



ANNUAL REPORT

MINISTRY OF ITAUKEI AFFAIRS

2017 -2019

LETTER TO THE MINISTER

Date: 26 July 2022

Hon Iferemi Vasu
Minister for iTaukei Affairs
iTaukei Trust Fund Building
SUVA

Dear Sir,

In accordance with Part 7 Section 49 of the Finance Management Act 2004, I have the pleasure in submitting the Ministry of iTaukei Affairs Annual Report and Financial Statements for the year ending 31 July 2017 to 1 August 2019 for presentation to Parliament.

The Report highlights the Ministry's performance in delivering services to the people of Fiji, and contributing to the Government outcomes.

The report also demonstrates the effort, commitment and achievement of our staff towards building a 'Better Fiji for All'.

Yours faithfully,

Pita Tagicakirewa

Permanent Secretary for iTaukei Affairs



PREFACE BY PERMANENT SECRETARY



I am pleased to present the Ministry of iTaukei Affairs consolidated Annual Report of 2017 – 2019.

This consolidated 2017 – 2019 annual report provides a summary of the Ministry's performance in terms of its outputs and to its contributions to Government Outcomes. New policies, programmes and initiatives were implemented for the good governance and wellbeing of the iTaukei.

The forecast for the future is embedded in the Ministry's mission which is to: emphasise robust leadership for the Vanua, develop sound policies and programs that are relevant, create smart partnership engagements, increased building capacity initiatives and empower the iTaukei through appropriate institutional governance framework.

Our clear focus on these strategies and the dedication of our staffs were critical to delivering a strong performance despite a highly volatile and challenging environment.

Pita Tagicakirewa

Permanent Secretary for iTaukei Affairs



MINISTRY OVERVIEW

CORPORATE PROFILE

The Ministry is responsible for developing relevant policies, focused on the good governance and well-being of the iTaukei. In coordination with the iTaukei Institutions, the Ministry implements and monitors these policies through various programs.

LEGISLATIONS

Our responsibilities are entrenched in the following legislations:

- ☐ iTaukei Affairs Act 1945
- ☐ iTaukei Lands Act 1905
- ☐ iTaukei Lands Trust Act 1940
- ☐ iTaukei Development Fund Act 1965
- ☐ iTaukei Trust Fund Act 2004
- ☐ Fisheries Act 1941



DIVISIONAL RESPONSIBILITIES

iTaukei Lands and Fisheries Commission

Under the iTaukei Lands Act and the Fisheries Act, the Commission adjudicates over chiefly, traditional, and customary titles disputes, determine land ownership, and resolves disputes regarding customary fishing rights.

iTaukei Lands Appeals Tribunal

The Tribunal adjudicates over any appeal against the decision of the Commission.

ITaukei Institute of Language and Culture

The Institute implements programmes to revive, protect and safeguard the iTaukei language and culture.

Development Services Division

The Division develops policies on the social, economic and environmental issues that affect the good governance and wellbeing of the iTaukei.

Corporate Services Division

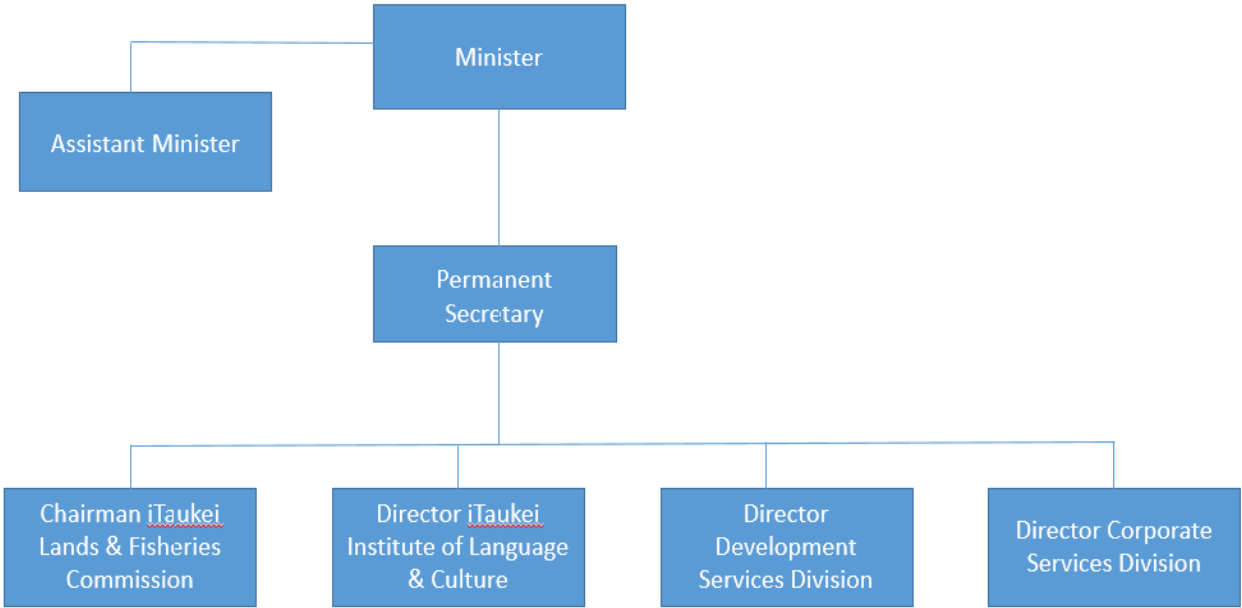
Corporate Services develops and implements the human resource and financial management policies.

Monitoring and Evaluation Unit

The Unit monitors and evaluates the Ministry's Strategic Development Plan and Costed Operation Plan.



ORGANISATIONAL STRUCTURE



MINISTRY'S OUTPUT AND PERFORMANCE ACHIEVEMENTS

OUTPUT 1: PORTFOLIO LEADERSHIP, POLICY ADVICE & SECRETARIAT SUPPORT

Sub Output 1.1: Portfolio Leadership

The Minister for iTaukei Affairs was supported through ministerial briefs, Cabinet Papers and Parliamentary responses. Organizational visibility was endorsed by facilitating 3 Radio Talkback show and 73 media release, including articles and newsletters. Service delivery to communities were expanded through 50 local and overseas Roadshows, 44 local and overseas public consultations and 29 school visits.

Sub Output 1.2: Policy Advice

To provide quality policy advice, 17 new policy papers were developed, 4 policies were reviewed and 20 MTA Internal Circulars were disseminated to improve service delivery in the organization.

Sub Output 1.3: Review and Streamline Organizational Structure

6 Divisional business plans, 154 Job descriptions and Individual work plans were reviewed to enhance an efficient organizational structure.

Sub Output 1.4: Encouraging Productivity and Performance in the Organization

Four bi-annual performance report were submitted to the Ministry of Civil Service.

In improving the Monitoring system within the Ministry, the new digitized monitoring template were adopted to support timely and efficient monitoring process and systems. In addition, monthly Divisional reports were analyzed and presented to the Senior Management Board meetings.

Sub Output 1.5: Secretariat Support

Secretariat support services provided through the following internal & external forums in ensuring efficient and effective implementations of their roles and functions;

Internal Forums	External Forums
Senior Management Board	Internal Policy Committee
QCC/5s committee	Language & Culture Joint Committee
EEA Committee	Land & Natural Resources Committee
FBEA Committee	iTaukei Executive Forum
BOS Committee	
Inventory Committee	

Sub Output 1.4: Inter-Agency consultation and networking with stakeholders/partners

In strengthening partnership with stakeholders, in particular government and Non-Government agencies, the ministry engaged in 337 events such as meetings, workshops, and consultation with stakeholders.



OUTPUT 2: ITAUKEI INSTITUTIONS EMPOWERED

Sub Output 2.1: Encourage Effective Leadership within Community

Participants from Tailevu, Rewa, Ba, Nadroga and Serua with the total of 90 participants attended the 14 weeks training on Certificate III in Leadership, co-funded by the Ministry of iTaukei Affairs and the iTaukei Trust Fund Board. In addition, 118 Leadership awareness programmes were conducted at village, Tikina and Provincial level aiming to improve leadership and governance in rural communities.

OUTPUT 3: CHILD PROTECTION

The Contextualize Training Package (CTP) on Child Protection was completed through a workshop for all relevant stakeholders including government, NGOs, CSOs and faith organizations. The CTP was validated at Loman-ikoro village, Rewa as part of the process of finalizing the training package. The exercise was fully funded by UNICEF.

OUTPUT 4: ENVIRONMENTAL SUSTAINABILITY

Sub Output 4.1: Integrated Approach to Effectively Address Climate Change and Disaster

Management

The meetings of the Resource Owners Committee made up of 14 provincial representatives, Roko Tuis of the 14 provinces and Provincial Conservation Officers were facilitated. The purpose of the meeting was to create resilient iTaukei communities and participation of resource owners on policy development, planning, management and implementation of activities related to iTaukei land and resources through integrated approach for sustainable development.

OUTPUT 5: CULTURE AND HERITAGE

Sub Output 5.1: Promote Cultural Heritage for Sustainable Development

A Tabua shop is being planned under this output this should make the price affordable and sustainable also contributing to the broader objective of preserving and promoting iTaukei Culture. The Ministry has undertaken consultations with relevant stakeholders.

Sub Output 5.2: Collation of Cultural Mapping Data

The Cultural Mapping program aims to protect and promote the iTaukei culture and language. The program had completed field work on 90 villages in the Ba, validation exercise on gathered information/data on 72 villages in Lomaiviti and 12 districts in Tailevu. Data management on gathered information were also part of the ex-

ercise, completed 539 transcripts, 609 audio digitized, 181 video and 1801 images. Library materials are also considered important, completed 526 digitalization of old rare books, purchase 169 new books and the repair of 34 books as part of maintenance and preservation of important documents.

Sub Output 5.3: Cultural Awareness & Advocacy

There were 82 cultural awareness & advocacy sessions. The program were delivered to suit the requirements of each respective institution in particular schools, faith base organization, youths, and communities. The partnership with CATD was established to train youths on culture as part of the training curriculum.

Sub Output 5.4: Safeguarding of iTaukei Language

Safeguarding iTaukei language included the review of iTaukei Dictionary, awareness on new iTaukei spelling and advocacy. In this regard 4,005 words were identified for the review of the iTaukei dictionary, 2 awareness program carried out on the new iTaukei spelling system and the advocacy events including the completion of 97 Noda Vosa program, 26 DVD Cultural documentaries, 5 Lialiaci publication, 3 training on translation and 86 translation work for the Ministry.

Sub Output 5.5: Promotion and Safeguarding of Endangered Cultural Heritage

The Special Revitalization program aims to promote and safeguard endangered cultural heritage. There were 8 endangered ICH identified and 9 Special revitalization program conducted.

Sub Output 5.6: Coordinate National iTaukei Festival

The iTaukei Festivals were celebrated at the provincial and district levels. Twenty one cultural competition were facilitated with partnership with the iTaukei communities and Provincial Council aiming to showcase important cultural identities such as *veisisivi vosavanua*, *meke*, *cakacakaniliga*, *sulusulu*, *buiniga*, *sereni-vanua* and *ukutaki ni vatunuloa*.

OUTPUT 6: PRESEVATION AND MANAGEMENT OF CULTURAL REGISTERS

Sub Output 6.1: Maintenance & Management of Cultural Registers

The iTaukei Lands and Fisheries Commission preserve and manage genealogical records to ensure its longevity for future generations. In this regard, 38 records were renewed, 71 tribal statements completed, 24 records indexed and 28 records scanned.

Sub Output 6.2: Updating of Digitized VKB Records

The updating of the VKB comprises the completion of 13,728 new VKB registration, 452 new VKB deletion through death certificates, 5,079 deletion of names through oath, and 52 transfer of names through Veitokitaki.

Digitization of VKB consist of the 24,895 digitized registration, 10,823 digitized deletion of death, and 534 digitized transfer of names. Completion of 92,756 verification and approval of digitized births, deaths & transfers. 2,258 green certificate and 4,846 VKB copies were also issued.

The computerization of TLFC records involved updating of 6,003 manual and soft copy records, finalized 4,436 digitization of agnate descendants register and computerized 162 data for Vanua Vakawa.

Sub Output 6.3: Management of Land and Customary Titles Records

407 vacant chiefly titles were filled, 24 amendments and verification of Register of iTaukei Land (RTL), 103 new issued for Schedule A&B land, 6 confirmation of extinct Mataqali/tokatoka/agnate descendent and 20 Reversion of extinct tokatoka & agnate descendants land.

Sub Output 6.4: Demarcation of Village Boundary for Cultural Registers

24 village boundaries were demarcated and 115 land administration process for villages in Tailevu. In addition, survey of 2 village boundary and 2 village relocation undertaken.

Sub Output 6.5: Reinforcing Partnership through validating iTaukei Data for Development

Purposes

The iTaukei Lands and Fisheries Commission completed verification of Land Owning Units for 2,287 assessments including request from TLTB, FEA, Housing, Land Use Reforms, Social Welfare, FNPF and Immigration. In addition, 76 customary fishing rights were verified for compliance and 7 survey plan were submitted to the Ministry of Lands for endorsement.

OUTPUT 7: DISPUTE RESOLUTION

Sub Output 7.1: Adjudicate Land/Title Disputes

124 disputes were lodged and 5 were successfully resolved during the Formal Sitzings.

The iTaukei Lands Appeals Tribunal made 5 final ruling over appeal cases against the decision of the iTaukei Lands and Fisheries Commission.

OUTPUT 8: SURVEY OF ITAUKEI LAND

The Demarcation and Survey of Un-Surveyed iTaukei Lands undertook 22 consultations with land owning units, demarcation of 98,264.79 meters of land boundaries and surveyed of 79,914.79 meters of land.

OUTPUT 9: ORGANISATIONAL COMPLIANCE TO GOVERNMENT POLICIES, PLANNING & ACCOUNTABILITY FRAMEWORK

Sub Output 9.1: Appointment under the OMRS Policy

There were 217 submissions to Executive Management in regards to staff appointments, redeployment termination. In addition 87 acting appointments facilitated and 72 Job Description reviewed with the aim to achieve effective human resource management and development. Recruitment and selection updates were submitted on a bi-annual basis.

Sub Output 9.3: Staff Development

The review of the Strategic Workforce Plan, Succession Plan, HRM Manual and Learning and Development Plan were conducted to meet the organizational needs in improving service delivery.

A total of 70 trainings were attended by officers to enhance a productive workforce, in which 48 of these trainings were facilitated by the Training unit.

Sub Output 9.4: Effective Management of Human Resources

Monthly report were submitted to monitor attendance and punctuality of staff hence generating absenteeism and late arrival update. Recruitment updates were through the provision of monthly report on Vacancy Return, Person to Post Listing and Staff Establishment.

Sub Output 9.5: An Effective reward system to acknowledge Employee Performance

Completed the assessment on individual MyAPA report for all officers using a transparent and accountable MyAPA performance assessment guideline.

Overall performance report were then submitted to Executive Management for endorsement.

Sub Output 9.6: Effective Organizational Record Management system

Effective records management are achieved through weekly file census, updating of file index database and the submission of monthly registry management reports.

Sub Output 9.7: Effective Planning & Management Budget compliance

Effective internal and external consultations were resulted in the review of the 5 year 2018-2022 Strategic Development Plan and the formulation of the 2018-2019 Annual Operations Plan.





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17 May 2019

The Honorable Josaia Vore-
qe Bainimarama Minister for
iTaukei Affairs

Government Buildings, New Wing

SUVA

Dear Sir

MINISTRY OF ITAUKEI AFFAIRS

AUDITED FINANCIAL STATEMENTS - 31 JULY 2018

Audited financial statements for the Ministry of iTaukei Affairs for the year ended 31 July 2018 together with my audit report on them are enclosed.

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

Yours sincerely

/fJ, 1.

Ajay Nanci

AUDITOR-GENERAL

cc Permanent Secretary for
iTaukei Affairs Encl.

MINISTRY OF ITAUKEI AFFAIRS

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2018

MINISTRY OF iTAUKEI AFFAIRS

**FINAN CIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018**

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INDEPENDENT AUDITOR'S REPORT

MINISTRY OF iTAUKEI AFFAIRS

I have audited the financial statements of the Ministry of iTaukei Affairs, which comprises the Statement of Receipts and Expenditure, Appropriation Statement and Statement of Losses for the year ended 31 July 2018, and the notes to the financial statements including a summary of significant accounting policies.

In my opinion, the accompanying financial statements are prepared, in all material respects, in accordance with the Financial Management Act, Finance Instructions 2010 and Finance (Amendment) Instructions 2016.

Basis for Opinion

I have conducted my audit in accordance with International Standards on Auditing (ISA). My responsibilities under those standards are described in the *Auditor's Responsibilities* paragraph of my report. I am independent of the Ministry in accordance with the ethical requirements that are relevant to my audit of the financial statements in Fiji and I have fulfilled my other responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Management's Responsibilities for the Financial Statements

The management of the Ministry of iTaukei Affairs are responsible for the preparation of the financial statements in accordance with the Financial Management Act, Finance Instructions 2010 and Finance (Amendment) Instructions 2016, and for such internal controls as the management determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibilities

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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, I exercise professional judgment and

maintain professional skepticism throughout the audit. I also:

Auditor's Responsibilities (continued)

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- i 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 Ministry's internal control.

Evaluate the appropriateness of accounting policies used and related disclosures made by the Ministry of iTaukei Affairs.

I communicate with the Ministry of iTaukei Affairs regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

AjayNand

AUDITOR-GENERAL



Suva, Fiji

17May2019

MINISTRY OF iTAUKEI AFFAIRS
MANAGEMENT CERTIFICATE
FOR THE YEAR ENDED 31 JULY 2018


We certify that these financial statements:

- (a) fairly reflect the financial operations and performance of the Ministry of iTaukei Affairs for the year ended 31 July 2018; and
- (b) have been prepared in accordance with the requirements of the Financial Management Act Finance Instructions 2010 and Finance (Amendment) Instructions 2016.



Mr. Meleti Bainimarama
Permanent Secretary

Date: 6/5/19.



Ms. Finau Niumataiwalu
Senior Accounts Officer

Date: 10/5/2019

MINISTRY OF ITAUKEI AFFAIRS

STATEMENT OF RECEIPTS AND EXPENDITURE FOR THE YEAR ENDED 31 JULY 2018

	Notes	2018(\$)	2017(\$)
RECEIPTS			
Stat Revenue			
Operating Revenue	3 (a)	<u>3,795</u>	<u>2,596</u>
Total State Revenue		3,795	2,596
Agency Revenue & Surplus	3 (b)	<u>2,356</u>	<u>13,183</u>
Total Agency Revenue		2,356	13,183
TOTAL RECEIPTS		<u>6,151</u>	<u>15,779</u>
EXPENDITURE			
Established Staff	3 (c)	3,131,525	2,491,844
Government Wage Earners	3 (d)	279,730	164,287
Travel & Communication	3 (e)	250,794	162,715
Maintenance & Operations	3 (f)	311,782	375,974
Purchase of Goods & Services	3 (g)	240,206	214,262
Operating Grants & Transfers	3 (h)	6,954,879	6,545,900
Special Expenditure	3 (i)	1,077,313	739,619
Total Operating Expenditure		12,246,229	10,694,601
Capital Grants & Transfers	3 G)	578,971	636,546
Total Capital Expenditure		578,971	636,546
Value Added Tax	3 (k)	119,819	113,159
TOTAL EXPENDITURE		<u>12,945,019</u>	<u>11,444,306</u>

MINISTRY OF IKAUKEI AFFAIRS

APPROPRIATION STATEMENT

FOR THE YEAR ENDED 31 JULY 2018

SEG	Item	Budget Estimate (\$)	Appropriation Changes (\$) Note 4	Revised Estimate (\$) a	Actual Expenditure (\$) b	Carry- Over (\$)	Lapsed Appropriation (\$) (a-b)
Operating Expenditure							
1.	Established Staff	3,577,674	(359,335)	3,218,339	3,131,525		86,814
2.	Government Wage Earners	218,994	89,335	308,329	279,730		28,599
3.	Travel & Communication	200,212	95,800	296,012	250,794		45,218
4.	Maintenance & Operations	275,500	45,000	320,500	311,782		8,718
5.	Purchase of Goods & Services	204,618	40,200	244,818	240,206		4,612
6.	Operating Grants & Transfers	6,954,879 1,063,194	29,000	6,954,879 1,092,194	6,937,819		14,881
7.	Special Expenditure						
Total Operating Expenditure		12,495,071	(60,000)	12,435,071	12,246,229		
Capital Expenditure							
10	Capital Grants & Transfers	563,153	60,000	623,153	578,971		44,182
Total Capital Expenditure		563,153	60,000	623,153	578,971	--	44,182
13	Value Added Tax	156,200		156,200	119,819		36,381
TOTAL EXPENDITURE		13,214,424		13,214,424	12,945,019	--	269,405

MINISTRY OF iTAUKEI AFFAIRS

STATEMENT OF LOSSES

FOR THE YEAR ENDED 31 JULY 2018

Loss of Money

The Ministry of iTaukei Affairs did not record loss of money for the year ended 31 July 2018.

Loss of Revenue

The Ministry of iTaukei Affairs did not record loss of revenue for the year ended 31 July 2018.

Loss (other than money)

There was no loss of fixed asset recorded for the year ended 31 July 2017. However, following the Ministry's Board of Survey items worth \$38,255 was approved by the Ministry of Economy to be written off.

Category	Division	Cost (\$)
Furniture, cabinets and non-expendable items	Corporate Service Division	5,010
Equipment and furniture	Accounts	733
Computer Hardware	Tribunal	390
Furniture, cabinets and non-expendable items	Taukei Lands Fisheries Commission	30,813
Furniture, cabinets and non-expendable items	Development	1,309
Total		38,255

MINISTRY OF iTAUKEI AFFAIRS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2018

NOTE 1: REPORTING ENTITY

The Ministry of iTaukei Affairs is responsible for good governance and wellbeing of the iTaukei which includes the preservation of the iTaukei culture. It is also responsible for iTaukei land administration to iTaukei and Rotuman's. The legal framework that cover the operations of this Ministry are the iTaukei Affairs Act, the iTaukei Lands Act, the iTaukei Land Trust Act and the iTaukei Trust Fund Act.

NOTE 2: STATEMENT OF ACCOUNTING POLICIES

(a) Basis of Accounting/ Presentation

In accordance with Government accounting policies, the financial statements of the Ministry of iTaukei Affairs is prepared on cash basis of accounting. All payments related to purchases of fixed assets have been expensed.

The financial statements are presented in accordance with the Financial Management Act and the requirements of Section 71(1) of the Finance Instruction 2010. The preparation and presentation of a Statement of Assets and Liabilities is not required under the current Government policies, except for that of the Trade and Manufacturing Accounts.

(b) Accounting for Value Added Tax (VAT)

All income and expenses are VAT exclusive. The Ministry on a monthly basis takes out VAT output on total money received for expenditure from Ministry of Economy. VAT input on the other hand is claimed on payments made to the suppliers and sub-contractors for expenses incurred.

The VAT payment as per the statement of receipts and expenditure relates to the VAT input claimed on payments made to the suppliers and sub-contractors for expenses incurred and VAT

(payments to Fiji Revenue & Customs Services (FRCS). Actual amount paid to FRCS during the year represent the difference between VAT Output and VAT Input.

(c) Comparative Figures

Where necessary, amounts relating to prior years have been reclassified to facilitate comparison and achieve consistency in disclosure with current year amounts.

(d) Revenue Recognition

Revenue is recognised when actual cash are received by the Ministry.

NOTE 3: SIGNIFICANT VARIATIONS

(a) The state revenue recorded an increase of \$1,199 (46%) which was due to the increased inflow of fees and charges.

(b) The Agency Revenue recorded a huge reduction by \$10,827 (82%) in 2018 compared to 2017 due to reduction of monetary assistance by other Ministries and Stakeholders.

MINISTRY OF iTAUKEI AFFAIRS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued ...)FOR THE YEAR ENDED 31 JULY 2018

NOTE3: SIGNIFICANT VARIATIONS (*continued...*)

- (c) The Established Staff costs showed a major increase of \$639,680.87 (26%) in 2018 compared to 2017. 1bis was merely due to the formalising of vacant positions, provisions of acting positions on critical positions and recommendations of new salaries for recognised officers.
- (d) Unestablished staff cost recorded an increase of \$115,443.28 or 70% in 2018 compared to 2017. The increase was the result of more overtime payment for our Drivers who have been engaged in official duties.
- (e) The Travel and Communications costs increased by \$88,079.72 or 54% in 2018 compared to 2017. 1bis was due to the implementation of the new meal allowance rate of \$20.00 from the old rate of \$15.00 during the financial year.
- (f) The Maintenance and Operations costs noted a decrease by \$64,192.55 or 17% in 2018 compared to 2017. The reduction was merely due to less demand in the repairs and maintenance of vehicles resulting from the additional leased fleet were received by the Ministry during the year.
- (g) The Purchase of Goods and Services costs increased by \$25,944.15 or 12 % in 2018 compared to 2017 was due to the increase Trainings being facilitated, a vast increase in our commitment to Roadshow programmes and number of purchases of items needed from various units which contributes to the deliverables and output achievements.
- (h) The Operating Grants and Transfers costs increased by \$408,979 or 6.24% in 2018 compared to 2017. This was due to increase in the Turaga ni Koro (TNK) allowance.
- (i) The Special Expenditure costs highlighted an increase by \$337,694.38 or 46% in 2018 compared to 2017. This was due to an allocation of Budget for VKB roll - out and the creation of new CMP project position.
- (j) The Capital Grants and Transfer noted a decrease by \$57,575.53 or 9% in 2018 compared to 2017. The decrease was a result of the regularisation of 8 positions.
- (k) The Value Added Tax increased by \$6,660 or 6% in 2018 compared to 2017 was due to the increase in accumulating of vat inclusive items through purchase and receipting revenue incurred during the year.

NOTE 4:

DETAILS OF APPROPRIATION CHANGES

There were no redeployments of the Ministry's funds during the year. Other movements were made through virements as follows:

Virement No.	From	To	Amount (\$)
V05001	SEG 1	SEG 1	84,835
V05002	SEG 1	SEG 1	3953
V05003	SEG 1	SEG 2	4,500

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
(continued ...)FOR THE YEAR ENDED 31 JULY 2018

NOTE4: DETAILS OF APPROPRIATION CHANGES (*continued ...*)

The Permanent Secretary of iTaukei Affairs approved the following Virements under the delegation from the Minister of Economy.

Virement No.	From	To	Amount (\$)
DV0501	SEG 7	SEG4	30,000
DV0502	SEG 1	SEG 5	30,000
DV0503	SEG 1	SEG 3	20,000
DV0504	SEG 7	SEG 7	9,359
DV0505	SEG 1	SEG 3	70,000
DV0509	SEG 7	SEG 7	9,993 I
DV0508	SEG 1	SEG 7	30,000 I
DV0511	SEG 1	SEG 7	6,000
DV0510	SEG 1	SEG 3	8,000
DV0503	SEG 1	SEG4	15,000
DV0514	SEG 1	SEG 5	10,000
DV0512	SEG 1	SEG 3	7,000
DV0513	SEG 1	SEG 7	14,000
DV0515	SEG 1	SEG 10	60,000
DV0516	SEG 3	SEG 7	9,000
DV0517	SEG 3	SEG 3	200
DV0518	SEG 3	SEG 5	200

NOTES 5: OPERATING TRUST

The Ministry's trust fund account comprises of all payroll deductions including Fiji National Provident contribution of employees. As at 31 July 2018, a credit balance of \$51,297 is held in the

Operating Trust Fund Account.

NOTE6: REVOLVING FUND ACCOUNT - MISCELLANEOUS

The revolving fund account comprises of advances made to staff for official travel. As at 31 July 2018, a total of \$5,098 was held in the revolving fund account as outstanding.

NOTE7: DRAWINGS ACCOUNT

At balance date, there were funds amounting to \$70,558 under Drawings account. These monies relate to cheques written by the Ministry that are yet to be presented to the bank.



MINISTRY OF ITAUKEI AFFAIRS



ITAUKEI TRUST FUND BUILDING COMPLEX

87 QUEEN ELIZABETH DRIVE, SUVA

P.O.BOX 2100, GOVERNMENT BUILDING, SUVA, FIJI. TELEPHONE : (679) 3100 909 FAX : (679) 3300198

14 April 2019

Auditor General

Office of the Auditor General

P.O.Box 2214

Government

Buildings

SUVA

Dear Mr. Nand,

This management representation letter is provided in connection with the audit of the Agency Financial Statements and Appropriation Statement for the period ending 31 July 2018 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of (or “present fairly”, in all material aspects) the financial position of the Ministry as of 31 July 2018 and the results of their operations for the year ended in accordance with, Financial Management Act, Finance Instructions 2010 and Finance (Amendment) Instructions 2016.

We confirm to the best of our knowledge and belief, the following representations:

General

1. We acknowledge our responsibility for the preparation and fair presentation of the financial statements in accordance with Financial Management Act, Finance Instructions 2010 and Finance (Amendment) Instructions 2016.
2. We acknowledge our responsibility for keeping proper accounts and records, and preparation of reconciliations and returns.
3. There have been no irregularities involving management or employees who have a significant role in the accounting and internal control systems or that could have a material effect on the financial statements.
4. We have made available to you all books of accounts and supporting documentation and all minutes of all meetings held in 2018.
5. We confirm the completeness of the information provided regarding the identification of related parties.
6. The financial statements are free of material misstatements, including omissions.
7. The Ministry has complied with all aspects of contractual agreements that could have a material effect on the financial statements

in the event of non-compliance. There have been no non-compliance with requirements of regulatory provisions that could have a material

effect on the financial statements in the event of noncompliance.

8. The Ministry has satisfactory title to all assets and there are no liens or encumbrances on the Ministry's assets, except for those that are disclosed in the notes to the financial statements.
9. Other than described in the Notes to the financial statements, there have been no events subsequent to period end, which require adjustment of or disclosure in the financial statements or Notes thereto.
10. There are no formal or informal compensating balance arrangements with any of our cash and investment accounts. Except as disclosed in the Notes to the Financial statements, we have no other line of credit arrangements.

Internal Controls

11. Adequate systems of internal controls exist to ensure that:

- (a) All material transactions are recorded in the accounting records .and these have reflected in the reconciliation and returns prepared by the Ministry.
- (b) No material irregularities (fraud or misappropriation) have occurred involving management, employees or external parties.

We also acknowledge that we are responsible for the design and implementation of internal control to prevent and detect fraud and error. We have established and maintained an adequate internal control structure to facilitate the preparation of reliable financial statements, and adequate financial records have been maintained. There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements.

Internal Audit

12. An effective internal audit function is in operation, and import remedial action is taken by management to rectify any shortcomings reported.

Compliance with legislation and other requirements

13. We are not aware of any breaches or possible breaches of any relevant legislation, contracts or agreements except for those that are identified during the audit.
14. In respect of the operations during the year, Parliament and other Governments directives have been complied with.

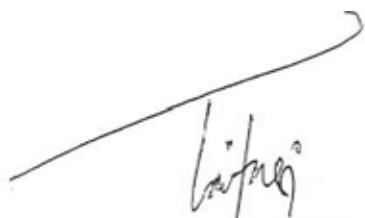
Fixed Assets and Commitments

15. All fixed assets have been properly recorded and accounted for and due care has been taken on its use. Other properties of the Ministry have been safeguarded against loss and damage. All commitments

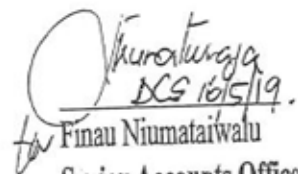
and liabilities have been properly accounted for in the accounting records.

We understand that your audit was conducted in accordance with International Standards on Auditing and was, therefore, designed primarily for the purpose of expressing an opinion on the financial statements of the entity taken as a whole, and that your test of the financial records and other auditing procedures were limited to those which you considered necessary for that purpose.

Yours sincerely



Taitusi Vakadravuyaca
Acting Permanent Secretary



DCS 16/5/19.
Finau Niumataiwalu
Senior Accounts Officer

Taitusi Vakadravuyaca
Acting Permanent Secretary

For **Finau Niumataiwalu**
Senior Accounts Officer

OFFICE OF THE AUDITOR GENERAL

Excellence in Public Sector Auditing



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File: 346

15 April 2020

The Honorable Josaia Voreqe Bainimarama
Minister for iTaukei Affairs
Government Buildings, New Wing
SUVA



Dear Sir

MINISTRY OF ITAUKEI AFFAIRS
AUDITED FINANCIAL STATEMENTS - 31 JULY 2019

Audited financial statements for the Ministry of iTaukei Affairs for the year ended 31 July 2019 together with my audit report on them are enclosed.

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

Yours sincerely

Ajay Nand
AUDITOR-GENERAL

✓ cc Permanent Secretary for iTaukei Affairs

Encl.

MINISTRY OF ITAUKEI AFFAIRS

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2019

MINISTRY OF ITAUKEI AFFAIRS

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019**

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INDEPENDENT AUDITOR'S REPORT

MINISTRY OF ITAUKEI AFFAIRS

I have audited the financial statements of the Ministry of iTaukei Affairs, which comprises the Statement of Receipts and Expenditure, Appropriation Statement and Statement of Losses for the year ended 31 July 2019, and the notes to the financial statements including a summary of significant accounting policies.

In my opinion, the accompanying financial statements are prepared, in all material respects, in accordance with the Financial Management Act, Finance Instructions 2010 and Finance (Amendment) Instructions 2016.

Basis for Opinion

I have conducted my audit in accordance with International Standards on Auditing (ISA). My responsibilities under those standards are described in the *Auditor's Responsibilities* paragraph of my report. I am independent of the Ministry in accordance with the ethical requirements that are relevant to my audit of the financial statements in Fiji and I have fulfilled my other responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Other Matter

Non-compliance with the requirements of the Finance Manual in relation to procurement of goods and services, retirement of accountable advance, proper approval of journal adjustments prior to posting to the FMIS general ledger and timeliness in the preparation of monthly account reconciliation statements have recurred despite the recommendations to improve.

Management's Responsibilities for the Financial Statements

The management of the Ministry of iTaukei Affairs are responsible for the preparation of the financial statements in accordance with the Financial Management Act, Finance Instructions 2010 and Finance (Amendment) Instructions 2016, and for such internal controls as the management determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

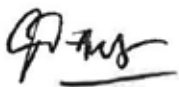
Auditor's Responsibilities

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal 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 Ministry's internal control.
- Evaluate the appropriateness of accounting policies used and related disclosures made by the Ministry of iTaukei Affairs.

I communicate with the Ministry of iTaukei Affairs regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Ajay Nand
AUDITOR-GENERAL



Suva, Fiji
15 April, 2020

MINISTRY OF ITAUKEI AFFAIRS

**MANAGEMENT CERTIFICATE
FOR THE YEAR ENDED 31 JULY 2019**

We certify that these financial statements:

- (a) fairly reflect the financial operations and performance of the Ministry of iTaukei Affairs for the year ended 31 July 2019; and
- (b) have been prepared in accordance with the requirements of the Financial Management Act, Finance Instructions 2010 and Finance (Amendment) Instructions 2016.



Mr. Meleti Bainimarama
Permanent Secretary



Ms. Finau Niumataiwalu
Senior Accounts Officer

Date: 6/4/2020

MINISTRY OF ITAUKEI AFFAIRS

STATEMENT OF RECEIPTS AND EXPENDITURE
FOR THE YEAR ENDED 31 JULY 2019

	Notes	2019 (\$)	2018 (\$)
RECEIPTS			
State Revenue			
Operating Revenue	3 (a)	5,518	3,795
Total State Revenue		5,518	3,795
Agency Revenue			
Other Revenue & Surplus	3 (b)	4,377	2,356
Total Agency Revenue		4,377	2,356
TOTAL RECEIPTS		9,895	6,151
EXPENDITURE			
Established Staff	3 (c)	3,585,006	3,131,525
Government Wage Earners	3 (d)	309,126	279,730
Travel & Communication	3 (e)	189,777	250,794
Maintenance & Operations	3 (f)	404,572	311,782
Purchase of Goods & Services	3 (g)	342,800	240,206
Operating Grants & Transfers	3 (h)	9,100,557	6,954,879
Special Expenditure	3 (i)	1,117,357	1,077,313
Total Operating Expenditure		15,049,195	12,246,229
Capital Grants & Transfers	3 (j)	573,922	578,971
Total Capital Expenditure		573,922	578,971
Value Added Tax	3 (k)	121,640	119,819
TOTAL EXPENDITURE		15,744,757	12,945,019

MINISTRY OF ITAUKEI AFFAIRS

APPROPRIATION STATEMENT
FOR THE YEAR ENDED 31 JULY 2019

SEG	Item	Budget Estimate (\$)	Appropriation Changes (\$) Note 4	Revised Estimate (\$) a	Actual Expenditure (\$) b	Carry - Over (\$)	Lapsed Appropriation (\$) (a-b)
	Operating Expenditure						
1	Established Staff	3,577,674	7,333	3,585,007	3,585,006	-	1
2	Government Wage Earners	227,994	81,131	309,125	309,126	-	(1)
3	Travel & Communication	265,212	(74,329)	190,883	189,777	-	1,106
4	Maintenance & Operations	371,000	37,228	408,228	404,572	-	3,656
5	Purchase of Goods & Services	385,410	(39,930)	345,480	342,800	-	2,680
6	Operating Grants & Transfers	9,100,561	-	9,100,561	9,100,557	-	4
7	Special Expenditure	1,141,207	(23,313)	1,117,894	1,117,357	-	537
	Total Operating Expenditure	15,069,058	(11,880)	15,057,178	15,049,195	-	7,983
	Capital Expenditure						
10	Capital Grants & Transfers	563,153	11,880	575,033	573,922	-	1,111
	Total Capital Expenditure	563,153	11,880	575,033	573,922	-	1,111
13	Value Added Tax	194,689	-	194,689	121,640	-	73,049
	TOTAL EXPENDITURE	15,826,900	-	15,826,900	15,744,757	-	82,143

MINISTRY OF ITAUKEI AFFAIRS

STATEMENT OF LOSSES FOR THE YEAR ENDED 31 JULY 2019

Loss of Money

The Ministry of iTaukei Affairs did not record loss of money for the year ended 31 July 2019.

Loss of Revenue

The Ministry of iTaukei Affairs did not record loss of revenue for the year ended 31 July 2019.

Loss (other than money)

Following the Ministry's Board of Survey, items worth \$7,141 were approved by the Ministry of Economy to be written off.

MINISTRY OF ITAUKEI AFFAIRS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2019

NOTE 1: REPORTING ENTITY

The Ministry of iTaukei Affairs is responsible for good governance and wellbeing of the iTaukei which includes the preservation of the iTaukei culture. It is also responsible for iTaukei land administration to iTaukei and Rotuman's. The legal framework that cover the operations of this Ministry are the iTaukei Affairs Act, the iTaukei Lands Act, the iTaukei Land Trust Act and the iTaukei Trust Fund Act.

NOTE 2: STATEMENT OF ACCOUNTING POLICIES

(a) Basis of Accounting / Presentation

In accordance with Government accounting policies, the financial statements of the Ministry of iTaukei Affairs is prepared on cash basis of accounting. All payments related to purchases of fixed assets have been expensed.

The financial statements are presented in accordance with the Financial Management Act and the requirements of Section 71(1) of the Finance Instruction 2010. The preparation and presentation of a Statement of Assets and Liabilities is not required under the current Government policies, except for that of the Trade and Manufacturing Accounts.

(b) Accounting for Value Added Tax (VAT)

All income and expenses are VAT exclusive. The Ministry on a monthly basis takes out VAT output on total money received for expenditure from Ministry of Economy. VAT input on the other hand is claimed on payments made to the suppliers and sub-contractors for expenses incurred.

The VAT payment as per the statement of receipts and expenditure relates to the VAT input claimed on payments made to the suppliers and sub-contractors for expenses incurred and VAT payments to Fiji Revenue & Customs Services (FRCS). Actual amount paid to FRCS during the year represent the difference between VAT Output and VAT Input.

(c) Comparative Figures

Where necessary, amounts relating to prior years have been reclassified to facilitate comparison and achieve consistency in disclosure with current year amounts.

(d) Revenue Recognition

Revenue is recognised when actual cash are received by the Ministry.

NOTE 3: SIGNIFICANT VARIATIONS

- (a) The state revenue recorded an increase of \$3,744 (61%) simply depicted the increasing number of inflow of fees/charges and other Governmental contributions on share cost programmes.

MINISTRY OF ITAUKEI AFFAIRS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2019

NOTE 3: SIGNIFICANT VARIATIONS (*continued*)

- (b) The Established Staff costs showed a major increase of \$453,481 (14%) in 2019 compared to 2018. This was basically caused by the performance payment to four officers and the payment of My APA exercise through bonus/increments to relevant officers.
- (c) Unestablished staff cost recorded an increase of \$29,396 or 11% in 2019 compared to 2018. The increase was the result of the pay-out of the My APA performance to relevant officers.
- (d) The Travel and Communications costs recorded a reduction in 2019 by \$61,017 or 24% compared to 2018. This was due to the reduced engagement in overseas consultations and close monitoring and controls over the overall utilizations.
- (e) The Maintenance and Operations costs noted an increase by \$92,790 or 30% in 2019 compared to 2018. The increase was merely due to the repairs/maintenance carried out on a non-leased vehicle; GQ497, the purchase and installation of GPS to all our vehicles during the year.
- (f) The Purchase of Goods and Services costs increased by \$102,594 or 43% in 2019 compared to 2018 was due to the increase in the engagement of the Ministry towards two joint Government roadshows in the Western and Northern Division and series of trainings that were carried out. These various activities contributed to the deliverables and output achievements.
- (g) The Operating Grants and Transfers recorded a major increase by \$2,145,678 or 31% in 2019 compared to 2018. The increase had been the impact of increased budget approved for the reporting period to cater for the various grants within the iTaukei Affairs Board.
- (h) The Special Expenditure costs highlighted an increase by \$40,044 or 4% in 2019 compared to 2018. This was due to a new inclusion to the approved budget on the National iTaukei Resource Owners Compensation allocation.
- (i) The Capital Grants and Transfer noted a reduction by \$5,049 or 1% in 2019 compared to 2018. The decrease was a result of the reduction in approved budget for the Survey and Unsurveyed allocation.
- (j) The Value Added Tax increased by \$1,821 or 2% in 2019 compared to 2018 was due to the increase in accumulating of VAT items through purchase and receipting revenue incurred during the year.

MINISTRY OF ITAUKEI AFFAIRS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2019

NOTE 4: DETAILS OF APPROPRIATION CHANGES

There were no redeployments of the Ministry's funds during the year. Other movements were made through virements as follows:

- The categories of Virements approved was in accordance to the Virements authorities as stipulated in the Finance Act of 2011 and Finance Manual of 2017.
- The Ministry of Economy approved the following transfer of funds during the period:

Virement No.	From	To	Amount(\$)
V05001/18-19	Various	Various	33,997
V05002/18-19	Various	Various	88,464
			122,461

The Permanent Secretary of iTaukei Affairs approved the following Virements under the delegation from the Minister of Economy.

Virement No.	From	To	Amount (\$)
DV0501	ACT 1 SEG 3	Various	35,032
DV0502	ACT 1 SEG 7	ACT 1 SEG 5	21,541
DV0503	ACT 1 SEG 5	ACT 2 SEG 4	8,645
DV0504	ACT 1 SEG 5	ACT 1 SEG 5	4,114
DV0505	ACT 1 SEG 7	ACT 2 SEG 10	11,880
DV0506	ACT 1 SEG 7	ACT 3 SEG 7	35,155
DV0507	ACT 1 SEG 5	ACT 3 SEG 7	11,548
DV0508	ACT 1 SEG 7	ACT 3 SEG 7	14,483
DV0509	ACT 1 SEG 3	ACT 1 SEG 3	10,116
DV0510	ACT 1 SEG 3	ACT 1 SEG 4	8,379
DV0511	VARIOUS	ACT 1 SEG 5	9,009
DV0512	ACT 1 SEG 7	ACT 1 SEG 4	4,898
DV0514	Various	ACT 1 SEG 4	7,565
TOTAL			182,365

NOTE 5: OPERATING TRUST

The Ministry's trust fund account comprises of all payroll deductions including Fiji National Provident contribution of employees. As at 31 July 2019, a credit balance of \$53,935 is held in the Operating Trust Fund Account.

NOTE 6: REVOLVING FUND ACCOUNT - MISCELLANEOUS

The revolving fund account comprises of advances made to staff for official travel. As at 31 July 2019, a total of \$37,358 was held in the revolving fund account as outstanding.

NOTE 7: DRAWINGS ACCOUNT

At balance date, the Drawings Account had a nil balance.

