, me rawa ni tudei na bula vakaiyau, rawati na tubu ka me vakilai ena dua na gauna balavu.

Ena loma ni yabaki, mai tekivu cakacakataka na Matabose na veivakatutu mai na kena dikevi lesu na tobu ni vakatubuilavo. Qo e wili kina na kena soli na cakacaka vua e dua na Fund Manager mai Ositerelia, me wanonova ka qarava na tobu ilavo mai Valagi. Na tobu ilavo oqo sa manidiatika tiko o Morgans, e daunivakasala vakaitikotiko mai Brisbane.

Ena vuku ni revurevu ni Covid-19 ena bula raraba vakailavo, ena kena mai vanaulu sobu na isau ni vakatubuilavo, ka tubu cake na ilavo

Share prices in Fijian Holdings Limited, Amalgamated Telecom Holdings and RB Patel all dropped. Listed Equity investments are classified at fair value through other comprehensive income. Due to the dropped in share prices of listed equity investments, the net movement for the year of (\$62,999,349) 2019: \$125,146,259, reflected the net change in fair value of the equity investments during the year when marked to quoted/ prevailing prices at 31 December.

During the year, the Fund participated in Amalgamated Telecom Holdings (ATH) Rights issue. In exercising its rights, the Fund acquired the following additional shares:

1. 750,751 new shares at \$2/share under the new share entitlement and;
2. 750,751 new shares at \$2/share under the shortfall facility.

Total investment undertaken in ATH was \$3,000,000. The Fund now own 6.5 million shares in ATH from initial 5 million shareholding.

The Fund's investment in managed funds continue to provide positive returns. Income generated from unit trusts was reinvested.

The Board after years of deliberating and weighed its options and legality on the development of Phase II of the complex at Draiba and Park Inn Hotel at its car park property at corner of St Fort and Stewart Street, with the focus on meeting its return on investment (ROI) benchmark, approved for the write off of consultancy and work in progress costs for the two Projects totaling to \$2,782,256.

In line with the Fund's mandated objectives under the iTaukei Trust Fund Act 2004, the Fund during the year through an Expression of Interest signed a Memorandum of Understanding with a Strategic Partner. The MOU established a framework for the partner to work on the details towards forming a Joint Venture with the Fund in developing a Culture & Arts and Commercial Centre Project. The purpose of the project is to:

1. Develop an authentic Culture and Arts Centre that will promote iTaukei and Rotuman culture and heritage in all art forms, delivering commercial, social and educational benefits to its stakeholders;
2. Engage directly and indirectly with resource owners in as many ways possible;
3. Support any other projects that will promote or enhance linkages or value adding opportunities to benefit resource owners;
4. Provide an avenue for educational entertainment for the tourism sector; and
5. Deliver an acceptable level of investment return on the project.

Once all due process encompassing due diligence, design concepts, feasibility and market studies are carried out, the full proposal of the Project will be tabled to the Board for consideration.

qaqa ena makete, e mai vakalekalekataki kina na vakatubuilavo kece ena baqe me tolu (3) kei na ono (6) ga na vula. Qo, me rawa kina vua na Matabose me lewa toka vakamatau ena loma ni gauna oya, na ilavo qaqa e kumukumuni tiko mai kei na kena lutu sobu na isau ni vakatubuilavo, me rawa ni sotava tale ga kina na nona cau vakailavo ki na sasaga lelevu ni veivakatorocaketaki e tu mai liu.

Era lutu kece na isau ni sea mai na Fijian Holdings Limited, Amalgamated Telecom Holdings kei na RB Patel. Na vakatubuilavo kece era volai e veiraurau toka na tubu ena rawati mai na vetabana eso e rawa ilavo mai kina. Ni mai lutu na isau ni sea ni Matabose ena makete, na ilavo dina e vakayagataki tiko na veivoli ena yabaki 2019 (\$62,999,349): \$125,146,259, sa vakaraitaka na veisau ni ilavo dina e rawati mai na nona vakatubuilavo ena loma ni yabaki kei na isau ni sea ni yacova mai na I ka 31 ni Tiseba.

Ena loma ni yabaki a sureti na Matabose me volia eso na sea ni Kabani Cokovata na ATH. E vakayagataka na dodonu oya ka volia kina na sea vovou oqo:

1. 750,751 na sea vou e mai voli ena \$2/sea me vaka na veika e lavaki ena voli sea vovou; kei na
2. 750,751 na sea vou e mai voli ena \$2/sea kevaka e dua na leqa.

Na levu ni sea a voli mai na Kabani Cokovata na ATH e \$3,000,000. Na kena levu taucoko ni sea ni ATH e taukena na Matabose e 6.5milioni mai na 5milioni ka tekivutaki kina.

Na veitabana ni vakatubuilavo ni Matabose e rawata vinaka tiko mai na tubu. Na ilavo kece e rawati mai na nona vakatubuilavo ena Unit Trusts era vakalesui ki na tobu.

Ni oti e vica vata na yabaki na kena vakadeuci tiko mai na sasaga me baleta na kena tara na Phase II ni veivalevale e Daiba, vaka kina na Park Inn Hotel mai na nona vanua ni vakele motoka ena kona ni Saint Fort vata kei Stewart Street, a mai vakatulewataka kina na Matabose me bokoci na isau vakailavo ni cakacaka kece sa mai qaravi oti me baleta na sasaga e rua qo. Na levu kece ni sau vakailavo mai boko qo e \$2,782,256.

Ena loma ni yabaki, a mai sainitaka kina na Matabose e dua na veidinadinati se MOU kei na dua na kabani. E yavutaki tiko ena veidinadinati oqo na suitu ni veiqaravi me muria na kabani oqo kei na Matabose me tauyavutaki kina e dua na Kabani Cokovata se Joint Venture, ena sasaga ni kena tara na Culture & Arts kei na Commercial Centre. Na inaki ni sasaga qo:

1. Tara cake e dua na Culture & Art Centre me vakaraitaki kina na itovo kei na iyaunivanua dina era kilai tani kina na iTaukei kei na Rotuma, ka me ivurevure ni veika vakabisnisi, vakavuli ka me yaga raraba kivei ira na lewenivanua;
2. Buli veiwekani kei ira na itaukei ni qele se iyaubula ena gaunisala duidui eso;
3. Tokona na sasaga ni kena vakatoroicaketaki na nodra ivoli na itaukei ni iyaubula;
4. Vakarautaka na sala me vakatavulici kina noda ivakarau

The Fund during the year, negotiated with a Strategic Partner to acquire a popular shopping mall complex in Suva.

The acquisition of the complex is in phases and is subject to the Fund's own Governance and due diligence process.

The existing car park within the property continues to operate as normal and is an additional revenue stream to the Fund.

In assisting retail tenants during the COVID-19 pandemic, tenants were given rental concession of 25%.

The Fund's investment at the Radisson Blu Resort Denarau Auxiliary Business Area was directly affected by the COVID-19 pandemic. The feeder markets for the Resort were mainly from Australia and New Zealand. With no visitor arrival from feeder markets and local covid – health restrictions, the Resort was closed from April.

It re-opened towards the end of the year but operated for local patrons only.

Income generated was only sufficient to cover the unavoidable costs such as security, utility bills and wages for the skeleton staff engaged to maintain the Resort facilities.

As a result, the base rent and share of gross turnover on the Auxiliary Business Areas from Radisson were waived for the period April to December.

On 11th December 2019, an investment property (Valenibose) held by the Fund was destroyed in an unfortunate burning incident. The property's written down value was \$3,133,752 and did not have material effect on the total asset position of the Fund. The property was adequately insured. Total premium paid from 2009 being the year the Property was build till date of the burning incident totaled to \$316,791.

Insurance claim process was completed during the year.

Plans to redevelop the Valenibose and create economic activities that will complement the re-development were pursued during the year.

For the offshore investments in Australia, a number of factors have been and continue to be at play, impacting stock markets globally, and significantly in the Australian market during the year. Despite the volatility in the stock market and impact of the COVID-19 pandemic, the diversified Australian investments continued to provide adequate returns.

The Australian Investments asset allocation remains to be Australian equities, global equities, Australian fixed interest, global fixed interest and cash.

The investment review by Mercer recommended the engagement of a Fund Manager to manage the overseas portfolio. There was no buy or sell of the stock during the year. This will recommence once the Fund Manager is appointed.

Overall, the investment portfolio decreased from \$324 million in 2019 to \$267 million in 2020.

ni veivakamarautaki me sotava na gagadre ni tabana ni saravanua;

5. Me rawati na tubu e vinakati mai na sasaga ni vakatubuilavo oqo.

Na gacagaca kece ni vei qaravi me vakadonui kina na sasaga oqo, sa vakayacori oti. Qo e wili kina na kena raitayaloyalotaki, vakadidiketaki na ivakayaga ena rawa mai kina, vakadeitaki na maketa, me yacova na kena lai biu vakaitukutuku ka vakarautaki na kena ilavelave. Ena qai laveti na vakatutu oqo ki na Matabose ena yabaki vakailavo ka tarava.

Na ikelekele ni motoka ena itikitiko mai Damodar e qaravi vinaka tiko mai, ka sa ivurevure tale ga ni iyau ki na tobu ilavo ni Matabose.

Ena nodra vukei na veibisinisi ka ra rede tiko kina, e musu na rede ki na 25% ena vuku ni gauna bolebole a veitakavi kina na mate dewa na COVID-19.

Na vakatubuilavo ni Matabose ena Radisson Blue Resort Denarau Auxillary Business Area, a mai vakilai tale ga ena vuku ni COVID-19. Na makete ni saravanua ni otela na Radisson e sucu vakalevu tiko ga mai Ositerelia kei Niusiladi. Ia, ena gauna ni COVID-19, me vaka ni ra sogosogo na makete ni saravanua, salavata kei na vakatatabu mai na Tabana ni Bula, a mai sogo vaka tale ga kina na otela.

Ia, a mai dola tale ni voleka ni cava na yabaki, vei ira ga na vulagi eso ena noda vanua. Na ilavo e rawa mai kina, e ceguva rawa ga na kedra isau na dauyadra, na isau ni bili, kei na kedra isau na tamata cakacaka ka ra digitaki me ra cicivaka na veitabana eso ni vei qaravi ena otela. Na kena icavacava, ni mai vakagalalataki na otela mai na kena saumi na iyalayala e ra ni rede, kei na iwase ni veika e rawati mai na Auxillary Business Areas, ena vula o Epereli ki na Tiseba.

Ena i ka 11 ni Tiseba, a mai yaco na vakacalaka ena kena mai kama na Valenibose ka taukena na Matabose. A mai dabe toka ena \$3,133,752 na kena vikataki vakailavo ni oti na kama, ia e vinaka ni sega ni tara na ituvaki vakaiyau ni Matabose. E inisua vinaka tu na vale. Na levu ni sau ni inisua e saumi mai na 2019, mai na kena tara oti na vale me yacova na gauna mai yaco kina na vakacalaka, e \$316,791.

E a tekivutaki tale ga ena loma ni yabaki na sasaga me tara vou na Valenibose, ia me vakavureya tale eso na vei qaravi vakabisinisi me tokona kina na kena cicivaki na sasaga qo. A mai digitaki e dua na Daunivakasala me vei qaravi ga ena dua na gauna lekaleka, me vukea na Matabose ena veika eso a gadrevi ni sebera ni tara na vale:

1. Vakalelewa me baleta na vakavakayagataki ni vanua me caka kina na tara ni vale, kei na ituvatuva ni kena qarauni na veilakoyaki ni tamata se motoka;
2. Dikevi na kena makete kei na vakadidike taumada;
3. Tuvai vakamatau ni cakacaka me qaravi; kei na
4. Vakadidike me baleta na ivakayaga ena rawati mai na sasaga oqo, na kena tawani na vale se redetaki, ka me vakatututaki ki na Matabose.

The income generated from investments continues to generate the needed revenue to support the Fund’s operations and mandated objectives.

Ena vuku ni vakatubulavo mai Ositerelia, e vica tale na ka e yaco ka vakayavalata tiko na makete ni vakatubuilavo e vuravura, vakauasivi e Ositerelia. E dina ni mai yavavala na makete ni vakatubuilavo ka vakilai na revurevu ni mate dewa na Covid-19, se rawati tiko ga vakavinaka na iwasewase ni vakatubuilavo kece ni Matabose mai Ositerelia.

Na kena mai dikevi lesu na ituvatuva ni vakatubuilavo vei Mercer, a vakatututaki kina me dua na Manidia me qarava na tobu ilavo mai Valagi. A sega ni dua na veivoli mai qaravi ena loma ni yabaki. Ena qai tekivu tale na veivoli ni sa digitaki na Manidia.

Ni mai cava na yabaki, e laurai ni lutu na tobu ni vakatubuilavo mai na \$324 milioni ena 2019 ki na \$267 milioni ena 2020.

Na ilavo kece e curu mai ena veitabana ni vakatubuilavo e rawata tiko mai na ivakayaga e vinakati me tokona kina na vei qaravi ni Matabose me vaka na kena inaki a tauyavu kina.



CULTURE & HERITAGE

ITOVO KEI NA IYAU NI VANUA

FIJIAN LANGUAGE STUDIES

Offered at the University of the South Pacific

TTFB continues to support the Fijian Language Studies programme at the University of the South Pacific.

2020 marked an academic milestone, with the introduction of the Post Graduate Diploma in Arts in Fijian Studies. A total of six units were developed and approved by the USP Senate. Having fulfilled the University's academic vetting requirements, the program will then be endorsed by the USP Council and subsequently registered as a course of study.

The Post Graduate Diploma Program in Arts in Fijian Studies focuses on the study of indigenous and contemporary knowledge systems. Upon completion of this programme, the students will have the necessary knowledge, understanding and research skills on indigenous language and identity, communication and engagement mechanisms, cultural and natural heritage and more so be able to interpret tangible and intangible forms and expressions. Such practices deemed relevant and meaningful in today's multilingual and multiethnic society.

SPONSORSHIP OF DIPLOMA IN FIJIAN STUDIES STUDENTS

At the University of the South Pacific

Over the years, TTFB has been sponsoring groups of students for the Diploma in Fijian Studies at the University of the South Pacific. This sponsorship is quite unique in that it is offered to Fijian language specialists and professionals. As such, benefactors include Ministry of iTaukei Affairs employees and Ministry of Education teachers who specialise in the teaching of the Fijian language.

POROKARAMU NI VOSA VAKAVITI

Yunivesiti ni Ceva ni Pasivika

E tokona tiko ga na Matabose na porokaramu ni Vosa VakaViti ena Yunivesiti ni Ceva ni Pasivika.

A mai cabeti tale e dua na itagede ni vei qaravi ena yabaki 2020, ena kena mai tauyavutaki na porokaramu ni Post Graduate Diploma in Arts in Fijian Studies. E ono taucoko na levu ni lesone a buli ka vakadonuya na Seneti ena Yunivesiti. Sa na qai vakarau me tabaki na porokaramu oqo ni oti na nodratou dikeva na USP Council, ka ni sa sotava tale ga na veika e gadrevi me vaka kena ivakarau.

E vakanamata na porokaramu ni vuli na PGDIP Arts ni Veika VakaViti, ena vuku itaukei kei na mataqali kilaka yavutaki ena gauna oqo. Ni cava na vuli, e namaki vei ira na gonevuli me ra kila na itovo kei na ivakarau ni kena vakadidiketaki na veika vakaitaukei, me ra kila na iwalewale ni veitaratara kei na veitalanoa kei ira na lewenivanua, na itovo kei na yavutu, ka vakatale ga kina na nodra rawa ni vakamacalataka na ivakaraitaki duidui eso me baleta na itovo kei na ivakarau vakavanua. Qo e okati kina na kena vakadikevi na mataqali itovo se ivakarau eso sa taurivaki tiko ena gauna oqo me vaka nida bula maliwai ira na veimatatamata tale eso.

SIKOLASIVI NI VULI ENA DIPLOMA NI VOSA VAKAVITI

Yunivesiti ni Ceva ni Pasivika

Ena vei yabaki sa oti dau veitokoni vakailavo na Matabose ena nodra vuli eso na ilawalawa ni vuli ena porokaramu ni Diploma ni Vosa VakaViti ena Yunivesiti ni Ceva ni Pasivika, E duidui vakalailai na kena oqo baleta ni soli ga vei ira era veivakatavulici tiko se ra vei qaravi tiko ena veika vakaViti. Vuqa vei ira qo era vakaisilesi ena Tabacakacaka iTaukei, kei na Tabacakacaka ni Vuli ena vei qaravi vakaqasenivuli ni vosa vakaViti.



The late Permanent Secretary of the Ministry of iTaukei Affairs, Ratu Meleti Bainimarama, hands over to Ratu Mara Latianara his certificate during the Serua Province's Sauvaki Ni Vanua Graduation.

The Ministry of iTaukei Affairs students have completed the twelve units required for the Diploma programme and have applied to graduate, whilst the teachers' cohort need to complete their final two units.

TTFB recognises that enhancing linguistic skills and cultural knowledge will generally boost and broaden the uptake of the Fijian language.

SAUVAKI NI VANUA PROGRAMME

Traditional Leadership Training

Sauvaki ni Vanua is a programme where TTFB continues to invest in training and capacity building in the area of good governance for heirs of traditional titles or those in traditional leaderships roles, known as the *isausauvou*.

This *Sauvaki ni Vanua* programme stems from one of TTFB's key mandate to advocate and develop leadership skills for iTaukei and Rotumans. The programme is hosted in its entirety at the Centre for Appropriate Technology and Development (CATD) at Nadave.

From 2017 till to date, over a hundred and twenty traditional chiefly heirs or *isausauvou*, from the provinces of Rewa, Tailevu, Ba, Nadroga Navosa and most recently Serua, have successfully graduated from this programme.

A FOCUS ON THE PROVINCE OF SERUA

In 2020, thirty-two *isausauvou* from Serua enrolled in the *Sauvaki ni Vanua* programme. Upon completion, they graduated with a Certificate Level III in Traditional Leadership. Last year's programme was coordinated and implemented in close collaboration with Serua's Provincial Office, who have also taken on the responsibility to conduct the monitoring and evaluation objectives of the graduates, post training.

O ira na gonevuli ena Tabacakacaka iTaukei era sa vakacavara na tinikarua na lesone e gadrevi me rawa kina na Diploma, ka ra sa volayaca tu me ra taurivola. Ia, o ira na qasenivuli e gadrevi me ra vakacavara e rua tale na lesone.

E tokona na Matabose na kena vakatoroicaketaki na kilaka ni vosa kei na itovo vakaViti me rawa ni vukea na kena taurivaki vakavuli mai vei ira na gonevuli.

POROKARAMU NI VULI NA SAUVAKI NI VANUA

Na Sauvaki ni Vanua e dua na porokaramu ni vuli e veitokoni kina na Matabose, oya e nodra vulica na isausauvou ni veiliutaki vakavanua se o ira na iliuliu ni vanua, na ivakarau ni veiliutaki se vakatulewa vinaka ka matau.

Na yavu ni veiqaravi ni Matabose ka tokona kina na Sauvaki ni Vanua, oya me vakatoroicaketaki na nodra ivakarau ni veiliutaki na iliuliu ni vanua e Viti kei Rotuma. E wase vakava (4) na vuli oqo, ka vakarautaki kece mai na koronivuli na CATD mai Nadave.

E sivia e duanadrau-ruasagavulu na iwiliwili ni sausuavou mai na yasana o Rewa, Tailevu, Ba, Nadroga Navosa kei Serua era sa vakacavara vinaka ka taurivola mai na prorokaramu ni vuli oqo.

Ena yabaki 2020, era a digitaki e lewe tolusagavulukarua na isausauvou ena loma ni yasana o Serua me ra vuli ena porokaramu ni Sauvaki ni Vanua. Ni mai cava na vuli era taura na kena koro se Setivikiti III Sauvaki ni Vanua. Ena vuli oqo rau veiqaravi vakaveivolekati sara kina na Matabose kei na Valenivolavola ni Yasana o Serua, ka sa itavi tale ga ni valenivolavola ni yasana na kena vakamuri lesu na inaki ni vuli vei ira na isausauvou ni mai cava na vuli.

SOLESAU

An Online Learning Management System

Solesau is an online learning management system that offers educational online learning modules in the Fijian language, art, culture and heritage. Solesau is targeted at the vast global iTaukei diaspora communities offering Fijian language and culture classes via this online learning platform.

In July 2020, TTFB facilitated a workshop to develop online learning activities for the Solesau project. The overall objective is to promote the understanding, preservation and appreciation of an iTaukei's cultural identity among iTaukei youths residing in Fiji or abroad.

Interactive online courses have been designed and developed through the support of the Ministry of iTaukei Affairs, Ministry of Education, Fiji Museum, Fiji Arts Council and Peace Corp Fiji. The online learning platform is expected to be launched in the last quarter of 2021.

VANUA FIELDWORK PROGRAMME

A Focus on the Province of Rewa

This exciting project is centred around the extensive research and subsequent video compilation of distinctive traditional and customary practices in the nine tikina's (districts) of the Rewa province.

In 2020, this programme captured and documented traditional and cultural practices in the Tikina of Sawau.

A FOCUS ON TIKINA SAWAU

The first video is the traditional practice of firewalking, perhaps Fiji's most iconic and world-renowned cultural practice. Known traditionally as Vilavilairevo, this practice is unique to the people of Tikina Sawau, on the island of Beqa.

Tikina Sawau is also renowned for the second traditional practice of Yavirau, which is a fishing drive involving hundreds of people and fish is caught via a traditional large fishing net, usually woven from the bark of the hibiscus scrub plant known as Buinigone. Not surprising though, that during the Yavirau, hundreds and hundreds of fish can be caught at a time.

Apart from Vilavilairevo and Yavirau, video documentation on culture practices research compilation include the Taqa from tikina Toga. The traditional practice of escorting the "Roko Tui Dreketi" (Paramount Chief of the Province of Rewa and the Burebasaga confederacy) by her traditional warriors. This customary escort of the taqa is only carried out on selected occasions at the request of the Roko Tui Dreketi.

The programme also presents the Ikasausau, a traditional marine totem from Tikina Noco. This segment follows the traditional roles and responsibilities of the Gonedau, who are by virtue of their position, the customary fishermen of a province or district.

Yavutu from Tikina Burebasaga follows the arrival of the first settlers of Burebasaga. This segment showcases their traditional yavu, which is the first nestling area habited by the early Burebasaga settlers.

SOLESAU

Na Solesau e dua na ituvatuva ni vuli me baleta na Vosa, iTovo kei na iYau VakaViti. E vakarautaki na vuli oqo ena vatavata ni mona livaliva se learning management system, ka vakatabakidua na vei qaravi oqo vei ira na lewei Viti mai vanua tani, mera vulica kina na bibi ni nodra vosa, na itovo kei na veika era kilai tani kina.

Ena Jiulai 2020, a qaravi kina e dua na vuli ena kena buli na veilesoni eso me ganita na vatavata ni mona livaliva. Na yavu ni vei qaravi oqo me vakatetea na kena kilai, maroroya ka vakabulabulataka tiko na veika e kilai tani kina e dua na gone kawa iTaukei e Viti.

Sa mai buli rawa e vica na lesoni ena nodra veitokoni na Tabacakacaka iTaukei, Tabacakacaka ni Vuli, Tabana ni Valeniyau Maroro, Fiji Arts Council, Yunivesiti ni Ceva ni Pasivika, kei na Tabana ni Peace Corp e Viti. E namaki me sevutaki na Solesau ena mua ni yabaki 2021.

POROKARAMU NI VAKADIDIKE

Yasana o Rewa

E vakanamata na sasaga oqo ena kena vakadidiketaki ka vakarautaki vakaiyaloyalo na mataqali iyaunivanu se isolisoli e dau kilai kina e dua na vanua ena loma ni ciwa na tikina ena yasana o Rewa. Ena yabaki 2020, mai qaravi na ituvatuva oqo ena Tikina o Sawau.

TIKINA O SAWAU

Na imatai ni solisoli ni vanua e kilai tani kina na tikina o Sawau, oya na Vilavilairevo, ka dau kilai tale tu ga kina o Viti ena veiyasai vuravura. Na isolisoli qo e taukena na vanua o Nacurumoce, ena Tikina o Sawau, mai na yanuyanu o Beqa.

E kilai tani tale ga o Sawau ena dua tale na ivakarau ni vanua, vakatokai na Yavirau. Na Yavirau e dua na mataqali qoli ni vanua era dau vakaitavi kina vakalewelevu na leweniyavusa, ka vakayagataki kina na lawa ni qoli na Buinigone, buli mai ena vau se kau ni senitoa. Ni qaravi na Yavirau dau rawa kina e drau vakadrau na ika ena dua na gauna.

Eso tale na iyaloyalo ni itovo kei na ivakarau vakavanua a tabaki ena 2019. Qo e wili kina na:

- Taqa ena Tikina o Toga se na nodra dau yadravi na Roko Tui Dreketi mai vei ira na nodra Bati;
- Ikasausau ena Tikina o Noco, ka vakaraitaki kina na itavi vakaGonedau ena kena qolivi ka vakarautaki na ikasausau vua na turaga na Tui Noco kei na Roko Tui Dreketi;
- Yavutu ena tikina o Burebasaga, oya na italanoa ni tawavanua e Burebasaga kei na vanua era a mai vakaitikotiko kina na nodra qase;
- Bakalou ena tikina o Suva, e dua na ivakarau ni tali ba ni ika, tali ena gasau ka teivaki e baravi.

And finally, we have the *Bakalou*, which is a traditional fishing drive using bamboo reeds woven together to form a fencing to be placed in the water.

ACTIVE CITIZENS PROJECT

A collaboration with the British Council

Since 2018, TTFB has been partnering with the British Council on the Active Citizens project. Active Citizens is the British Council's global social leadership training programme based on building a culture of trust and understanding which in turn supports participants to take action on issues they care about. Participants are trained with the necessary skills and knowledge to positively affect social change within their communities.

In December 2020, TTFB successfully facilitated trainings for a total of sixteen civil society organisations, forty-four trainees or facilitators, and more than five hundred community participants across Fiji.

The Civil Society Organisations and trained facilitators are able to adapt and localise the Active Citizens' training modules for their respective capacity building programmes. Furthermore, the same modules have been integrated with TTFB's programmes to address socio-economic issues and uplift the wellbeing of iTaukei and Rotumans.

ACTIVE CITIZENS PROJECT

Veidinadinati kei na British Council

Na Active Citizens Project e dua na sasaga e rau mai cakacaka vata kina na Matabose kei na British Council. Qo e vakatokai me porokaramu ni vuli ni veiliutaki vinaka yavutaki ena bula ni veivakabauti kei na veinanumi, ka vukei ira na lewenivuli me ra vakasaqara na iwali ni leqa ena nodra dui vanua. Era vulica na lewenivuli na kila kei na iwalewale ni kena vakavurei eso na veisau vinaka ena nodra veitikitiko.

A mai cava na veidinadinati kei na British Council ena Tiseba 2020. Ia, tekivu mai na 2018 ki na 2020, e cicivaka na Matabose na vuli ni Active Citizens vei ira e rauta ni tinikaono na isoqosoqo sega ni vakamatanitu, vasagavulu-kava na dauniveituberi, ka sivia e 500 na lewenivanua.

Na yaga ni vuli oqo me rawa ni vakayagataki na iwalewale ni veituberi ni Active Citizens ena veiporokaramu ni vuli eso era qarava na veisoqosoqo se dauniveituberi. Na iwalewale oqo sa vakayagataki tale tiko ga ena veituvatuva eso e qarava ka veitokoni kina na Matabose, me sotava na gagadre ni bula sautu kei na nodra tiko vinaka na iTaukei kei na Rotuma.

Villagers of Dakuibeqa of Tikina Sawau of the island of Beqa, making their way out to the reef for the "Yavirau" for the Vanua Fieldwork Programme.





HEALING PLANTS OF FIJI
Book and App

During the year, TTFB embarked on the preparatory work towards the publication of a book centred on herbal plants of traditional medicinal (and indigenous) value. The book titled Healing Plants of Fiji is authored by Mrs Suliana Siwatibau, a renowned local and Pacific Botanist, who has extensive knowledge and experience in the field.

The production of this book fulfils another key mandate, which focuses on the preservation of heritage and indigenous knowledge. The book will be published in both English and iTaukei and in keeping with the times, an App will be developed.

The design and printing of the book in both languages is still being finalised and a developer was engaged to commence works on designing and developing an interactive App. Launch of this project is expected to take place in the last quarter of 2021.

WAI VAKAVITI
iVola kei na App

Ena loma ni yabaki, e tekivu sasagataka na Matabose na kena tabaki e dua na ivola ni veimataqali wai vakaViti e kune ena noda vanua. Na ivola, Healing Plants of Fiji e vola o Suliana Siwatibau. O koya e kenadau ena kila vakasainisi me baleta na kau ni vanua.

Na sasaga qo e tokona e dua na inaki levu ni Matabose, oya na kena maroroi ka taqomaki na noda iyaubula kei na vuku itaukei. Ena taba tiko na ivola qo ena vosa vakaViti kei na vosa VakaValagi. Ena buli tale tiko ga e dua na kena App me rawa ni vakadewataki yani vakarawarawa na itukutuku ena monalivaliva.

Sa qaravi tiko vakaoti ena gauna qo na kena tabaki na ivola, vaka tale ga kina na kena buli na App. E namaki me sevutaki na ivola kei na app ena mua ni yabaki 2021.

Mrs Suliana Siwatibau, Botanist and author of the book "Healing Plants of Fiji" on her one of her many tours of her "Waimakare Organic Farm".

SOLESOLEVAKI

Fiji Arts Council Market Days

The Fiji Arts Council Solesolevaki Market Day program was an initiative to support small business art and craft entrepreneurs during the COVID-19 pandemic.

From July to November 2020, a period when the economic effects of COVID-19 were significant, TTFB sponsored a total of five market days, as part of its commitment with the Fiji Arts Council, to resuscitate the art and craft sector.

The objective of the Market Days was to provide an avenue for indigenous and contemporary artisans representing all art forms to showcase and promote their artworks, hence, leveraging off this platform to alleviate financial stress from the effects of the COVID-19.

MARITIME EXHIBITION GALLERY

With the Fiji Museum

TTFB signed a Memorandum of Understanding with the Fiji Museum in October 2019, to better understand and preserve cultural heritage. Apart from satisfying one of TTFB's key mandates, this also safeguarded collaborations in the fostering of research and exhibitions on iTaukei and Rotumans' cultural heritage.

In October 2020, TTFB provided a financial grant towards rejuvenating the maritime gallery exhibition within the Museum. The section located within the main hall of the Fiji Museum was in fact the original museum built in 1955. Over the years, the area has been derelict and in need of an upgrade to modernise it, give it a facelift to enhance its look and appeal.

After it's transformation, the newly revitalised maritime gallery will be a socio-cultural history exhibition area that celebrates Fiji's voyaging history.

SOLESOLEVAKI

Makete ni veivoli ni Fiji Arts Council

Na inaki ni makete ni veivoli ka qarava na Fiji Arts Council, oya me tokona na bisinisi lalai ni cakacakaniliga ena gauna ni COVID-19.

Na vula o Jiulai ki na Noveba 2020, donuya tiko e dua na gauna bolebole ni lutu na rawaka vakailavo. A mai solia e dua na veivuke vakailavo na Matabose me cicivaki e 5 na siga ni veivoli me vaka na nona veidinadinati kei na Fiji Arts Council, ka me vueta cake na makete ni cakacakaniliga e noda vanua.

Na yavu ni kena qaravi na makete ni veivoli oqo, me vakarautaka e dua na sala ni rawa ilavo vei ira na noda daunivakaraitaki itovo bula, me maketetaki yani kina na nodra cakacakaniliga, ka vakalailaitaka na icolacola e tara na nodra bula vakailavo ena vuku ni COVID-19.

MARITIME EXHIBITION GALLERY

Veidinadinati kei na Tabana ni Valeniyau Maroroi e Viti

Ena Okotova 2019, a mai sainitaka kina na Matabose e dua na veidinadinati kei na Tabana ni Valeniyau Maroroi e Viti se Fiji Museum, me tokona na cakacaka ni kena vakabulabulataki ka maroroi na noda iyaunivanua. E kena inaki tale ga me qaravi vakamatau na sasaga ni vakadidike kei na kena vakaraitaki na itovo kei na iyaunivanua ka nodra na iTaukei kei na Rotuma.

Ena Okotova 2020, a solia kina na Matabose e dua na veivuke vakailavo me vakavinakataki kina na maritime gallery exhibition se na tikina ena loma ni Valeniyau Maroroi ka vakaraitaki tu kina na itukutuku makawa ni nodra sokowasa na noda qase. Na tikina qo e toka ena lomadonu ni vale, ka tukuni na kena italanoa ni a mai tauyavu kina na Valeniyau Maroroi ena yabaki 1955. Ia, mai na gauna oya, e sega ni dua na kena veisau, ka sa gadrevi vakalevu me vakavinakataki se vakavoutaki.

E namaki me vakavoutaki na maritime gallery exhibition me vakaraitaki ka talanoataki na itukutuku talei ni kena dau sokovi na wasawasa.

ROTUMA Projects

In an effort to strengthen and enhance key projects and activities for Rotuma, TTFB in July 2020, appointed a project Coordinator for Rotuma.

In August 2020, following this key appointment, a TTFB team consisting of a Board Director Fatiaki Misau, CEO Aisake Taito and Project Coordinator Rotuma, along with the Project Coordinator and Business Analyst paid an inaugural visit to the island. This visitation was to carry out a scoping exercise and needs assessment; and was done in consultation and collaboration with the Council of Rotuma and relevant government departments. The team also facilitated consultations with the various districts and community clusters including women, resource owners, business operators and youths.

Outcomes from this visit helped develop the platform for further TTFB supported projects including the preservation of the Rotuman language and culture, niche business ventures, and the organic certification of the island of Rotuma.

QARAVI SASAGA E ROTUMA

Ena Jiulai 2020, mai tauyavutaki kina e dua na itutu vaka Project Coordinator me qarava na sasaga kece e gadreva na Matabose baleti Rotuma.

Ni oti ga oya, a mai vakayacori e dua na mata ilakolako ki na yanuyanu o Rotuma. Okati ena ilakolako oqo, e dua na lewenimatabose Fatiaki Misau, na CEO Aisake Taito, e rua na project coordinators kei na business analyst. E kena inaki me lai vakayacora e dua na vakadidike ena veika e gadrevi me vakatoricaketaki vei ira na Rotuma, ka buli veiwekani vinaka kei na Matabose Vakaturaga ni Rotuma, vaka kina na vakaillesilesi vakamatanitu. E vakayacora tale ga na matatimi oqo eso na veitalanoa kei ira na lewenivanua ena so na tikina se koro, vaka kina na veisoqosoqo ni marama, taukei ni qele se qoliqoli, taukei ni bisinisi lalai, kei ira na itabagone.

Na veika e sokumuni rawa e veivuke ena kena vakadeitaki na sasaga yaga eso me tokona kina na Matabose na maroroi ni vosa kei na itovo vakaRotuma, na cicivaki bisinisi lalai, kei na kena rawata na yanuyanu o Rotumai na setivikiti ni organic.



TTFB team's inaugural visit to Rotuma in August 2020 and the team to Rotuma were Aisake Taito, Alfred Fakraufono Wiliame Jr., Board Director Fatiaki Misau, Unaisi Manulevu and James McGoon. The team are seen here donating story books to the students of Malha'a District School.



ENTREPRENEURSHIP TRAINING
For Rural Women and Youth

TTFB and the Fiji National University (FNU), signed a Memorandum of Understanding on a rural women's training project, focusing on building entrepreneurial skills for villages within Matalobau Tikina in the province of Naitasiri.

The engagement project, is the first of its kind, presenting a unique collaboration between TTFB and FNU. FNU through its College of Humanities and Education will provide theory and practical courses for capacity upskilling towards this project. TTFB has committed to funding this project for the entirety of its duration. The project is earmarked to run for ten weeks. Key objectives for the project will be to support and accelerate an entrepreneurial spirit and drive on skills, naturally favoured by women. These are areas in screen printing, tailoring and dress making, hairdressing and jewellery making.

VULI NI CICIVAKI BISINISI
Nodra na marama kei na itabagone ena taudaku ni taoni

E sainitaka na TTFB kei na Fiji National University (FNU) na veidinadinati se MOU, ena dua na sasaga ni vuli cicivaki bisinisi vei ira na marama ena taudaku ni taoni. E vakanamata na sasaga oqo ena kena vakatoroicaketaki na kila vakabisinisi ni vica na koro ena loma ni yasana o Naitasiri. Qo e dua na sasaga vou ni cakacakavata vei rau na tabana e rua na TTFB kei na FNU.

Na tabana ni College of Humanities ena FNU, ena qarava na kena vakarautaki na Vuli ni Kila kei na Vuli Tara. Na TTFB ena vakarautaka na kena vakailavotaki na sasaga oqo me yacova ni lai cava. Ena qaravi tiko na vuli ena loma ni tini na macawa. Na yavu bibi ni sasaga qo, oya me tokona ka vakatotototaka na yalo kei na igu ni qaravi bisinisi ena nodra cakacakaniliga na marama. Qo me vaka na kesa isulu, culacula, veikoti/caka ulu, caka sau se taube, se iyaya ni sasauni.

RESOURCE OWNERS
Entrepreneurship Project

The TTFB Resource Owners' Entrepreneurship Framework is designed to uplift the wellbeing of resource owners through a targeted entrepreneurship program that connects established private sector businesses with resource owners to ensure they participate in the whole value chain.

It is the first step to moving resource owners from subsistence to semi-commercial to fully pledged commercial operations.

In October 2020, an Expression of Interest (EOI) was published to solicit interest. A detailed Terms of Reference was released only to shortlisted candidates. TTFB worked closely with HFC Bank to develop a Resource Owners Credit Guarantee Scheme designed to support the selected candidates who successfully met the EOI criteria.

The initial projects will serve as a pilot project which TTFB will closely monitor and mentor to improve the success rate and replicate lessons to other projects around Fiji.

TAUKEI NI YAUBULA
Sasaga Vakabisinisi

E tauyavutaka na TTFB e dua na ituvatuva ni Qaravi Bisinisi me vakatoroicaketaki ira na itaukei ni yaubula ena dua na porokaramu buli ni cicivaki bisinisi, ka semata na vei qaravi ni tabana ni bisinisi ena noda vanua kei na itaukei ni yaubula me rawati kina eso na ituvatuva e vakaibalebale vei ira.

Na inaki ni sasaga qo me ra sa tekivu cavu ikalawa na itaukei ni yaubula mai na qaravi ira vakataki ira, ki na qaravi bisinisi.

Ena vula o Okotova 2020, a mai tabaki kina e dua na Expression of Interest (EOI) me ra volavola mai kina na lewenivanua. E vakau vei ira na na volavola mai na yavu ni nodra vakatutu se Terms of Reference. E cakacaka veivolekati na TTFB kei na Baqe na HFC ena kena vakarautaki e dua na veivuke ni soli dinau vei ira na itaukei ni yaubula se Resource Owners Credit Guarantee Scheme e ra sotava na veika e lavaki ena EOI.

Ena vakatovototaki na imatai ni vica na sasaga, me wanonovi ka tuberi kina o ira na itaukei ni yaubula, me rawati kina vakavinaka na inaki ni sasaga oqo, ka rawa tale ga ni vakatetei na lesoni e vulici ki na veisasaga eso e Viti.

A villager of Dakuibeqa, Tikina Sawau of the island of Beqa, performing the "Vilavilairevo" for the Vanua Fieldwork Programme



FINANCIAL STATEMENTS

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iTAUKEI TRUST FUND BOARD

MEMBERS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

In accordance with a resolution of the Members of iTaukei Trust Fund Board (the Fund), the Members herewith submit the statement of financial position of Fund as at 31 December 2020, the related statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and report as follows:

Members

The Members of the Fund at any time during the financial year and up to the date of this report are as follows:

Pita Tagicakirewa (appointed as a Board member on 23 September 2021, appointed as the Chairman on 26 November 2021)
David Kolitagane - Chairperson (term ended on 26 November 2021)
Emi Rabukawaqa (resigned on 17 September 2021)
Fatiaki Misau
Peni Cavuilagi (term ended on 26 November 2021)
Preetika Prasad
Naibuka Saune
Meleti Bainimarama (passed away on 12 June 2021)
Sipiriano Nemani (appointed on 26 November 2021)

Principal activity

The principal activity of the Fund during the financial year was the managing of the Fund by creating and maintaining a diversified portfolio comprising asset classes that will provide optimum returns to the Fund for the beneficiaries of the Fund.

The objectives and purposes of the Fund are set out in Act No. 15 of 2004 and are to fund the promotion and sponsoring of programmes on iTaukei and Rotuman languages and culture; fund to help develop the management, leadership and entrepreneurial skills of iTaukei and Rotumans; sponsor research into languages, art and culture of iTaukei and Rotumans; and any other purposes approved by the Board as advantageous to the beneficiaries.

Results

The Fund recorded a net profit of \$6,026,736 (2019: \$1,323,316).

Reserves

There were no transfers to or from reserves during the year except for those required by the International Financial Reporting Standards.

Non-current assets

Prior to the completion of the financial statements of the Fund, the Members took reasonable steps to ascertain whether any non-current assets are unlikely to be realised in the ordinary course of business as compared to their values as shown in the accounting records of the Fund. Where necessary these assets have been written down or adequate provision has been made to bring the values of such assets to an amount that they might be expected to realise.

As at the date of this report, the Members are not aware of any circumstances which would render the values attributed to non-current assets in the Fund's financial statements misleading.

iTAUKEI TRUST FUND BOARD

MEMBERS' REPORT *continued*

FOR THE YEAR ENDED 31 DECEMBER 2020

Basis of accounting

The Members believe the basis of the preparation of the financial statements is appropriate and the Fund will be able to continue in operation for at least twelve months from the date of this report. Accordingly the Members believe the classification and carrying amounts of assets and liabilities as stated in these financial statements to be appropriate.

Significant Event

Impact of COVID-19 pandemic on the Fund

The coronavirus disease (COVID-19) outbreak has developed rapidly, bringing a significant health impact globally. Measures taken to contain the virus are already having a significant impact on global markets and economic activity. Fiji is also feeling the impact with business disruption and levels of activity already reducing in several market sectors.

The Fund has remained operational since this declaration and continues to engage in its principal activities. We have not seen a significant impact on our business to date. Members and management are carefully considering the impact of the COVID-19 outbreak on the Fund and assessing future operational options. The future financial impacts, however, cannot be reasonably estimated at this time, as they will be largely the product of matters the Fund cannot control.

Members and management believe the Fund has sufficient financial resources together with arrangements with their customers and suppliers at this time to be able to successfully manage their business risks despite the current uncertain economic outlook due to the COVID-19 outbreak.

Events subsequent to balance date

COVID-19 Lockdown

Subsequent to the end of the financial year, on 25 April 2021, in response to the COVID-19 pandemic, the Government announced a number of measures including lockdown of certain containment areas within Viti Levu. Under the lockdown restrictions, all non-essential businesses are required to be closed unless the workplace was deemed part of a permitted industry as set out by the Government.

COVID-19 Pandemic

In July 2021 the Fijian Government ramped up its vaccination drive with a national target of 80 percent of the target population to be fully vaccinated by 31 October 2021. The Government was able to attain 80 percent in October and as a result the current containment measures with restrictions are easing as the fully vaccinated percentage increases. The duration and extent of the pandemic and related financial, social and public health impacts of the COVID-19 pandemic are uncertain.

Apart from the exception above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Fund, the results or cash flows of those operations, or the state of affairs of the Fund in future financial years.

iTAUKEI TRUST FUND BOARD

MEMBERS' REPORT *continued*

FOR THE YEAR ENDED 31 DECEMBER 2020

Unusual transactions

In the opinion of the Members, the results of the operations of the Fund during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Fund in the current financial year, other than those reflected in the financial statements.

Other circumstances

As at the date of this report:

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

As at the date of this report, the Members are not aware of any circumstances that have arisen, not otherwise dealt with in this report or the Fund's financial statements, which would make adherence to the existing method of valuation of assets or liabilities of the Fund misleading or inappropriate.

Auditor Independence

The Members have obtained an independence declaration from the Fund's auditor, Ernst & Young. A copy of the auditor's independence declaration is set out in the *Auditor's Independence Declaration to the Members of iTaukei Trust Fund Board* on page 6.

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

Dated this 30th day of December 2021.



.....
David Kolitagane
Chairperson



.....
Naibuka Saune
Member

iTAUKEI TRUST FUND BOARD

MEMBERS' DECLARATION

FOR THE YEAR ENDED 31 DECEMBER 2020

The Members of the Fund have made a resolution that declared:


- (a) in the Members' opinion, the financial statements and notes of the Fund for the financial year ended 31 December 2020:
 - (i) give a true and fair view of the financial position of the Fund as at 31 December 2020 and of the performance of the Fund for the year ended 31 December 2020; and
- (b) at the date of this declaration, in the Members' opinion, there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable.

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



.....
David Kolitagane
Chairperson

30 December 2021
Suva, Fiji.



.....
Naibuka Saune
Member

iTAUKEI TRUST FUND BOARD

AUDITOR'S INDEPENDENT DECLARATION

FOR THE YEAR ENDED 31 DECEMBER 2020



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Level 7
1 Butt Street Suva Fiji
PO Box 1359 Suva Fiji

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ey.com

Auditor's Independence Declaration to the Members of iTaukei Trust Fund Board

As lead auditor for the audit of iTaukei Trust Fund Board for the financial year ended 31 December 2020, I declare to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of iTaukei Trust Fund Board for the financial year.


Ernst & Young
Chartered Accountants


Sikeli Tuinamuana
Partner
Suva, Fiji

30 December 2021

iTAUKEI TRUST FUND BOARD

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020



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INDEPENDENT AUDITOR'S REPORT

To the members of iTaukei Trust Fund Board

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of iTaukei Trust Fund Board (the Fund), which comprise the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 December 2020, and of its financial performance, changes in equity and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

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

Other information

The Members and management are responsible for the other information. The other information comprises the information in the Members' Report for the year ended 31 December 2020 but does not include the financial statements and the auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated. If, based upon the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Members and management

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

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

The Members and management are responsible for overseeing the Fund's financial reporting process.

iTAUKEI TRUST FUND BOARD

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020



INDEPENDENT AUDITOR'S REPORT *continued*

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

iTAUKEI TRUST FUND BOARD

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

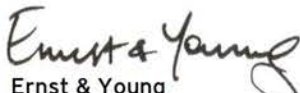


INDEPENDENT AUDITOR'S REPORT *continued*

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the iTaukei Trust Fund Act, in our opinion:

- a) Proper books of account have been kept by the Fund, so far as it appears from our examination of those books;
- b) the accompanying financial statements:
 - a. are in agreement with the books of account; and
 - b. to the best of our information and according to the explanations given to us, give the information required by the iTaukei Trust Fund Act in the manner so required.


Ernst & Young
Chartered Accountants


Sikeli Tuinamuana
Partner
Suva, Fiji

30 December 2021

ĪTAUKEI TRUST FUND BOARD

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 \$	2019 \$
Revenue from ordinary activities			
Dividends	8 (i)	2,853,627	4,351,197
Net gain on disposal of property		3,762,865	-
Rental income		2,001,628	2,901,628
Interest - debt instruments	8 (ii)	517,850	605,858
Unrealised exchange gain		177,391	-
Other interest income		91,013	90,129
Publication sales		3,221	50,244
Other income		97,194	96,936
Total revenue from ordinary activities		<u>9,504,789</u>	<u>8,095,992</u>
Expenses from ordinary activities			
Administration expenses	2 (i)	536,646	504,743
Depreciation and amortisation		488,494	534,736
Mandated outlays		818,323	607,346
Publication costs		19,626	60,809
Unrealised exchange loss		-	17,029
Other operating expenses	2 (ii)	1,597,056	4,932,559
		<u>3,460,145</u>	<u>6,657,222</u>
Net profit from ordinary activities		6,044,644	1,438,770
Finance costs			
Interest on term loan		-	97,526
Interest on lease liabilities		17,908	17,928
Net profit from operations		<u>6,026,736</u>	<u>1,323,316</u>
Income tax expense	1.6 (i)	-	-
Net profit after income tax		<u>6,026,736</u>	<u>1,323,316</u>
Other comprehensive income			
Net (loss)/gain on re-measuring financial assets at fair value	6 (e)	(62,999,349)	125,146,259
Gain on disposal of equity instruments		12,248	54,337
Total comprehensive (loss)/income		<u>(56,960,365)</u>	<u>126,523,912</u>

The accompanying notes form an integral part of this Statement of Profit or Loss and Other Comprehensive Income.

iTAUKEI TRUST FUND BOARD

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 \$	2019 \$
Capital endowment fund			
Balance at 1 January		40,000,000	40,000,000
Balance at 31 December	14	<u>40,000,000</u>	<u>40,000,000</u>
Unrealised gains reserve			
Balance at 1 January		233,187,105	108,040,846
Net movement during the year	6 (e), 15	<u>(62,999,349)</u>	<u>125,146,259</u>
Balance at 31 December	15	<u>170,187,756</u>	<u>233,187,105</u>
Retained earnings			
Balance at 1 January		49,857,525	48,479,872
Gain on disposal of equity instruments	15 (i)	12,248	54,337
Net profit for the year		<u>6,026,736</u>	<u>1,323,316</u>
Balance at 31 December	15 (i)	<u>55,896,509</u>	<u>49,857,525</u>
Total equity		<u>266,084,265</u>	<u>323,044,630</u>

The accompanying notes form an integral part of this Statement of Changes in Equity.

iTAUKEI TRUST FUND BOARD

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

	Notes	2020 \$	2019 \$
Non-current assets			
Receivables and other prepayments	4	565,290	679,779
Financial assets - equity instruments	6	207,913,903	267,894,093
Financial assets - debt instruments	7	2,074,081	1,990,211
Plant and equipment	9	167,861	162,345
Investment properties	10	33,753,632	36,563,124
Intangible assets	11	662	-
Right-of-use assets	20(a)	249,405	306,425
Total non-current assets		<u>244,724,834</u>	<u>307,595,977</u>
Current assets			
Cash and cash equivalents	3	11,770,798	5,392,774
Receivables and other prepayments	4	656,382	761,668
Inventories	5	112,834	56,985
Financial assets - debt instruments	7	9,757,202	10,216,665
Total current assets		<u>22,297,216</u>	<u>16,428,092</u>
Total assets		<u>267,022,050</u>	<u>324,024,069</u>
Equity			
Capital endowment fund	14	40,000,000	40,000,000
Unrealised gains reserve	15	170,187,756	233,187,105
Retained earnings		55,896,509	49,857,525
Total equity		<u>266,084,265</u>	<u>323,044,630</u>
Current liabilities			
Trade creditors and accruals	13	644,613	645,504
Lease liabilities	20(b)	324	208
Employment benefit liability	12	32,970	23,537
Total current liabilities		<u>677,907</u>	<u>669,249</u>
Non-current liabilities			
Lease liabilities	20(b)	259,878	310,190
Total non-current liabilities		<u>259,878</u>	<u>310,190</u>
Total liabilities		<u>937,785</u>	<u>979,439</u>
Total equity and liabilities		<u>267,022,050</u>	<u>324,024,069</u>

The accompanying notes form an integral part of this Statement of Financial Position.

iTAUKEI TRUST FUND BOARD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 \$	2019 \$
Operating activities			
Net profit after income tax		6,026,736	1,323,316
<u>Adjustment to reconcile profit before tax to net cash flows</u>			
Non-cash:			
Depreciation and amortisation		488,494	534,736
Loss on disposal of property		2,854,557	3,140,202
Unrealised foreign exchange (gain)/loss		(177,391)	18,173
Credit loss on trade and other receivables		-	6,676
Dividends reinvested		(49,751)	(52,789)
Interest added to principal of debt instruments		(540,537)	(182,503)
<u>Working capital adjustments:</u>			
Decrease in receivables and other prepayments		218,260	168,739
(Increase)/decrease in inventories		(55,849)	26,975
Decrease in trade creditors and accruals		(1,666)	(2,949,493)
Increase in employee benefit liability		9,433	1,428
Net cash flows provided by operating activities		<u>8,772,286</u>	<u>2,035,460</u>
Investing activities			
Acquisition of plant and equipment		(62,304)	(2,052)
Payments for investment properties		(468,032)	(71,442)
(Payments for)/net proceeds from investments in financial assets		<u>(1,963,814)</u>	<u>5,762,547</u>
Net cash flows (used in)/from investing activities		<u>(2,494,150)</u>	<u>5,689,053</u>
Financing activities			
Net repayments of interest-bearing borrowings		-	(8,033,588)
Net repayments of lease liabilities		<u>(286)</u>	<u>(266)</u>
Net cash flows used in financing activities		<u>(286)</u>	<u>(8,033,854)</u>
Net increase/(decrease) in cash and cash equivalents		6,277,850	(309,341)
Cash and cash equivalents at 1 January		5,392,774	5,703,259
Unrealised exchange loss		100,174	(1,144)
Cash and cash equivalents at the end of the year	3	<u><u>11,770,798</u></u>	<u><u>5,392,774</u></u>

The accompanying notes form an integral part of this Statement of Cash Flows.

iTAUKEI TRUST FUND BOARD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1.1 Corporate Information

The financial statements of iTaukei Trust Fund Board (the Fund) for the year ended 31 December 2020 were authorised for issue in accordance with a resolution of the Members on 30th December 2021. iTaukei Trust Fund Board was established and domiciled in the Republic of Fiji in accordance with the iTaukei Trust Fund Act.

The principal activity of the Fund is described in Note 22.

1.2 Basis of preparation of the Financial Statements

The financial statements have been prepared on a historical cost basis except for some assets which are measured at fair value. The financial statements are presented in Fiji dollars and all values are rounded to the nearest dollar except when otherwise indicated.

Statement of compliance

The financial statements of iTaukei Trust Fund Board have been prepared in accordance with International Financial Reporting Standards (IFRS).

1.3 Significant accounting estimates and assumptions

The preparation of the Fund's financial statements requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

Estimations and assumptions

The key assumptions concerning the future and other key sources of estimation and uncertainty at the balance date, that have a significant risk of causing material adjustments to the carrying amount of assets and liabilities within the next financial year is discussed below:

Impairment of non-financial assets

The Fund assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable.

Leases - Estimating the incremental borrowing rate

The Fund cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Fund would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Fund 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Fund estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

1.4 Changes in accounting policy and disclosures

New and amended standards and interpretations

The Fund applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2020. The Fund has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

iTAUKEI TRUST FUND BOARD

NOTES TO THE FINANCIAL STATEMENTS *continued*

FOR THE YEAR ENDED 31 DECEMBER 2020

1.4 Changes in accounting policy and disclosures continued

Amendments to IFRS 3: Definition of a Business

The amendment to IFRS 3 Business Combinations clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs. These amendments had no impact on the financial statements of the Fund, but may impact future periods should the Fund enter into any business combinations.

Amendments to IFRS 7, IFRS 9 and IAS 39 Interest Rate Benchmark Reform

The amendments to IFRS 9 and IAS 39 Financial Instruments: Recognition and Measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainty about the timing and/or amount of benchmark-based cash flows of the hedged item or the hedging instrument. These amendments have no impact on the financial statements of the Fund as it does not have any interest rate hedge relationships.

Amendments to IAS 1 and IAS 8 Definition of Material

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the financial statements of, nor is there expected to be any future impact to, the Fund.

Conceptual Framework for Financial Reporting issued on 29 March 2018

The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The purpose of the Conceptual Framework is to assist the IASB in developing standards, to help preparers develop consistent accounting policies where there is no applicable standard in place and to assist all parties to understand and interpret the standards. This will affect those entities which developed their accounting policies based on the Conceptual Framework. The revised Conceptual Framework includes some new concepts, updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts. These amendments had no impact on the financial statements of the Fund.

Amendments to IFRS 16 Covid-19 Related Rent Concessions

On 28 May 2020, the IASB issued Covid-19-Related Rent Concessions - amendment to IFRS 16 Leases. The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification.

The amendment applies to annual reporting periods beginning on or after 1 June 2020. Earlier application is permitted. This amendment had no impact on the financial statements of the Fund.

iTAUKEI TRUST FUND BOARD

NOTES TO THE FINANCIAL STATEMENTS *continued*

FOR THE YEAR ENDED 31 DECEMBER 2020

1.5 Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Fund's financial statements are disclosed below. The Fund intends to adopt these new and amended standards and interpretations, if applicable, when they become effective. These amendments are not expected to have a material impact on the Fund.

New standards and amendments	Effective date
Amendments to IAS 1 – Classification of Liabilities as Current or Non-current (including Amendment to IAS 1 – Classification of Liabilities as Current or Non-current – Deferral of Effective Date issued in July 2020)	1 January 2023
Amendments to IAS 37 – Onerous Contracts: – Cost of Fulfilling a Contract	1 January 2022
Amendments to IAS 16 – Property, Plant and Equipment: Proceeds before Intended Use	1 January 2022
AIP (2018-2020 cycle): IFRS 9 Financial Instruments – Fees in the '10 per cent' Test for Derecognition of Financial Liabilities	1 January 2022
Amendments to IFRS 3 – Reference to the Conceptual Framework	1 January 2022
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 – Interest Rate Benchmark Reform – Phase 2	1 January 2021

1.6 Summary of significant accounting policies

a) Foreign currencies

The financial statements are presented in Fiji dollars, which is the Fund's functional and presentation currency. Transactions in foreign currencies are initially recorded at the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance date. All differences are taken to the statement of profit or loss and other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

b) Investment properties

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria is met; and excludes the cost of day to day servicing of an investment property. Subsequent to initial measurement, investment property is stated at cost less accumulated depreciation. The investment properties are depreciated at 1.25% while leasehold land is amortised over the lease period.

iTAUKEI TRUST FUND BOARD

NOTES TO THE FINANCIAL STATEMENTS *continued*

FOR THE YEAR ENDED 31 DECEMBER 2020

1.6 Summary of significant accounting policies continued

b) Investment properties continued

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property is recognised in the statement of profit or loss and other comprehensive income in the year of retirement or disposal.

c) Plant and equipment

Plant and equipment is stated at cost less accumulated depreciation. Such cost includes the cost of replacing part of the plant and equipment when that cost is incurred, if the recognition criteria is met. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria is satisfied. All other repair and maintenance costs are recognised in the statement of profit or loss and other comprehensive income as incurred.

Depreciation is calculated on a straight line basis over the useful life of the asset as follows:

Office equipment	12% to 40%
Furniture and fittings	12% to 15%
Motor vehicles	20%
Generator	12%

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss and other comprehensive income in the year the asset is derecognised.

The asset's residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate, at each financial year end.

d) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the statement of profit or loss and other comprehensive income in the year in which the expenditure is incurred.

The useful lives of intangible assets for the Fund are assessed to be finite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year end. Changes in the expected useful life or expected pattern of consumption in future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss and other comprehensive income in the expense category consistent with the function of the intangible assets.

Gain or losses arising from the derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss and other comprehensive income when the asset is derecognised.

1.6 Summary of significant accounting policies continued

e) Impairment of non-financial assets

The Fund assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Fund estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate value model is used.

For assets, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Fund makes an estimate of the recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. The increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss and other comprehensive income.

f) Financial instruments - initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as amortised cost, fair value through other comprehensive income (OCI), or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Fund's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Fund has applied the practical expedient, the Fund initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Fund has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

iTAUKEI TRUST FUND BOARD

NOTES TO THE FINANCIAL STATEMENTS *continued*

FOR THE YEAR ENDED 31 DECEMBER 2020

1.6 Summary of significant accounting policies continued

f) Financial instruments - initial recognition and subsequent measurement continued

i) Financial assets continued

Initial recognition and measurement continued

The Fund's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Fund commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, the Fund's financial assets are classified in two categories:

- Financial assets at amortised cost (debt instruments); and
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

Financial assets at amortised cost (debt instruments)

The Fund measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Fund's financial assets at amortised cost includes trade receivables, cash and cash equivalents and financial assets - debt instruments.

Financial assets designated at fair value through OCI (equity instruments)

This category is most relevant to the Fund. Upon initial recognition, the Fund can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Fund benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Fund elected to classify its listed equity investments under this category.

iTAUKEI TRUST FUND BOARD

NOTES TO THE FINANCIAL STATEMENTS *continued*

FOR THE YEAR ENDED 31 DECEMBER 2020

1.6 Summary of significant accounting policies continued

f) Financial instruments - initial recognition and subsequent measurement continued

ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, loans and borrowings or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Fund's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

g) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and on hand and short term deposits with an original maturity of three months or less.

h) Employment benefit liability

Provisions are made for wages and salaries, incentive payments and annual leave estimated to be payable to employees at balance date on the basis of statutory and contractual requirements.

i) Taxes

The income of iTaukei Trust Fund Board is exempt from income tax under the Fiji Income Tax Act.

iTAUKEI TRUST FUND BOARD

NOTES TO THE FINANCIAL STATEMENTS *continued*

FOR THE YEAR ENDED 31 DECEMBER 2020

1.6 Summary of significant accounting policies continued

j) Leased assets

The Fund assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Fund as a lessee

The Fund applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Fund recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Fund recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

-	Land and buildings	60 to 85 years
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If ownership of the leased asset transfers to the Fund at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (e) Impairment of non-financial assets.

ii) Lease liabilities

At the commencement date of the lease, the Fund recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Fund and payments of penalties for terminating the lease, if the lease term reflects the Fund exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Fund uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Fund's lease liabilities are presented in leases (see Note 20).

ĪTAUKEI TRUST FUND BOARD

NOTES TO THE FINANCIAL STATEMENTS *continued*

FOR THE YEAR ENDED 31 DECEMBER 2020

1.6 Summary of significant accounting policies continued

j) Leased assets continued

iii) Short-term leases and leases of low-value assets

The Fund applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as an expense on a straight-line basis over the lease term.

k) Trade and other payables

Liabilities for trade creditors and other amounts are carried at cost (inclusive of VAT where applicable) which is the fair value of the consideration to be paid in the future for goods and services received whether or not billed to the Fund. Amounts payable that have been denominated in foreign currencies have been translated to local currency using the rates of exchange ruling at the end of the financial year.

l) Value Added Tax (VAT)

Revenue, expenses and assets are recognised net of the amount of Value Added Tax except:

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

m) Current versus non-current classification

The Fund presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period

Or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period

Or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Fund classifies all other liabilities as non-current.

iTAUKEI TRUST FUND BOARD

NOTES TO THE FINANCIAL STATEMENTS *continued*

FOR THE YEAR ENDED 31 DECEMBER 2020

1.6 Summary of significant accounting policies continued

n) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Interest

Revenue is recognised as the interest accrues (taking into account the effective yield on the asset) unless collectability is in doubt.

Dividends

Revenue is recognised when the Fund's right to receive the payment is established.

Grants

Revenue is recognised when there is reasonable assurance that the grants will be received and the Fund will comply with the conditions attached to them.

o) Comparative figures

Comparative figures have been amended where necessary, for changes in presentation in the current year.

2. EXPENSES

(i) Administration expenses

	2020	2019
	\$	\$
Wages and salaries	498,155	439,913
Superannuation	29,505	44,013
Strategic plan	-	11,194
Fiji National University levy	5,078	4,411
Other staff benefits	-	731
Staff amenities	3,908	4,481
	<u>536,646</u>	<u>504,743</u>

(ii) Other operating expenses

Auditor's remuneration	7,756	7,788
Consultancy	190,652	46,655
Insurance	231,846	201,608
Legal claims and fees	61,700	535,643
Loss on disposal of investment property	-	3,140,202
Management fees - Fijian Holdings Limited Properties Limited	104,371	104,371
Repairs and maintenance	378,188	310,136
Miscellaneous	622,543	586,156
	<u>1,597,056</u>	<u>4,932,559</u>

3. CASH AND CASH EQUIVALENTS

	\$	\$
Cash at bank	11,769,798	5,391,774
Cash on hand	1,000	1,000
	<u>11,770,798</u>	<u>5,392,774</u>

Cash at bank earns interest at floating rates based on the daily bank deposit rates. The fair value of cash on hand and at bank is \$11.77 million (2019: \$5.39 million).

İTAUKEI TRUST FUND BOARD
NOTES TO THE FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 \$	2019 \$
4. RECEIVABLES AND OTHER PREPAYMENTS		
<u>Current</u>		
Rental debtors	48,364	213,769
Publication and other debtors	-	3,517
Less: allowance for expected credit loss	(27,891)	(50,169)
	<u>20,473</u>	<u>167,117</u>
Interest and dividend receivable	262,212	415,399
Value Added Tax receivable	204,283	145,363
Receivable from Sunshine Joint Venture	86,274	-
Other debtors	71,547	25,713
	<u>644,789</u>	<u>753,592</u>
Other deposits and prepayments	11,593	8,076
	<u>656,382</u>	<u>761,668</u>
<u>Non-current</u>		
Other deposits and prepayments	565,290	679,779
Total receivables and other prepayments	<u>1,221,672</u>	<u>1,441,447</u>
At 31 December, the ageing analysis of receivables is as follows:		
Neither past due nor impaired	1,043,378	1,252,218
< 30 days	48,672	4,885
30 - 90 days	11,934	157,422
> 90 days	145,579	77,091
Total	<u>1,249,563</u>	<u>1,491,616</u>
5. INVENTORIES	\$	\$
Publications	<u>112,834</u>	<u>56,985</u>
During the year ended 31 December 2020, \$Nil was recognised as an expense for inventories carried at net realisable value (2019: \$Nil).		
6. FINANCIAL ASSETS - EQUITY INSTRUMENTS		
Holding		
(a) <u>Shares listed on the South Pacific Stock Exchange</u>	\$	\$
6,501,502 Amalgamated Telecom Holdings Limited	11,962,764	16,700,000
104,054 BSP Convertible Notes Limited (Fiji class shares)	2,881,255	2,705,404
200,000 Future Forests Fiji Limited (FFFL)	196,000	196,000
100,000,000 Fijian Holdings Limited	102,000,000	154,000,000
1,000,000 Pacific Green Industries (Fiji) Limited	1,080,000	1,080,000
20,000,000 R B Patel Group Limited	70,600,000	74,000,000
	<u>188,720,019</u>	<u>248,681,404</u>
Less: provision for impairment - FFFL	(196,000)	(196,000)
	<u>188,524,019</u>	<u>248,485,404</u>

iTAUKEI TRUST FUND BOARD
NOTES TO THE FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER 2020

		2020	2019
		\$	\$
6.	FINANCIAL ASSETS - EQUITY INSTRUMENTS continued		
(b)	<u>Shares listed on the Australian Stock Exchange</u>		
37,143	ALS Limited	548,976	503,206
20,000	Amcor PLC	471,855	459,563
30,567	ANZ Banking Group Limited	1,067,165	1,111,076
19,660	Australian Foundation Invest Company Limited	220,729	206,291
20,000	BHP Group Limited	1,305,137	1,148,760
10,000	Ampol Limited	437,096	501,034
12,522	Commonwealth Bank of Australia Limited	1,581,331	1,476,547
2,000	CSL Limited	871,055	813,931
3,000	Flight Centre Travel Group Limited	73,131	195,070
5,000	Macquarie Group Limited	1,064,903	1,017,193
15,358	Monadelphous Group Limited	318,168	378,057
23,220	National Australia Bank Limited	807,093	844,021
80,000	Orora Limited	332,206	469,303
12,000	Pendal Group Limited	120,517	152,125
107,500	Qube Holdings Limited	486,081	521,952
4,550	Ramsay Health Care Limited	435,126	487,030
15,000	Reece Limited	341,433	253,690
5,034	Rio Tinto Limited	881,298	745,888
10,000	Seek Limited	438,789	332,793
100,000	Sydney Airport Stapled Security	985,851	1,278,041
273,400	Telstra Corporation Limited	1,253,047	1,428,329
44,477	Transurban Group Stapled Securities	934,414	978,679
30,000	Virgin Money UK PLC	109,351	154,516
10,000	Washington H Soul Pattinson & Company Limited	462,781	317,296
16,000	Westfarmers Limited	1,240,234	977,568
12,000	Westpac Banking Corporation	357,491	429,103
10,000	Woolworths Limited	604,584	533,648
5,572	Worley Limited	98,465	125,896
		<u>17,848,307</u>	<u>17,840,606</u>
(c)	<u>Unit Trust</u>	\$	\$
955,686	Fijian Holdings Unit Trust	879,231	891,480
252,735	Unit Trust of Fiji - Income	252,735	243,532
181,244	Unit Trust of Fiji - Income & Growth	409,611	433,071
		<u>1,541,577</u>	<u>1,568,083</u>
	Total financial assets - equity instruments	<u>207,913,903</u>	<u>267,894,093</u>

iTAUKEI TRUST FUND BOARD

NOTES TO THE FINANCIAL STATEMENTS *continued*

FOR THE YEAR ENDED 31 DECEMBER 2020

6. FINANCIAL ASSETS - EQUITY INSTRUMENTS continued

(d) Unit Trust continued

The Fund has investments in listed equity and debt securities. The fair value of the quoted equity shares is determined by reference to published price quotations in an active market.

The Fund assesses at each reporting date whether there is objective evidence that an investment is impaired. Objective evidence would include significant or prolonged decline in the fair value of the investment below its cost. The determination of what is 'significant' or 'prolonged' requires judgement. In making this judgement, the Fund evaluates, among other factors, the duration or extent to which the fair value of an investment is less than its cost.

	2020	2019
	\$	\$
(e) <u>Movement in value of financial assets</u>		
Net market value adjustment	(62,929,278)	125,231,145
Net exchange rate movement	(70,071)	(84,886)
Net gain on remeasuring financial assets	<u>(62,999,349)</u>	<u>125,146,259</u>

7. FINANCIAL ASSETS - DEBT INSTRUMENTS

Holding

(a) Term deposits

Bank of South Pacific Limited	5,726,173	6,398,849
Home Finance Company Ltd	2,452,514	2,317,816
Westpac Banking Corporation	1,578,515	1,500,000
	<u>9,757,202</u>	<u>10,216,665</u>

(b) Australian listed interest securities

2,000	Commonwealth Bank of Australia PERLS	307,598	295,160
125,000	Gryphon Capital Income Trust	386,420	370,794
125,000	MCP Master Income Trust	384,497	368,949
1,000	National Australia Bank Limited subordinated notes	153,798	147,579
125,000	NB Global Corporate Trust Income Limited	384,498	368,950
1,071	Peet Limited retail bonds	175,625	168,523
75,569	Perpetual Credit Income Trust	127,846	122,677
1,000	Qube Holdings Limited subordinated notes	153,799	147,579
		<u>2,074,081</u>	<u>1,990,211</u>

Total financial assets - debt instruments

	<u>11,831,283</u>	<u>12,206,876</u>
Current	9,757,202	10,216,665
Non-current	<u>2,074,081</u>	<u>1,990,211</u>
	<u>11,831,283</u>	<u>12,206,876</u>

iTAUKEI TRUST FUND BOARD
NOTES TO THE FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER 2020

		2020	2019
8. INCOME GENERATED FROM INVESTMENTS		\$	\$
(i) <u>Dividends</u>			
Name of company	Location	Income earned	
Details of investments			
<u>Shares listed on the South Pacific Stock Exchange</u>			
Amalgamated Telecom Holdings Limited	Fiji	-	125,000
BSP Convertible Notes Limited (Fiji class shares)	Fiji	84,939	96,437
R B Patel Group Limited	Fiji	540,000	760,000
Fijian Holdings Limited		1,650,000	2,460,000
		<u>2,274,939</u>	<u>3,441,437</u>
Name of company	Location	Income earned	
Details of investments			
<u>Shares listed on the Australian Stock Exchange</u>			
ALS Limited	Aust.	8,100	12,535
Amcor PLC	Aust.	19,659	23,929
ANZ Banking Group Limited	Aust.	27,779	71,730
Australian Foundation Invest Company Limited	Aust.	7,020	9,290
BHP Group Limited	Aust.	50,274	98,753
Ampol Limited	Aust.	10,808	13,763
Commonwealth Bank of Australia Limited	Aust.	54,655	79,501
CSL Limited	Aust.	8,476	7,839
Dulux Group Limited	Aust.	-	12,697
Flight Centre Travel Group Limited	Aust.	-	13,635
Macquarie Group Limited	Aust.	23,219	44,779
Monadelphous Group Limited	Aust.	7,619	10,885
National Australia Bank Limited	Aust.	20,600	56,532
Orora Limited	Aust.	70,810	19,217
Pendal Group Limited	Aust.	6,591	7,929
Qube Holdings Limited	Aust.	8,020	10,643
Ramsay Health Care Limited	Aust.	4,086	10,157
Reece Limited	Aust.	2,587	4,492
Rio Tinto Limited	Aust.	40,973	66,718
Seek Limited	Aust.	1,801	6,792
Sydney Airport Stapled Security	Aust.	-	47,772
Telstra Corporation Limited	Aust.	64,706	64,496
Transurban Group Stapled Securities	Aust.	18,406	37,970
Virgin Money UK PLC	Aust.	-	2,508
Washington H Soul Pattinson & Company Limited	Aust.	8,882	8,533
Westfarmers Limited	Aust.	40,370	65,940
Westpac Banking Corporation	Aust.	5,616	30,638
Woolworths Limited	Aust.	13,794	15,041
Worley Limited	Aust.	4,086	2,257
		<u>528,937</u>	<u>856,971</u>

İTAUKEI TRUST FUND BOARD
NOTES TO THE FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER 2020

		2020	2019	
		\$	\$	
8. INCOME GENERATED FROM INVESTMENTS continued				
(i) <u>Dividends continued</u>				
	Name of company	Location	Income earned	
Details of investments				
<u>Unit Trusts</u>				
	Fijian Holdings Unit Trust	Fiji	27,256	30,199
	Unit Trust of Fiji - Income	Fiji	13,291	12,908
	Unit Trust of Fiji	Fiji	9,204	9,682
			49,751	52,789
	Total dividends		2,853,627	4,351,197
(ii) <u>Interest - debt instruments</u>				
	Name of company	Location	Income earned	
Details of investments				
<u>Term deposits</u>				
	Bank of South Pacific Limited	Fiji	262,843	289,505
	Credit Corporation (Fiji) Limited	Fiji	-	4,016
	Fiji Development Bank	Fiji	-	1,890
	Home Finance Company Ltd	Fiji	108,518	100,085
	Merchant Finance Limited	Fiji	-	10,227
	Westpac Banking Corporation	Fiji	64,250	93,448
			435,611	499,171
<u>Interest - debt instruments</u>				
	Name of company	Location	Income earned	
Details of investments				
<u>Australian listed securities</u>				
	AGL Energy subordinated notes	Aust.	-	2,813
	Commonwealth Bank of Australia PERLS	Aust.	8,858	11,162
	Gryphon Capital Income Trust	Aust.	13,944	16,146
	MCP Master Income Trust	Aust.	15,878	8,009
	National Australia Bank Limited subordinated notes	Aust.	3,811	5,435
	NB Global Corporate Trust Income Limited	Aust.	17,702	22,563
	Peet Limited retail bonds	Aust.	11,891	11,820
	Perpetual Credit Income Trust	Aust.	3,887	2,639
	Qube Holdings Limited subordinated notes	Aust.	6,268	7,846
	Villa World Limited retail bonds	Aust.	-	18,254
			82,239	106,687
	Total interest		517,850	605,858

iTAUKEI TRUST FUND BOARD
NOTES TO THE FINANCIAL STATEMENTS continued
FOR THE YEAR ENDED 31 DECEMBER 2020

9. PLANT AND EQUIPMENT

	Office equipment	Furniture and fittings	Motor vehicles	Generator	Total
Cost	\$	\$	\$	\$	\$
At 1 January 2019	622,464	142,637	200,567	122,641	1,088,309
Additions	1,906	146	-	-	2,052
Disposals	(513,633)	-	-	-	(513,633)
At 31 December 2019	110,737	142,783	200,567	122,641	576,728
Additions	60,286	2,018	-	-	62,304
Disposals	(53,637)	-	-	-	(53,637)
At 31 December 2020	117,386	144,801	200,567	122,641	585,395
Depreciation					
At 1 January 2019	599,893	117,141	19,778	122,641	859,453
Depreciation charge for the year	12,801	9,199	40,115	-	62,115
Disposals	(507,185)	-	-	-	(507,185)
At 31 December 2019	105,509	126,340	59,893	122,641	414,383
Depreciation charge for the year	9,009	7,726	40,053	-	56,788
Disposals	(53,637)	-	-	-	(53,637)
At 31 December 2020	60,881	134,066	99,946	122,641	417,534
Net book value:					
At 31 December 2020	56,505	10,735	100,621	-	167,861
At 31 December 2019	5,228	16,443	140,674	-	162,345

As at 31 December 2020, the gross carrying amount of fully depreciated property, plant and equipment that are still in use is \$293,999 (2019: \$281,265).

ĪTAUKEI TRUST FUND BOARD
NOTES TO THE FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020	2019
	\$	\$
10. INVESTMENT PROPERTIES		
At 1 January	40,683,442	44,216,569
Additions	468,032	71,441
Disposal	(2,854,557)	(3,604,568)
At 31 December	<u>38,296,917</u>	<u>40,683,442</u>
Depreciation and amortisation		
At 1 January	4,120,318	4,123,609
Depreciation and amortisation charge for the year	422,967	467,525
Disposal	-	(470,816)
At 31 December	<u>4,543,285</u>	<u>4,120,318</u>
	<u>33,753,632</u>	<u>36,563,124</u>

The property rental income earned by the Fund from its investment properties amounted to \$2,001,628 (2019: \$2,919,213).

	\$	\$
Rental income derived from investment properties	2,001,628	2,901,628
Direct operating expenses generating rental income	(588,800)	(603,359)
Direct operating expenses that did not generate rental income	(884,541)	(1,423,855)
Net profit arising from investment properties carried at cost	<u>528,287</u>	<u>874,414</u>

The Fund has elected to value investment properties at cost. Investment properties are depreciated at 1.25% while leasehold land is amortised over the lease period.

	\$	\$
11. INTANGIBLE ASSETS		
Cost		
At 1 January	147,752	147,752
Additions	775	-
Disposals	(74,686)	-
At 31 December	<u>73,841</u>	<u>147,752</u>
Amortisation		
At 1 January	147,752	146,895
Amortisation	113	857
Disposals	(74,686)	-
At 31 December	<u>73,179</u>	<u>147,752</u>
Net book value	<u>662</u>	<u>-</u>

	\$	\$
12. EMPLOYMENT BENEFIT LIABILITY		
At 1 January	23,537	22,109
Credited during the year	9,433	1,428
At 31 December	<u>32,970</u>	<u>23,537</u>

iTAUKEI TRUST FUND BOARD
NOTES TO THE FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020	2019
	\$	\$
13. TRADE CREDITORS AND ACCRUALS		
Trade creditors and accruals	472,751	371,113
Rental deposits	20,166	49,166
Revenue received in advance	151,696	157,223
Retention account	-	68,002
	<u>644,613</u>	<u>645,504</u>

Terms and conditions of the above financial liabilities:

- Trade payables and accruals are non-interest bearing and are normally settled on 30-60 day terms.
- The retention account relates to amounts retained by the Fund for the construction of the BLV and accrual for legal claims.

	\$	\$
14. CAPITAL ENDOWMENT FUND		
Capital endowment fund	<u>40,000,000</u>	<u>40,000,000</u>

This Capital Endowment Fund represents the funds provided to establish the Fund.

	\$	\$
15. RESERVES		
Unrealised gains reserve		
Balance at 1 January	233,187,105	108,040,846
Net movement during the year	<u>(62,999,349)</u>	<u>125,146,259</u>
Balance at 31 December	<u>170,187,756</u>	<u>233,187,105</u>

- (i) The net movement for the year reflects the net change in fair value of equity instruments during the year when marked to quoted prices at 31 December and movement in foreign exchange rates.

Retained earnings		
Balance at 1 January	49,857,525	48,479,872
Gain on disposal of equity instruments	12,248	54,337
Net profit for the year	<u>6,026,736</u>	<u>1,323,316</u>
	<u>55,896,509</u>	<u>49,857,525</u>

- (ii) In accordance with IFRS 9, the cumulative gain or loss on disposal of equity instruments designated as fair value through Other Comprehensive Income are transferred directly to Retained Earnings and not recycled back to Profit and Loss.

İTAUKEI TRUST FUND BOARD
NOTES TO THE FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 \$	2019 \$
16. CAPITAL COMMITMENTS		
Capital expenditure commitments	-	1,202,000
Capital expenditure commitment of \$1.202 million for the year 2019 relates to the following:		
- Consultancy fees for Phase 2 development at Draiba Complex. However, the expenses already incurred for this project in the year 2019 were written off in 2020. Consequently, the capital commitment amount as at 31 December 2019 was not spent in the year 2020.		
17. CONTINGENT LIABILITIES		
2020: \$Nil		
2019: \$Nil		
18. OPERATING LEASE INCOME		
The Fund has entered into commercial property leases on its investment property portfolio. Operating lease relates to rental income from building space rented out to Government Ministries, Carlson Hotels (Fiji) Limited and Union Plaza. These non-cancellable leases have remaining terms of between two to sixteen years.		
<u>Non-cancellable operating lease receivables</u>	\$	\$
Within one year	2,126,002	2,163,437
After one year but not more than five years	8,063,524	8,068,595
More than five years	5,983,226	7,990,924
	<u>16,172,752</u>	<u>18,222,956</u>
19. RELATED PARTY TRANSACTIONS		
(a) Members		
The members of the Fund at any time during the financial year and up to the date of this report are as follows:		
Pita Tagicakirewa (appointed as a Board member on 23 September 2021, appointed as the Chairman on 26 November 2021)		
David Kolutagane - Chairperson (term ended on 26 November 2021)		
Emi Rabukawaqa (resigned on 17 September 2021)		
Fatiaki Misau		
Peni Cavuilaqi (term ended on 26 November 2021)		
Preetika Prasad		
Naibuka Saune		
Meleti Bainimarama (passed away on 12 June 2021)		
Sipiriano Nemanu (appointed on 26 November 2021)		
(b) Compensation of key management personnel	\$	\$
Short-term employee benefits	<u>165,706</u>	<u>143,000</u>
(c) Transactions with other related entities		
Member fees	<u>41,950</u>	<u>42,500</u>

iTAUKEI TRUST FUND BOARD

NOTES TO THE FINANCIAL STATEMENTS *continued*

FOR THE YEAR ENDED 31 DECEMBER 2020

20. LEASES

Fund as a lessee

(a) Right-of-use assets

	Land
	\$
As at 1 January 2019	310,664
Depreciation expense	(4,239)
As at 31 December 2019	306,425
Retirement obligation adjustment	(48,394)
Depreciation expense	(8,626)
As at 31 December 2020	249,405

(b) Lease liability

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	2020	2019
	\$	\$
As at 1 January	310,398	310,664
Accretion of interest	17,908	17,928
Payments	(18,194)	(18,194)
Retirement obligation adjustment	(49,910)	-
As at 31 December	260,202	310,398
Current	324	208
Non-current	259,878	310,190
The following are the amounts recognised in profit or loss:	\$	\$
Depreciation expense of right-of-use assets	8,626	4,239
Interest expense on lease liabilities	17,908	17,928
Total amount recognised in profit or loss	26,534	22,167

The Fund had total cash outflows for leases of \$18,194 in 2020 (2019: \$18,194).

21. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Principal financial liabilities comprise interest bearing borrowings and trade payables. The main purpose of these financial liabilities is to raise finance for the Fund's operations. The Fund has various financial assets such as trade receivables and cash which arise directly from its operations.

The main risk arising from the Fund's financial statements are foreign currency risk, interest rate risk and liquidity risk. The Members review and agree on policies for managing each of these risks which are summarised below.

Foreign currency risk

The Fund has transactional currency exposures. Such exposures arise from investments by the Fund in currency other than Fijian dollars. The majority of investments are made in Australian dollars (AUD).

The following table demonstrates the sensitivity to a reasonably possible change in the AUD rate, with all other variables held constant, of the Fund's profit before tax.

	Increase / (decrease) in AUD rate	Effect on profit before tax \$
2020	+1%	(9,257)
	-1%	9,547
2019	+1%	(14,015)
	-1%	14,435

iTAUKEI TRUST FUND BOARD

NOTES TO THE FINANCIAL STATEMENTS *continued*

FOR THE YEAR ENDED 31 DECEMBER 2020

21. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *continued*

Liquidity risk

The Fund monitors its risk of a shortage of funds using a liquidity planning tool.

The Fund's objective is to maintain a balance between continuity of funding and flexibility through the use of trade payables and accruals and lease contracts. The Fund has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Fund's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Fund's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

The table below summarises the maturity profile of the Fund's financial liabilities based on contractual undiscounted payments:

31 December 2020	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
	\$	\$	\$	\$	\$	\$
Lease liabilities	-	4,549	13,645	72,776	1,010,035	1,101,005
Trade and other payables	-	472,751	-	-	-	472,751
Other financial liabilities	-	-	171,862	-	-	171,862
	-	477,300	185,507	72,776	1,010,035	1,745,618

31 December 2019	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
	\$	\$	\$	\$	\$	\$
Lease liabilities	-	4,549	13,645	90,970	1,019,132	1,128,296
Trade and other payables	-	439,115	-	-	-	439,115
Other financial liabilities	-	-	206,389	-	-	206,389
	-	443,664	220,034	90,970	1,019,132	1,773,800

22. PRINCIPAL BUSINESS ACTIVITY

The principal activity of the Fund Board during the financial year was the managing of the Fund by creating and maintaining a diversified portfolio comprising asset classes that will provide optimum return to the Fund for the beneficiaries of the Fund.

The objectives and purposes of iTaukei Trust Fund Board are set out in Act No. 15 of 2004 and are to fund the promotion and sponsoring of programmes on iTaukei and Rotuman languages and culture; fund to help develop the management, leadership and entrepreneurial skills of iTaukei and Rotumans; sponsor research into languages, art and culture of iTaukei and Rotumans; and any other purposes approved by the Board as advantageous to the beneficiaries.

iTAUKEI TRUST FUND BOARD

NOTES TO THE FINANCIAL STATEMENTS *continued*

FOR THE YEAR ENDED 31 DECEMBER 2020

23. SIGNIFICANT EVENT

The coronavirus disease (COVID-19) outbreak has developed rapidly, bringing a significant health impact globally. Measures taken to contain the virus are already having a significant impact on global markets and economic activity. Fiji is also feeling the impact with business disruption and levels of activity already reducing in several market sectors.

The Fund has remained operational since this declaration and continues to engage in its principal activities. We have not seen a significant impact on our business to date. Members and management are carefully considering the impact of the COVID-19 outbreak on the Fund and assessing future operational options. The future financial impacts, however, cannot be reasonably estimated at this time, as they will be largely the product of matters the Fund cannot control.

Members and management believe the Fund has sufficient financial resources together with arrangements with their customers and suppliers at this time to be able to successfully manage their business risks despite the current uncertain economic outlook due to the COVID-19 outbreak.

24. EVENTS SUBSEQUENT TO BALANCE DATE

COVID-19 Lockdown

Subsequent to the end of the financial year, on 25 April 2021, in response to the COVID-19 pandemic, the Government announced a number of measures including lockdown of certain containment areas within Viti Levu. Under the lockdown restrictions, all non-essential businesses are required to be closed unless the workplace was deemed part of a permitted industry as set out by the Government.

COVID-19 Pandemic

In July 2021 the Fijian Government ramped up its vaccination drive with a national target of 80 percent of the target population to be fully vaccinated by 31 October 2021. The Government was able to attain 80 percent in October and as a result the current containment measures with restrictions are easing as the fully vaccinated percentage increases. The duration and extent of the pandemic and related financial, social and public health impacts of the COVID-19 pandemic are uncertain.

Apart from the exception above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Fund, the results or cash flows of those operations, or the state of affairs of the Fund in future financial years.

25. FUND DETAILS

iTaukei Trust Fund Board was incorporated under the iTaukei Trust Fund Act 2004 which was enacted by the Parliament of Fiji on 4th November 2004.

Place of operation

Veivueti House
87 Queen Elizabeth Drive
PO Box 2327
Government Buildings
Suva



iTAUKEI TRUST FUND BOARD DISCLAIMER ON ADDITIONAL FINANCIAL INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2020

Disclaimer on additional Financial Information

The additional financial information, being the attached detailed income statement, is compiled by the Board of iTaukei Trust Fund Board.

To the extent permitted by law, Ernst & Young does not accept liability for any loss or damage which any person, other than iTaukei Trust Fund Board may suffer arising from any negligence on our part. No person should rely on the additional financial information without having an audit or review conducted.

iTAUKEI TRUST FUND BOARD

DETAILED INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020	2019
Revenue from ordinary activities		\$	\$
Dividends	8 (i)	2,853,627	4,351,197
Gain on disposal of property		3,762,865	-
Interest - bank		91,013	90,129
Interest - debt instruments	8 (ii)	517,850	605,858
Other income		97,194	96,936
Publication sales		3,221	50,244
Rental income		2,001,628	2,901,628
Unrealised exchange gain		177,391	-
Total revenue from ordinary activities		<u>9,504,789</u>	<u>8,095,992</u>
Expenses from ordinary activities			
<u>Administration expenses:</u>			
Fiji National University levy		5,078	4,411
Other staff benefits		-	731
Staff amenities		3,908	4,481
Strategic plan		-	11,194
Superannuation		29,505	44,013
Wages and salaries		<u>498,155</u>	<u>439,913</u>
Total administration expenses		<u>536,646</u>	<u>504,743</u>
Depreciation and amortisation		488,494	534,736
Mandated outlays		818,323	607,346
Publication costs		19,626	60,809
Unrealised exchange loss		-	17,029
<u>Other operating expenses:</u>			
Auditors' remuneration		7,756	7,788
Consultancy		190,652	46,655
Insurance		231,846	201,608
Legal claims and fees		61,700	535,643
Loss on disposal of investment property		-	3,140,202
Management fees - Fijian Holdings Limited Properties Limited		104,371	104,371
Repairs and maintenance		378,188	310,136
Miscellaneous expenses			
Annual report		9,083	7,693
Bad debts		22,943	-
Bank and interest charges		4,073	3,039
City rates		53,466	53,466
Cleaning		91,062	77,030
Computer expenses		16,332	14,186
Expected credit loss		(22,277)	6,676
Electricity		55,136	35,617
Fiji National University levy		635	420
Fringe benefit tax		1,474	777
Fuel		11,988	18,478

The Detailed Income Statement is to be read in conjunction with the disclaimer set out on page 59.

iTAUKEI TRUST FUND BOARD
DETAILED INCOME STATEMENT *continued*
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 \$	2019 \$
Expenses from ordinary activities continued			
<u>Other operating expenses continued:</u>			
Miscellaneous expenses continued			
General expense		81,046	52,504
Hire expense		-	3,238
Land rent		(1,516)	-
License fees		(3,499)	3,718
Loan administration expense		-	6,607
Member fees		41,950	42,500
Secretariat and accounting fees		55,000	55,000
Security		131,275	131,665
Stationery, printing and office supplies		10,640	5,831
Telephone and internet		22,062	16,659
Travel, accommodation and entertainment		2,431	7,022
Valuations		-	3,700
Water		2,921	3,437
Wealth and fees		34,613	36,143
Website design		1,705	750
Total miscellaneous expenses		<u>622,543</u>	<u>586,156</u>
Total other operating expenses		<u>1,597,056</u>	<u>4,932,559</u>
Total expenses from ordinary activities		<u>3,460,145</u>	<u>6,657,222</u>
Net profit from ordinary activities		<u>6,044,644</u>	<u>1,438,770</u>
Finance costs			
Interest on loan		-	97,526
Interest on lease liabilities		17,908	17,928
Net profit from operations		<u>6,026,736</u>	<u>1,323,316</u>
Income tax expense	1.6 (i)	-	-
Net profit after income tax		<u>6,026,736</u>	<u>1,323,316</u>
Other comprehensive income			
Gain on remeasuring available for sale financial assets		(62,999,349)	125,146,259
Gain on disposal of equity instruments		12,248	54,337
Total comprehensive income		<u>(56,960,365)</u>	<u>126,523,912</u>

The Detailed Income Statement is to be read in conjunction with the disclaimer set out on page 59.

CORPORATE GOVERNANCE

YAVU NI VEIQARAVI

BOARD MEMBER RESPONSIBILITIES

- Protect and enhance the TTFB's value
- Set and review TTFB's strategies and strategic direction
- Monitor operating and financial performance
- Risk management
- Achieve objectives and purpose of TTFB
- Report to stakeholders

BOARD STRUCTURE

Comprising eight Members appointed by the Minister for iTaukei Affairs:

- One member who is a Legal Practitioner registered under the Legal Practitioners Act 1997
- One member who must be a Chartered Accountant in the public practice registered under the Fiji Institute of Accountants Act (Cap 259)
- One member with suitable qualifications and experience as an economist or other relevant qualifications

BOARD MEETING

- Target of eleven meetings per annum
- Additional meeting held as required

COMMITTEES

- Board Members do not delegate major decisions to committees
- Committees are responsible for considering detailed issues and making recommendations to the Board

INVESTMENT AND FINANCE SUBCOMMITTEE

- Eleven meetings per annum
- Establishing of investment strategies
- Assist the Board in identifying and assessing investment opportunities
- Monitor risks and investment performances
- Review the investment manual on policy and procedures as and when required

ITAVI NI LEWE NI MATABOSE

- Maroroya ka vakaikuritaka na iLavo Maroroi
- Tuvana ka vakadiloa na tuvatuva na Matabose kei na vanua e sa mua kina
- Yadrava na qaravi itavi kei na rawaka vakailavo
- Vakatilewa matau ena bolebole eso ni veiqaravi
- Rawata na lalawa kei na inaki ni Matabose ni iLavo Maroroi ni iTaukei (TTFB)
- Vakasavui itukutuku vei ira era sema vakacacaka ki na TTFB

LEWE NI MATABOSE

Na Minista Ni Veika Vakaitaukei Me Vakatikora E Walu Na Lewe Ni Matabose:

- Dua me daunilawa volayaca ena Legal Practitioners Act 1997.
- Dua me daunifika veiqaravi raraba volayaca ena Fiji Institute of Accountants Act (Cap 259)
- Dua me vakaivola ka kila vinaka na bula vakailavo se me vakaivola ena tabana yaga tale eso

BOSE NI MATABOSE

- Namaki me tinikadua na bose ena dua na yabaki
- Kacivi tale na bose kevaka e gadrevi Komiti
- Na leweni Matabose e sega ni dau vakacolata na komiti na vakatilewa lelevu eso
- Na itavi ni komiti me dikeva na veika matailalai qai biuta na nona vakatutu ki na Matabose

KOMITI

- Na leweni Matabose e sega ni dau vakacolata na komiti na
- Vakatilewa lelevu eso
- Na itavi ni komiti me dikeva na veika matailalai qai biuta na nona vakatutu ki na Matabose.

KOMITI LAILAI NI VAKATUBUILAVO

- Bose vakatinikadua ena dua na yabaki
- Navuca na sala eso ni vakatubuilavo
- Vukea na Matabose ena kena vakasaqarai ka dikevi na vanua eso ni vakatubuilavo
- Yadrava na bolebole eso kei na ituvaki ni vakatubuilavo
- Railesuva ena gauna e gadrevi kina na ivakarau kei na iwalewale ni vakatubuilavo ena kena ivola dusidusi

CULTURE AND HERITAGE SUBCOMMITTEE

- Minimum of four meetings per annum
- To assist in developing means of preserving and promoting Fijian language, culture and heritage
- Establishing framework, strategies and plan
- Assist in developing a partnership approach with various local, regional and international organisations

HUMAN RESOURCES (HR) AND GOVERNANCE SUBCOMMITTEE

- Minimum of four meetings per annum
- Handle all HR issues.
- To conduct interviews and make recommendations to the Board
- To review the HR Manual as and when required.

STANDARDS

- Formal review of Board performance
- Active participation by all Members at all meetings
- Open access to information
- Independent professional advice is available to all Members
- Formal Code of Conduct adopted

KOMITI NI VOSA KEI NA ITOVO VAKAVITI

- Rauta ni va na bose ena dua na yabaki
- Vukea na kena tarai cake na sala eso me maroroi ka tutaki kina na vosa vakaviti, itovo kei na iyaunivanua
- Navuca na ituvatuva, ivakarau kei na inakinaki
- Vukea na kena taraicake na cakacaka vata kei ira na isoqosoqo e Viti, Pasifika kei na veiyasai vuravura

KOMITI NI SIKOLASIVI

- Rauta ni rua na bose ena dua na yabaki
- Me qarava na nodra vakatarogi na kere sikolasivi ka solia na nona vakatutu ki na Matabose
- Me railesuva na ivola dusidusi ni soli sikolasivi ena gauna e sa gadrevi kina Na iVakatagedegede ni Cakacaka
- Dikevi vakamatau ni vei qaravi ni Matabose
- Vakaitavi ni lewe ni Matabose yadua ena bose taucoko
- Vakarawarawataki na itukutuku
- Vakarautaki na nodra ivakasala na kenadau vei ira na lewe ni Matabose
- Vakabau na idusidusi ni vei qaravi matau







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