

2017



NATIONAL FIRE AUTHORITY



Annual Report Year ended 31st July 2017

Parliamentary Paper Number 85/23

NATIONAL FIRE AUTHORITY

ANNUAL REPORT

Year ended 31st July 2017

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ANNUAL REPORT *for the Year ended 31st July 2017*

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Chairman's Report

Honorable Maciu Katamotu Nalumisa
Minister for Housing & Local Government
Level 3, Fiji FA Building
Gladstone Road
Suva

Dear Honorable Minister

On behalf of the National Fire Authority Board, I am pleased to present the Annual Report for the National Fire Authority (NFA) for the twelve months from 1st August 2016 to 31st July 2017, outlining the activities, achievements and new developments that transpired during the course of this new financial year.

At this juncture, the Board acknowledges the leadership contribution of the former Board Chairman – Commander F. B. Kean, who worked with Senior Management since 1st January 2016, following the expiry of the term of the previous Board on 31st December 2015, to oversee the day-to-day operations of the Authority and ensured that good governance was maintained at all levels. The new Board's appointment came into effect from 3rd April 2017 with the appointment of five members of the NFA Board.



A significant move during the year has been the change in fiscal year and being a Statutory Body, NFA aligned itself to Government's change in fiscal year from 31st December to 31st July. This change has been a positive move, taking the pressure off during the traditionally busy festive season where everyone's focus and presence is limited. This change in fiscal year also enables planning before the cyclone season and climatic changes.

With NFA's mandate to coordinate and carry out proactive fire prevention and respond to emergency rescue operations, it continued to work with its stakeholders and Government to map out effective strategies to bring about a total change in culture and mindset within the communities for the reduction in fire incidents and fire deaths.

The continued support of the Ministry of Housing & Local Government will provide an enabling environment for NFA to achieve this mandate and realize its full potential in delivering an efficient and effective service for fire, ambulance and other emergency services to the Fiji communities.

Government's enabling support has resulted in the achievement of new milestones during this fiscal year with the completion of four (4) new Fire Stations in Korolevu, Korovou, Seaqaqa and Waiyevo in Taveuni, which have enabled the NFA to expand its services into these new areas.

We continue to acknowledge with gratitude Government's support towards the realization of its expectations for all essential services to be accessible to every member of the community and strategically position NFA to support economic growth and help the nation grow and develop.

NFA is also committed to ensuring that NFA continues to upgrade its firefighting and emergency services standards, building of human capital capacity, and workforce skills and competencies to ensure a high standard of service delivery if we are to meet or exceed customer expectations.

It is, therefore, our great pleasure to present this Annual Report for the year ended 31st July 2017.

Yours faithfully



John Masi O'Connor
Board Chairman
National Fire Authority



Role and Responsibilities of the Board

The Authority's Governance Framework include formalised Board and Sub-Committee arrangements in accordance with the National Fire Service Act, 1994 that will realise the development of strategies required for the Authority to achieve its agreed objectives and monitor progress and performance.

The Board sets the National Fire Authority's strategic direction and delegates responsibility of the management of the Authority to the Chief Executive Officer. The Board strives to create Shareholder value and enhance the prosperity of the business over time, ensuring the prudent safeguarding of investments. The Authority aims to achieve this through its strategic objectives, people, teamwork, leadership, experience and skills, relationships and property identification and control of business risk. In doing so, the Board is required to:

- Determine the strategic direction of the Authority and develop supporting policies.
- Assess performance against strategies to monitor both the suitability of those strategies and the performance of Management.
- Have proper stewardship and control of the Authority's activities ensuring the integrity of management information systems and reporting to the shareholders.
- Approve policies on and oversee the management of business risk, safety and occupational health and environmental issues.

The Board supports a strong disclosure regime acknowledging transparency as a key element of an effective corporate governance system. This includes timely and accurate information to be disclosed on matters such as the Authority's financial and operating results, its objectives, remuneration for Board members and material foreseeable risk factors.

In addition to disclosure on commercial objectives, the Board encourages disclosure of policies relating to the environment and the communities in which the Authority operates. The Board meets once a month and receives full information to help in the discharge of its duties.

Board Composition

The Board of the National Fire Authority is constituted under the National Fire Service Act, 1994 and provides for a Board of seven (7) members of the Authority who are appointed by the Minister for a term of three (3) years. The Chairman and Board Members are paid fees and allowances out of its funds, as the Minister may determine.

Members of the NFA Board are required to observe NFA's Code of Conduct and other requirements specified by NFA's Governance Framework. They are also required to disclose any conflict or pecuniary interests.

Following the expiry of the term of the previous Board members at 31st December 2015, only the Board Chairman – Commander F.B. Kean was reappointed by the then Minister for Local Government, Housing, Environment, Infrastructure & Transport with effect from 1st January 2016. As a result, there were no Board meetings held from January 2016.

During the period from 1st February 2016 to 31st March 2017, NFA Senior Management worked with the Board Chairman on the day to day running of NFA's business operations. The Minister, on recommendation of the Board Chairman, approved the appointment of Mrs Mileta Seniroqa as Acting Chief Executive Officer with effect from 1st December 2016, to oversee the day-to-day operations of the organisation and be accountable to the Board Chairman.

All reports and decisions taken during the period from 2016 were documented by Management and approved by the former Board Chairman for ratification by the new NFA Board upon their appointment.

The then Minister for Local Government, Housing, Environment, Infrastructure & Transport appointed five (5) new Board Members on 4th April 2017 for a term of three (3) years, which included the appointment of the new Board Chairman - Mr John O'Connor.

The Board also appointed two Sub Committees, namely the **Audit, Finance & Capital Works** Sub Committee and the **Human Resources & Risk Management** Sub Committee to assist the Board.

Audit, Finance & Capital Works Sub Committee

The Audit, Finance & Capital Works Board Sub Committee oversees all matters concerning internal control, the appropriateness of accounting policies and principles, and financial reporting including review of annual financial statements. Through the report by the Internal Auditor, the Sub Committee considers and advises the Board whether accounting methods chosen by Management are consistent and comply with Accounting Standards and Concepts and monitors the methods used to account for unusual transactions.

Financial and Internal Control

The Board Members are responsible for the Authority's system of internal control, the effectiveness of which is reviewed by them annually. This covers all controls including those in relation to financial reporting processes. In addition to monitoring reports received, they consider the risks faced by the Authority, whether the control systems are appropriate and consult with internal and external experts on environmental, insurance, legal and health and safety compliance. However, such a system can only provide reasonable but not absolute assurance against material misstatement or loss.

The key procedures that the Board has established to provide effective internal controls are as follows:

- **Policies & Procedures** – Review of organisational Policies & Procedures relating to Human Resource management, Vehicle fleet management and Financial Policies & Procedures are carried out on an annual basis for approval by the Board. Any Policy breaches by Staff are dealt with through the prescribed Disciplinary Procedures.
- **Financial Reporting** – The annual Corporate Plan is developed by Management for the Board's approval together with the annual budget incorporating both capital and operating expenditure. The Budget is approved by the Board and results for the Authority are reported monthly against the budget to the Board and revised forecasts for the year are prepared through the year.
- **Financial and Accounting Principles** - Financial controls and accounting policies are set by the Board to meet appropriate levels of effective financial control. Compliance with these policies and controls is reviewed where necessary by external auditors.
- **Information Technology** - Whilst the Authority operates separately managed computer platforms for its financial, payroll and human resources information system and stand-alone PCs, it continues to pursue a commonly managed computer platform to provide common reporting and control systems and the ability to manage and interrogate businesses remotely.

However, there are associated risks such as IT security, access rights and business continuity, with having all the Authority's IT systems on a common platform. These risks are mitigated by an increased focus on IT security through a process of investment in IT facilities to maintain the integrity and redundancy features for the hardware and communications infrastructure.



- **Capital Investment** - The Authority has clearly defined guidelines for capital expenditure. These include annual budgets, appraisal and review procedures, and levels of authority. Post investment appraisals are performed for major investments.

Human Resource & Risk Management Sub Committee

The HR & Risk Management Sub Committee oversees all matters concerning human resources, policies and procedures, performance management system and risk management practices.

Risk Assessment and Information

Operational management, in conjunction with the Chief Executive Officer who reports regularly to the Board, is responsible for identification and evaluation of significant risks applicable to the Authority and delegates the tasks of designing and operating suitable internal controls.

The principal risks associated with the Authority's activities include:

- credit risk in ensuring the timely receipt of payments and recovery of bad debts;
- legislative and regulatory risk;
- increase in fuel prices, availability and accessibility of consistent water supply;
- and the changing construction landscape and associated materials, to name a few.

The Authority has taken appropriate steps to manage and control these risks.

Board Members



John Masi O'Connor
Chairman



Ratu Aisea Waka Vosailagi
Member



Mr Peter McPherson
Member



Mr Inia Naiyaga
Member



Mr Satish Patel
Member

Overview

The National Fire Authority (NFA) is a specialised urban fire and rescue service organization that provides firefighting, road accident rescue, urban search and rescue, hazardous material rescue (hazmat), natural disaster management, flood and swift water rescue and emergency ambulance services to protect life, property and the environment.

NFA's core strength is a service delivery model that ensures we share responsibility with our various communities to minimise the likelihood and consequences of emergencies. However, the pace of change in our environment, both internal and external, is increasing significantly, presenting the NFA with both challenges and opportunities. These changes will impact on our communities and will challenge the traditional way that we have delivered programmes, products and services. To be relevant and valuable to Fiji's communities, the NFA will need to provide leadership to, with and across the sector to establish accountability for fire and emergency management outcomes.

Fundamental to Government's reforms for the Fire Service is the expansion of NFA's emergency response services to all our communities so that all fellow Fijians can benefit from this essential service. The NFA responds to all types of emergencies such as road accident rescue, hazardous material rescue, flood water rescue, emergency ambulance response and this now includes the provision of such services beyond the city and town boundaries.

During the year, the NFA continued to play a key role with our emergency service partners. NFA expanded its work with the National Disaster Management Office, providing assistance for emergencies beyond the town and city boundaries. The NFA continued to work with other service providers to increase interoperability between agencies and, in most instances, take the lead role during major disasters.

The full implementation and upgrading of the Financial Management Information System has realigned the internal financial controls and recording desired and is addressing the issues and concerns raised during Audit.

Management will ensure that each of the issues raised are urgently addressed and progressive updates provided to the Board until all issues are resolved and proper accounting and recording procedures are maintained.

Expansion of NFA's Service Delivery

As Government continued to strive to provide equal opportunities and access to all Government services by all Fijians, concern has been on the locality of our fire stations which are centered around our Towns and Cities and thus the people in the urban communities have more access to NFA's services unlike the communities located in the rural areas.

With the support of our line Ministry, Government provided capital grants which realised the establishment of four (4) new Fire Stations during the course of this fiscal year.

Firstly, the new Korolevu Fire Station was officially commissioned by the Hon Prime Minister – Ratu J. V. Bainimarama on 26th October 2016 which expanded NFA's services to the communities in Korolevu and the Coral Coast. The total project cost was \$1.3 million. Korolevu and the Coral Coast have a long history in the tourism sector and this area has been the backbone in the growth of the tourism industry in Fiji.

This was an important milestone for NFA as it expanded its service delivery to rural communities in Korolevu to ensure their earliest and effective attendance to any emergency.



On 28th October 2016, the Hon Prime Minister commissioned the new Korovou Fire Station in Korovou, Tailevu, which continued to reinforce Government’s commitment to provide better and faster delivery of its services to the people.

The total project cost was \$1.2 million. Government’s provision for equal and better services for all the people of this nation was one of its most important priorities and the establishment of the new Fire Station in Korovou has realised Government’s objective to have such services readily available to the people of Korovou and its neighbouring communities.



On 25th February 2017, the Hon Prime Minister commissioned a third new Fire Station for the National Fire Authority in Seaqaqa. The total project cost was \$1.2 million. The establishment of this Fire Station in Seaqaqa confirmed another historical achievement under Government's **Look North** policy to safeguard the growing economic investments as well as instill stakeholder and investor confidence.

Government confirmed its commitment to spreading such essential services to the Northern Division to expand the NFA's shield of protection so as to cover as many families and commercial entities as possible.



On 2nd March 2017, the Hon Prime Minister commissioned the new Fire Station in Waiyevo, Taveuni, which was constructed at a total project cost of \$1.1 million to provide fire and emergency services to communities on Taveuni.

For many years, Taveuni Fire Station has been operating from a residential property and, given the growing investments and world-renowned profile of Fiji's very own beautiful Garden Island, it was necessary to have a fire station to better serve our communities at large in Taveuni and to complement its expanded role of being a fire and emergency response service provider to the people of Taveuni.



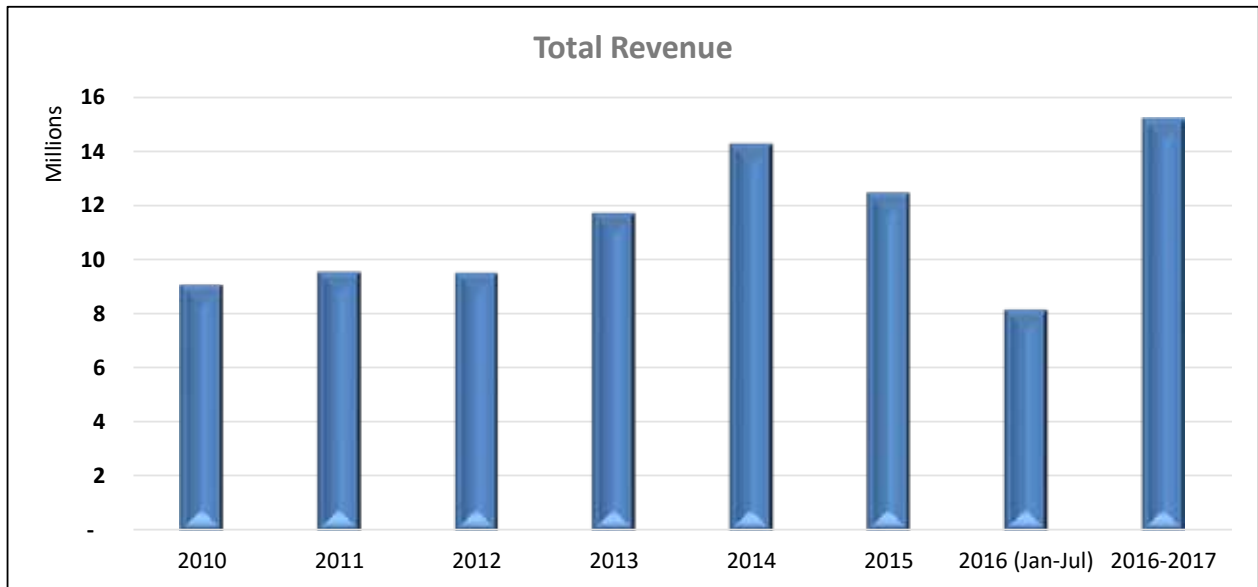
These four new Fire Stations increased the total number of Fire Stations around the country to eighteen (18).

These milestone events were well attended by Parliamentarians, Senior officials of the Civil Service, Senior Representatives of the Business Communities, Landowners and neighbours. We are grateful to Government for its support in providing funding for the establishment of these four new Fire Stations.



Revenue

Total Revenue - Total revenue for the 2016/2017 fiscal year was \$15.2 million (2015: \$12.5 million, Jan-July 2016: \$8.2 million). The increase in the total income during the fiscal year when compared with the previous year is attributed to the increase in remittances for fire service levy, water levy and structural fire safety income.



Statutory and Government Funding – The National Fire Services Act, 1994 stipulates that funding of NFA’s annual estimated expenditure shall be through insurance levies, water meter levies and State contributions.

As such, the Fire Service Levy Order, 1995 stipulates that 0.06% is chargeable on the sum insured for all insurance policies on the following classes of insurance:

- Commercial and Industrial Fire Policies; and
- Domestic Fire Policies including House-owners and householders.

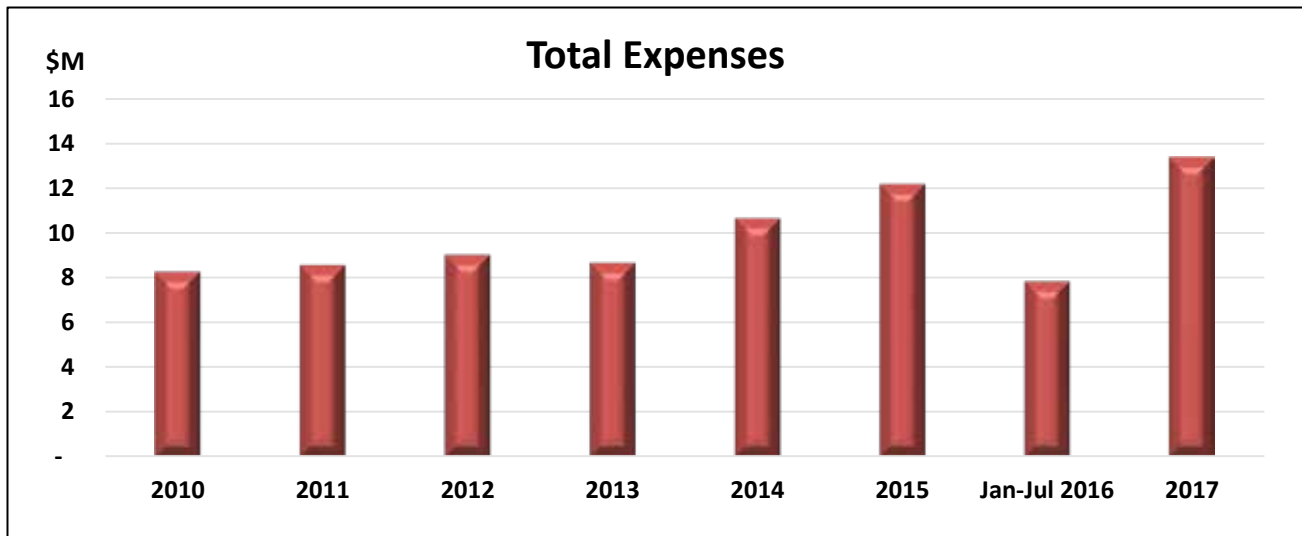
Water meters located within the Fire Boundary are charged at 50 cents per month for each.

For the 2016/2017 fiscal year, the Statutory contributions towards the Authority’s revenue comprised of Fire insurance levies (78%) and Water meter levies (2%). However, capital funding has not been recorded under revenue. The Government grant for operational activities was 2%, Revenue from services and other earnings was 16% and amortization revenue was 2%.

Sales of Goods and Services - NFA generated \$2.2 million during the fiscal year from the provision of goods and services to external bodies. This included revenue generated from the provision of commercial training services, private fire alarm monitoring and attendance fees, structural fire safety compliance and inspections fees and fire investigation reports.

Expenditure

Total Expenses - Total operating and administration expenses incurred for 2017 was \$13.4 million (2015: \$12.2 million, Jan-Jul 2016: \$7.8 million).



Wages and salaries totaled \$8.0 million in 2016/2017 (2015: \$7.3 million, Jan-July 2016: \$4.6 million) which included other employee expenses such as superannuation, taxes, insurances and employee support activities, accounting for 70% of the overall expenses.

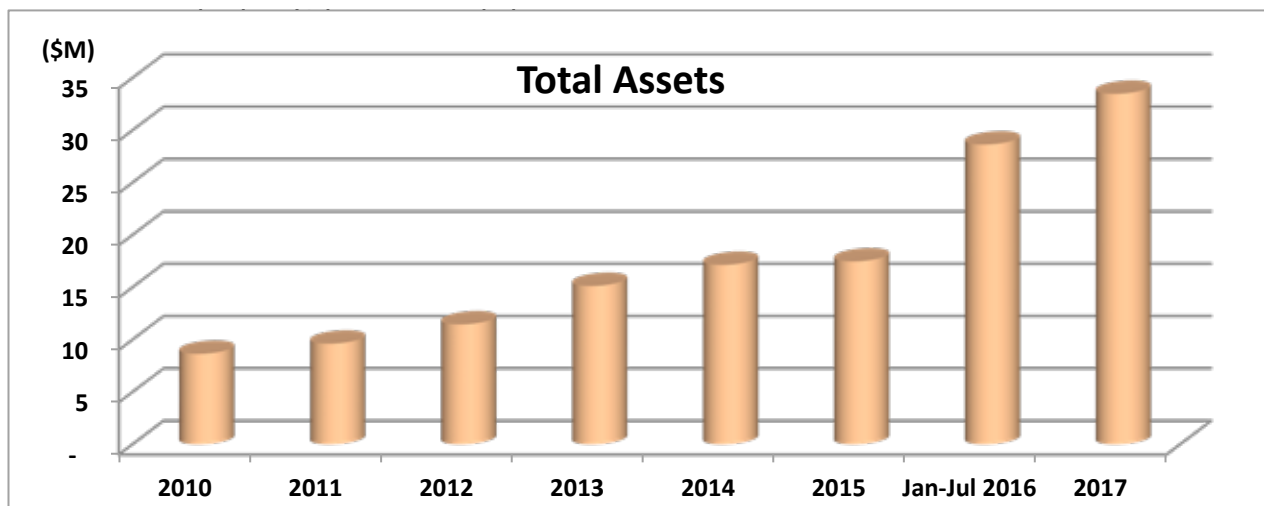
Employee Entitlements - A total of \$296,432 (2015: \$0.014 million, Jan-July 2016: \$0.084 million) is accrued for annual leave, most of which will become payable at a future date.

Other Expenses - Other operating and administration expenses incurred during the year was \$3.9 million (2015: \$3.5 million, Jan-July 2016: \$1.7 million). These expenses include communications, motor vehicle repairs and fuel, staff training and fire station expenses.

Depreciation and Amortization - The written down value of NFA's assets at cost or valuation which include land, buildings, leasehold improvements, vehicles, plant and machinery totaled \$18.3 million (2015: \$15.3 million, Jan-July 2016: \$16.4 million). Depreciation expense was \$1.3 million for the year (2015: \$1.2 million; Jan-July 2016: \$1.3 million).

Assets

Total Assets - Total assets as at 31st July 2017 was \$33.5 million compared to a total of \$17.5 million in 2015 and \$28.6 million for the 7 months in 2016. This variation has been the result of an increase in property, plant and equipment.



Current Assets - Current assets totaled \$15.1million (2015: \$7.5 million, Jan-July 2016: \$12.1 million) and included inventories and goods held in store (\$0.296 million), money owed to NFA (\$1.4 million), held to maturity investments (\$1.6 million) and cash at bank, deposits and prepayments made by NFA (\$11.8 million).

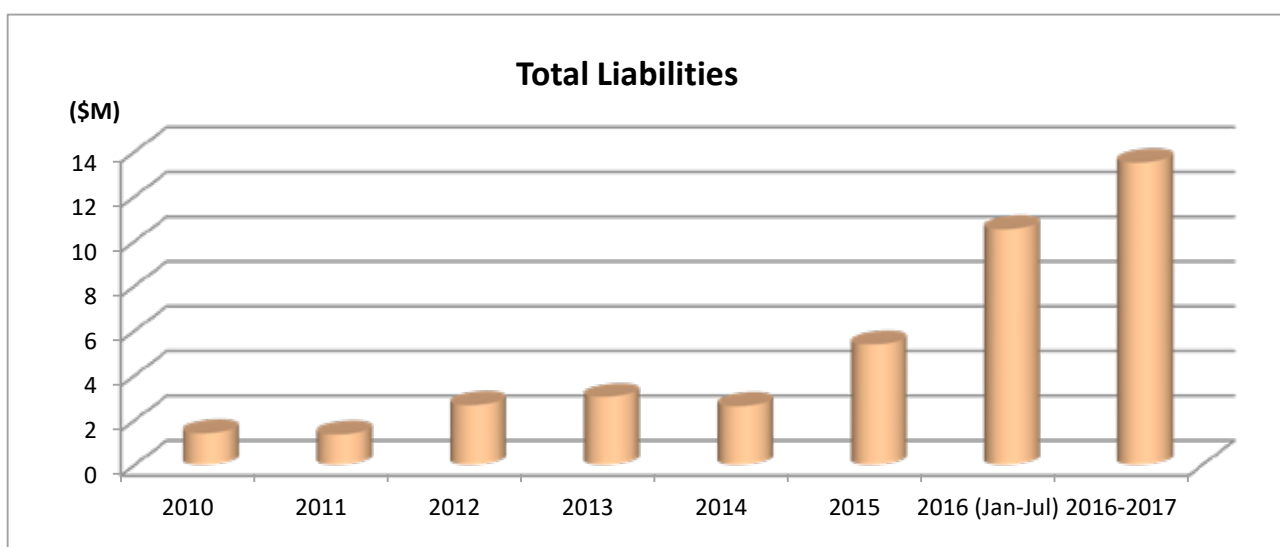
Vehicles - After depreciation, the value of NFA's vehicles totaled \$5.7 million (2015: \$6.3 million, Jan-July 2016: \$6.2 million).

Plant, Machinery and Equipment - This includes computer hardware, general plant and communications equipment at a total value of \$4.6 million (2015: \$4.3 million, Jan-July 2016: \$4.06 million).

Land, Buildings and Leasehold Improvements - The value of NFA owned land, buildings and improvements totaled \$7.9 million (2015: \$4.5 million, Jan-July 2016: \$6.1 million).

Liabilities

Total Liabilities - Total liabilities at 31st July 2017 amounted to \$13.5 million (2015: \$5.4 million, Jan-July 2016: \$10.5 million).



Employee Entitlements - A total of \$0.296 million (2015: \$0.084 million, Jan-July 2016: \$0.014 million) is accrued for annual leave. Most of this will become payable at a future date.

Goods or Services not yet paid for - At the end of the year, a total of \$2 million (2015: \$1 million, Jan-July 2016: \$2 million) was owed for goods or services already provided but yet to be paid.

Details of the financial performance of the Authority for the financial year ended 31st July 2017 are provided under the audited financial statements section of this report.



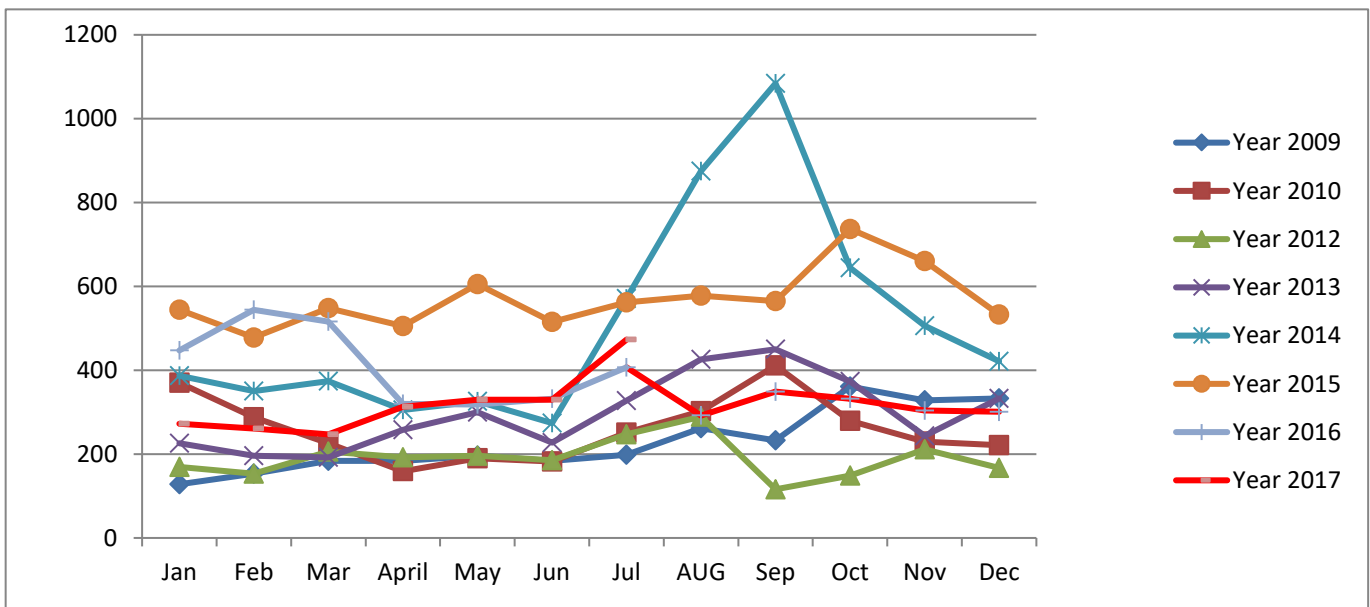
Operational Performance

Emergency Incident Responses

The number of incidents attended to by NFA in the year 2017 totaled 3,782 (2015: 6,845, Jan-July 2016: 2,884) as tabulated below:

Incident	2017 (Aug-Jul)	2016 (Jan-Jul)	2015 (Jan-Dec)
Property or Structural fires	150	81	127
Small property fires	160	120	194
Grass/Bush/Cane/Rubbish fires	1,050	464	1,520
Special services/ Malicious/ Others	153	128	161
Vehicle fires	95	40	80
Ship and Boat fires	1	1	2
Road Accident Rescue	181	116	135
Private Fire Alarms	775	542	899
Swift Water Rescue	-	-	2
Emergency Ambulance Service	1,217	1,392	3,725
Total	3,782	2,884	6,845

A comparative analysis of the Emergency Responses attended to by the NFA in all Divisions around the country for the years from 2009 to 2017 is illustrated in the graph below:



The high incident levels during the period from August 2016 to July 2017 were attributed to a total of 1,050 responses to Rubbish, Grass, Bush and Cane Fires associated with the sugar cane crushing season; and a total of 1,217 responses to Ambulance calls.

Fire Response

Change in public perception and attitude towards fire safety continues to be a challenge as evident from the increase in the number of property fires to 150 in 2017 compared to 127 for the 12 months in 2015 and 81 for the 7 months in 2016. The increase in structural fires was attributed to the increase in residential property fires.

It is, therefore, critical for every sector of the economy to work together with the NFA to reduce fire occurrences, especially for residential fires in the country.

Category	2017	2016 (Jan-July)	2015
Commercial	17	16	4
Industrial	1	2	5
Residential	132	129	118
TOTAL	150	147	127

There continues to be growing concern for the attitudes of people and the community for fire prevention to avoid unnecessary fires from occurring in the first place. Such proactive approach to fires will help to stop the unwanted occurrence of fires from destroying residential homes and displacing families in the event.

This follows a total of 20 fatalities (Jan-Dec 2015: 9; Jan-Jul 2016: 2) resulting from residential fires that occurred during the course of the year from August 2016 to July 2017. The youngest victim was a 1-year 5 months baby whilst the oldest victim was a 74-year-old female.

NFA continued its aggressive advertising of fire safety awareness on the Television Stations, Radio and the Fiji Sun newspaper in order to curb the increase in structural fires and fire victims.

Fire Causes

Having attended to a total of 150 structural fires during the year, there was an increase in electrical related fires which constituted 31% of the total structural fires when compared to 30% for the 7 months in the previous fiscal year.

Arson-related structural fires also increased to 21% in 2017 when compared to 17% and 18% for the previous years whilst unattended cooking constituted 13% of the total number of structural fires. These fire causes can be prevented with a major change in people's attitudes toward the safe handling of fire and ensuring that the necessary fire safety precautions are taken at all times.

Causes of Fire	2016/2017		Jan-Jul 2016		2015	
	Occurrences	%	Occurrences	%	Occurrences	%
Electrical	47	31	24	30	16	25
Arson/Suspicious	32	21	14	17	11	18
Unattended cooking	20	13	10	12	11	18
Matches/Cigarette	12	8	4	5	4	6
Undetermined	18	12	11	14	10	16
Uncontrolled burning	6	4	4	5	4	6
Prayer Diya	9	6	4	5	2	3
Kerosene/Benzene lantern/Stove	-	-	2	2	1	2
Mosquito Coil	-	-	2	2	2	3
Lit Candle	1	1	6	7	2	3
Firecracker	1	1	-	-	-	-
Fire Place	2	1	-	-	-	-
Flammable Liquid	1	1	-	-	-	-
Welding Spark	1	1	-	-	-	-
Total per year	150	100	81	100	63	100

Road Accident Rescue

NFA attended to a total of 181 (2015: 135, Jan-Jul 2016: 116) Road Accident Rescue operations during the year. The NFA's role in this emergency operation is to effectively provide life-saving support to trapped and injured persons by way of their extrication from the vehicle, provide first aid treatment on the victims before rushing the injured to the nearest medical centre or hospital.

NFA's firefighters have been trained and possess the required knowledge of a systematic approach to road accident rescue, basic first aid, other agency roles and resources, the importance of scene integrity, the basic construction of motor vehicles, use of relevant equipment, applying the techniques employed to effect extrication, critical incident stress and the importance of effective operational and emotional debriefing.

Urban Search and Rescue

There was no incident relating to urban search and rescue (USAR) operations during the year. This operation would involve the location, rescue (extrication) and initial medical stabilisation of victims trapped in confined spaces. Structural collapse is most often the cause of victims being trapped, but victims may also be trapped in transportation accidents such as elevators, etc. USAR operations have also involved pet rescue incidents involving the rescue of pets that have either fallen off a cliff or are trapped in a tree.

Technical specialists from the Jakarta Fire Service, Indonesia, conducted in-country training in July 2017 on high angle rescue and other specialised rescue skills that would assist firefighters during urban search and rescue operations. A total of 15 NFA firefighters and officers were trained.

Flood Water Rescue and Natural Disasters Response

Many areas in Fiji are susceptible to flooding and have required response and recovery efforts by NFA and other agencies. Flood water response and evacuation efforts have usually followed natural disasters.

NFA's role in these operations have gradually gained acceptance and dependence by members of the community as the role of the firefighters in these operations relate to the ferrying of people across a flooded river or flooded land, evacuation or moving of people or animals to safety, search and recovery, searching floodwaters for missing people and rescuing people trapped by floodwaters, such as from their homes, roof tops, car roofs, house roofs or on trees.



These rescue operations are often carried out during poor weather, whereby flooded waters have been known to carry rubbish and debris that can flow with great force and pose much danger for our firefighters. In most cases, fire crews have to work at night to meet the demands of the communities.

Special services relating to clearing out of fallen trees and debris from roads have also been provided by NFA's firefighters, particularly after natural disasters such as cyclones or heavy flooding. Good co-ordination between the National Disaster Management Office is essential in this multi-agency operation.

Municipalities, businesses, hospitals and schools have usually engaged the services of the NFA to assist in the clearing up of debris and silt for quick return of the community to normality.

Emergency Ambulance Response

Our emergency ambulance service provides non-emergency basic life support, advanced life support and a nurse or respiratory therapist staff during critical-care transportation services. Government continued to outsource its Emergency Ambulance Service (EAS) to the NFA during the year with the provision of Emergency Ambulance Services along the Suva-Nausori corridor and surrounding communities.

NFA has 5 ambulances assigned to Suva, Nausori, Sigatoka, Ba and Labasa Fire Stations. For the 2016/2017 fiscal year, NFA responded to 1,217 ambulance calls (2015: 3,725; Jan-Jul 2016: 1,392).

Significant Incidents

August 2016

- Signed a Memorandum of Understanding with Water Authority of Fiji for 271 Fire Hydrant installations for 2016 (\$900,000vip) and 60 fire hydrant installations for 2016/2017 (\$200,000vip).
- Purchased 2.5 acres of freehold land in Qaributa, Navua, for the new Navua Fire Station.

October 2016

- Recruitment of 34 new Firefighters.
- Official commissioning of a new Fire Station in Korolevu by the Hon Prime Minister on 26th October 2016.
- Official commissioning of a new Fire Station in Korovou by the Hon Prime Minister on 28th October 2016.

November 2016

- Held two Leading Firefighter Promotional Courses on 7th to 11th November for 21 Officers and from 21st to 25th November 2016 for 25 Officers.

February 2017

- NFA received a \$30,000 donation from Tower Insurance on 6th February 2017 for the broadcast of fire safety messages from February 2017 to January 2018 on 5 radio stations on FBC Radio. An MOU was also signed by both parties.
- Official opening of the new Seaqaqa Fire Station by the Hon Prime Minister on 25th February 2017.

March 2017

- Official opening of the Waiyevo Fire Station by the Hon. Prime Minister on 2nd March 2017.
- A high-level Advance Team delegation from the Jakarta Fire Department, Indonesia, led by the Chief of Jakarta Fire Department visited NFA Fiji for the first time since the signing of the MOU 3 years ago.

- Procured 24 units of Chemical or Hazardous Material Protective Suits from Draeger Pacific at FJ\$5,790.07 per unit and 100 sets of Compressed Air Breathing Apparatus and Cylinders utilising the 2016/2017 Government Grant of \$200,000.

April 2017

- Procured 2x Emergency Ambulances from Vision Motors utilising the 2016 Government Grant provision of \$200,000.

July 2017

- A team of specialist trainers from the Jakarta Fire Department, Indonesia arrived and conducted high-angle rescue training and other specialised rescue techniques for 15 NFA firefighters.

Fire Service Delivery

Fire Stations - NFA has established a total of eighteen (18) fire stations around the country to ensure the prevention and early mitigation of fires in support of Government's efforts to enhance economic growth and protect lives and property.

Division	Permanent Stations
Central/East	Suva, Valelevu, Nausori, Korovou, Levuka, Pacific Harbour and Navua (7)
West	Lautoka, Korolevu, Sigatoka, Nadi, Ba, Tavua and Rakiraki (7)
North	Labasa, Savusavu, Seaqaqa and Taveuni (4)
Total	18

Fire appliances and Equipment

Vehicle fleet efficiency - NFA had a total of 78 vehicles with 77% efficiency by the end of 2016/2017 fiscal year, a decrease when compared with the vehicle fleet efficiency for the 7 months to 31st July 2016 averaged at 81%.

Age of Vehicle Fleet - The average vehicle age for NFA's fleet of vehicles is 18 years.

Water supply - Intermittent water supply in major areas, particularly in the Western Division, continued to be a major cause for concern for NFA and poses a major risk for our firefighting operations. Whilst consultations with the Water Authority of Fiji continue, Stations have identified alternative water sources as a secondary means of water supply such as nearby rivers, creeks, swimming pools, water tanks and natural pools. In the case of high-risk areas without a secondary water source, discussions were held with community leaders to propose the installation of water tanks as an alternative water supply and a secondary water source for fire operations.

Fire hydrants - The strengthening of NFA's role and responsibility will facilitate the enforcement of fire safety compliance in all future new developments to include fire risk mitigating infrastructure and equipment, including the installation of fire hydrants as part of any new development project cost. NFA signed a Memorandum of Understanding with Water Authority of Fiji for 271 Fire Hydrant installations for 2016 (\$900,000vip) and 60 fire hydrant installations for 2016/2017 (\$200,000vip). The fire hydrants were installed in the following areas:

Division	2016/2017	2016	2015
Central/East	20	116	100
West	23	95	100
North	17	60	82
Total	60	271	282

All Stations conducted hydrant inspections during the year to carry out pressure testing, identification of defects and the clearance of surrounds and also clearance of the soil/sludge that have buried the underground fire hydrants.

Risk Assessments and Pre-Planning exercises - Fire response preparedness is a crucial risk mitigating strategy and all NFA teams are required to conduct risk assessments and pre-planning exercises, particularly for high-risk economic activities in their respective areas, to pre-plan firefighting strategies that will quickly mitigate or minimise the impact in the event of a fire incident occurring.

Our Stations have completed risk assessments and pre-plans for 429 properties during this fiscal year (Jan-July 2016: 206; 2015: 379) with different levels of risk due to their content and occupancy. The teams have visited each of the buildings and conducted risk assessments and pre-planning strategies, documenting firefighting capabilities and fire prevention strategies.

Fire Safety Compliance

Structural Fire Safety - The Structural Fire Safety department was established in 2007 to reduce and prevent liabilities, improve capacity to deliver quality services and contribute to full compliance of fire safety requirements in accordance with the National Building Code of Fiji and National Fire Service Act, 1994. Structural fire safety activities involve Business licence renewals, Liquor licence renewals, building plan approvals and fire safety compliance inspections.

NFA conducted a total of 9,562 inspections throughout the fiscal year which is a decrease when compared with 9,208 inspections carried out in the year 2015.

Commercial Training - NFA provides specialist fire-related training to commercial organisations and staff have worked very hard to provide the learning outcomes that customers expect. Businesses are required to comply with the requirements of the Health and Safety at Work (HASAW) promulgation regarding fire safety awareness and training on the use of basic fire protection equipment to enable the early mitigation of fire incidents as and when they arise.

The basis for the establishment of this specialised department relates to the need to increase the level of fire safety awareness and training in the commercial sector through the delivery of structured programmes, establish an additional income stream by charging commercial rates for the delivery of commercial training programmes and equip the community in preparedness and response for fire and other emergencies in line with NFA's Corporate Vision.

Under the Education Act, NFA is a recognised Private-Vocational Institution and conducts the following TPAF Grant claimable courses to organised groups throughout the year: Fire Evacuation drills, Fire Safety at Work, Fire Warden training and Fire Team training. The HASAW legislation has increased the requirement for companies that employ more than ten people to undertake at least one of the above-mentioned training products. Organisations with staff greater than 30 will be required to undertake three of these training programmes.

NFA delivered a total of 447 commercial training products during the fiscal year, a decrease when compared with 456 in the 2015 year (Jan-July 2016: 273).

Private Fire Alarm Monitoring System - NFA's GPRS Private Fire Alarm (PFA) Monitoring system continued to be centrally monitored at NFA's Suva Control Centre. The PFAM system utilises the Vodafone mobile GPRS network as its primary link to facilitate the monitoring of fire alarms via an installed Alarm Signaling Equipment (ASE) interface at the building. NFA is the sole supplier and installer of the ASE interface units and facilitates the connection of the ASE interface to the GPRS network with the monthly rental of \$10 per ASE connection being borne by the building owner.

During the course of this fiscal year, NFA responded to a total of 775 PFA calls and these calls are analysed by our ICT Department to ascertain the chargeable runs and those units that were found to be faulty are billed to the building owner to recover these costs.

Fire Safety Awareness - Community awareness activities have involved the delivery of fire safety messages to the various communities in each station area. Key fire safety messages delivered have been focused on the major causes of property fires.

Electrical related fires continued to rank as the highest cause of property fires which constitute 31% of the total structural fires that occurred in 2016/2017 fiscal year. Arson caused property fires ranked second at 21% followed by unattended cooking at 13%. The balance of the other fire causes made up the remaining 35%.

During the fiscal year, there were a total of 9,369 different awareness programmes delivered by the NFA teams around the country, covering a total of 141,822 people.

Our awareness programmes were focused on the parents and adults and their responsibility towards the wellbeing of their children, in particular ensuring that children are supervised at all times.

House-to-house visits have been very effective because they provided the opportunity for our fire officers to personally talk to families and provide them with fire prevention advice as well as highlight the areas or practices in the home that can potentially cause unnecessary fires.



Partnership with the Fiji Sun also continued during the year with the weekly feature of Fire safety articles in the Fiji Sun's Friday Shopper Page. Fire safety commercials were also produced and featured on selected prime time programmes on both Fiji TV and FBC TV for the effective dissemination fire safety and fire prevention messages to the public.

Tower Insurance Fire Safety Partnership – On 6th February 2017, NFA received a \$30,000 donation from Tower Insurance towards the radio fire safety awareness campaign for the promotion of fire safety messages from February 2017 to January 2018 on 5 radio stations on FBC Radio. An MOU was also signed by both parties.

Fire Safety Education in Schools - The teaching of fire safety as part of the primary and pre-school curriculum was a major achievement for NFA in partnership with the Ministry of Education and UNICEF.



The Pupils Workbooks and Teacher's Guides on Fire Safety for students in Pre-School and Years 1&2 were developed by the Ministry of Education and introduced as part of the Health Science curriculum during the year for a more focused and in-depth teaching of fire safety to the young at this early age.

Our People

The total number of staff employed by the NFA as at 2016-2017 fiscal year was 491 compared to 452 for the previous fiscal year. The increase in numbers is attributed to the recruitment of 34 new recruits during the year and their posting to various station locations around the country.

Category	2016-2017	Jan-July 2016	2015
Career firefighters (Permanent)	377	329	334
Administration & Technical Staff (Permanent)	23	21	21
Total permanent staff	400	350	355
Temporary/Paid Volunteer firefighters	69	49	56
Community Volunteers (Not paid)	22	3	-
Total manpower	491	452	411

During the course of the year, members of the NFA family were saddened by the untimely deaths of two of their employees: Firefighter Sireli Saravanua in January 2017 and Acting Divisional Fire Officer Fire Safety Apisalome Biautubu in July 2017. They were both accorded the official Fire Service funeral protocols.

International Collaboration

Jakarta Fire Service – A high-level Advance Team delegation from the Jakarta Fire Department, Indonesia visited NFA HQ in March 2017. The team comprised of Mr Subejo, Chief of Jakarta Fire Department, Mr Muhtasor, Head of Sub Division for Administration, Training Centre of Jakarta Fire Department and Mr Enggar Ferry Wibowo Sugiharto, Head of Sub Division for International Organizations, Jakarta Bureau for Gubernatorial Affairs and International Cooperation.

This was the first visit to Fiji by the Jakarta Fire Service following the signing of the Memorandum of Understanding three years ago. The purpose of the delegation's visit was to see first-hand Fiji's fire service operations here at the National Fire Authority of Fiji, in preparation for the firefighting and rescue joint training in Fiji.



In July 2017, technical specialists from the Jakarta Fire Department, Indonesia, conducted in-country training at NFA HQ on high-angle rescue, rappelling techniques with the use of only ropes and harness and scaling up and down a 15m high building and safely evacuating victims. The training was intense and quite new to Fiji, enhancing NFA Fiji's rescue skills. A total of 15 NFA firefighters and officers were trained.



2016 AFAC Conference – The Chief Fire Officer, Qionilau Moceitai, attended the 2016 Australasian Fire & Emergency Authorities Council Conference (AFAC) that was held in Brisbane, Australia, from 29th August to 3rd September 2016. His attendance was sponsored by the South Pacific Commission.

Pacific Islands Fire Services Association (PIFSA) AGM – The Chief Fire Officer also attended the PIFSA AGM which is a network of Chief Fire and Emergency Services Officers from across the Pacific Region. Formed in 2005 PIFSA, as a proactive partner in disaster risk management, contributes to improving the quality of life in the Pacific by strengthening the capability and capacity of the Pacific Islands fire and emergency services to prevent, prepare for and respond to emergencies and disasters.

Supported by AFAC, SPC/SOPAC and other partner agencies, PIFSA brings together all its members once a year to monitor progress and work on strategies to advance the interests of fire and emergency services, particularly in the Pacific region, share information and build interoperability with key stakeholders.

NFA Website: www.nfa.com.fj continued to be updated during the year and featured major events and incidents that occurred during the year. The NFA website is updated in-house by the ICT and Corporate Affairs departments, as and whenever required. During the course of the year, the NFA website had to be put off commission due to a virus intrusion.

NFA Social-Media - Twitter and Facebook pages - Twitter page "NFA Fiji" is regularly updated throughout the year with NFA events, news, fire safety awareness messages and photos. Likewise, the NFA Facebook page "Firerescue Fiji". There has been a notable increase in the number of followers as these two social media pages gain mileage.



AUDITED FINANCIAL STATEMENTS
For the year ended 31st July 2017

NATIONAL FIRE AUTHORITY
AUDITED FINANCIAL STATEMENTS
for the year ended 31st July 2017

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NATIONAL FIRE AUTHORITY
MEMBERS' REPORT
FOR THE YEAR ENDED 31 JULY 2017

In accordance with a resolution of the Board of Members, the Members herewith submit the statement of financial position of National Fire Authority (the Authority) as at 31 July 2017, the related statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year ended on that date and report as follows:

Authority's Members

The names of the Authority's Members during the year and up to the date of this report were:

Member	Appointed	Resigned
John O'Connor (Chairman)	3 April 2017	
Francis Kean (Chairman)	28 January 2016	February 2017
Peter McPherson	3 April 2017	July 2020
Ratu Aisea Waka Vosailagi	3 April 2017	
Satish Patel	3 April 2017	
Inia Naiyaga	3 April 2017	

State of Affairs

In the opinion of the Members:

- i) there were no significant changes in the state of affairs of the Authority that occurred during the financial year under review not otherwise disclosed in this report or the financial statements; and
- ii) the accompanying statement of financial position gives a true and fair view of the state of affairs of the Authority as at 31 July 2017 and the accompanying statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows gives a true and fair view of the result for the year then ended.

Principal Activities

The principal activities of the Authority during the financial year were to coordinate the Emergency Management Service activities for the purpose of fire protection and managing other emergencies and establish courses of training for members of the fire service. There was no change in this activity during the year.

Results

The operating surplus for the year ended 31 July 2017 was \$1,860,283 (7 months ended 31 July 2016: \$368,854).

Going Concern

Notwithstanding the recent novel coronavirus (COVID-19) outbreak and significant uncertainties, the Authority's members consider that the Authority will continue as a going concern. The Members believe that the basis of preparation of the financial statements is appropriate and the Authority will be able to continue its operation for at least 12 months from the date of signing this report.

Bad and Doubtful Debts

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

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

Non-current Assets

Prior to the completion of the financial statements of the Authority, the Members took reasonable steps to ascertain whether any non-current assets were unlikely to be realised in the ordinary course of business compared to their values as shown in the accounting records of the Authority. 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 Authority's financial statements misleading.

Unusual Transactions

In the opinion of the Members, the results of the operations of the Authority during the financial year were not substantially affected by any item, transaction or event of a material unusual nature, nor has there arisen between the end of the financial year and the date of this report any item, transaction or event of a material unusual nature likely, in the opinion of the Members, to affect substantially the results of the operations of the Authority in the current financial year, other than those reflected in the financial statements.

Events Subsequent to Balance Date

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

Apart from the above, no matter or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Authority, the results of those operations, or the state of affairs of the Authority in future financial years, which have not been disclosed in this report.

Other Circumstances

As at the date of this report:

- (a) the Authority's Members are not aware of any circumstance which would render the values attributed to current assets in the Authority's financial statements misleading.
- (b)
 - (i) no charge on the assets of the Authority 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 Authority could become liable; and
 - (iii) no contingent liabilities or other liabilities of the Authority has become or is likely to become enforceable within the year of twelve months after the end of the financial year which, in the opinion of the Members, will or may substantially affect the ability of the Authority 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 Authority's financial statements, which would make adherence to the existing method of valuation of assets or liabilities of the Authority misleading or inappropriate.

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

Dated this *20th* day of *FEBRUARY* 2023.


.....
Chairman


.....
Member

NATIONAL FIRE AUTHORITY
STATEMENT BY MEMBERS OF THE AUTHORITY
FOR THE YEAR ENDED 31 JULY 2017

In accordance with a resolution of the Members of the National Fire Authority (the Authority), we state that in the opinion of the Members:

- (i) the accompanying Statement of Profit or Loss and Other Comprehensive Income of the Authority is drawn up so as to give a true and fair view of the results of the Authority for the year ended 31 July 2017;
- (ii) the accompanying Statement of Changes in Equity of the Authority is drawn up so as to give a true and fair view of the changes in equity of the Authority for the year ended 31 July 2017;
- (iii) the accompanying Statement of Financial Position of the Authority is drawn up so as to give a true and fair view of the state of affairs of the Authority as at 31 July 2017;
- (iv) the accompanying Statement of Cash Flows of the Authority is drawn up so as to give a true and fair view of the cash flows of the Authority for the year ended 31 July 2017;
- (v) at the date of this statement there are reasonable grounds to believe the Authority will be able to pay its debts as and when they fall due; and
- (vi) all related party transactions have been adequately recorded in the books of the Authority.

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

Dated this *20th* day of *February* 2023.



Chairman



Member

OFFICE OF THE AUDITOR GENERAL

Promoting Public Sector Accountability and Sustainability through our Audits

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INDEPENDENT AUDITOR'S REPORT

National Fire Authority

Report on the Audit of the Financial Statements

Opinion

I have audited the accompanying financial statements of National Fire Authority (*"the Authority"*), which comprise the Statement of Financial Position as at 31 July 2017, the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of the Authority as at 31 July 2017, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Qualified Opinion

1. Included in the Statement of Financial Position is an inventory balance of \$296,721, I did not observe the counting of physical inventory at 31 December 2017. Furthermore, I was unable to satisfy myself by alternative audit procedures concerning the inventory quantities held as at 31 July 2017. Furthermore, stock take reports were not made available for my review. Accordingly, I am unable to determine the impact of the above limitations, if any, to the inventory balances as at 31 July 2017.
2. Due to the length of time that has lapsed from the financial year to the commencement of the audit, I was unable to perform any physical verification to test existence of Property, Plant and Equipment recorded at written down value of \$18,341,174. I was not able to satisfy myself by alternative means as no proper records has been maintained by the Authority for fixed asset verification performed as at 31 July 2017.

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

Emphasis of Matter

I draw attention to Note 20 of the financial statements, which notes the World Health Organization's declaration of the outbreak of COVID-19 as a global pandemic subsequent to 31 July 2017 and how this has been considered by the members of the Authority in the preparation of the financial statements. As set out in Note 19, no adjustments have been made to the financial statements as at 31 July 2017 for the impacts of COVID-19.

My opinion is not modified in respect of this matter.

Other information

The Management and Directors are responsible for the other information. The other information that I have received comprises Director's report and client representation letter of the Authority for the year ended 31 July 2017 but does not include the financial statements and the auditor's report thereon.

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

In connection with the audit of the financial statements, my 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 knowledge obtained during the audit, or otherwise appears to be materially misstated. If, based upon the work performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

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

The Management and Directors are responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standards and for such internal control as Management and Directors 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, Management and Directors are responsible for assessing the Authority'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 Directors either intend to liquidate the Authority or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Financial Statements

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

- 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 the Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Directors.
- Conclude on the appropriateness of the Management's and Directors' 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 Authority's ability to continue as a going concern. If I conclude that material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures, are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

In my opinion, the financial statements have been prepared in accordance with the requirements of the National Fire Service Act 1994 in all material respects, and;

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



Sairusi Dukuno
ACTING AUDITOR-GENERAL



Suva, Fiji
07 March 2023

NATIONAL FIRE AUTHORITY
 STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 FOR THE YEAR ENDED 31 JULY 2017

	Notes	For the year ended 31 July 2017 (12 months) \$	For the 7 months ended 31 July 2016 \$
Income			
Revenue	2	15,237,413	8,182,799
Total income		15,237,413	8,182,799
Expenses			
Personnel expenses	3	(8,063,127)	(4,413,145)
Depreciation and amortisation		(1,321,416)	(1,370,041)
Operating and administration expenses	4	(3,992,587)	(2,030,759)
Total expenses		(13,377,130)	(7,813,945)
Net operating surplus for the year/period		1,860,283	368,854

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

NATIONAL FIRE AUTHORITY
 STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED 31 JULY 2017

	2017	2016
	\$	\$
Retained earnings		
Balance at 1 August/1 January	18,098,942	17,730,088
Net operating surplus for the year/period	1,860,283	368,854
Balance at 31 July	19,959,225	18,098,942
Total equity	19,959,225	18,098,942

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

NATIONAL FIRE AUTHORITY
STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2017

	Notes	2017 \$	2016 \$
Current assets			
Cash and cash equivalents	5	11,860,147	6,132,117
Held-to-maturity investments	6	1,582,242	2,596,200
Prepayments	7	4,810	136,852
Trade and other receivables	8 (a)	1,367,598	3,105,304
Inventories	9	296,721	180,194
Total current assets		15,111,518	12,150,667
Non-current assets			
Property, plant and equipment	10	18,341,174	16,462,919
Intangible assets	11	23,730	20,926
Total non-current assets		18,364,904	16,483,845
Total assets		33,476,422	28,634,512
Current liabilities			
Trade and other payables	12	2,024,926	2,064,566
Unexpended funds	15	8,929	8,929
Deferred revenue	14	653,557	636,888
Employee benefit liability	13	296,432	14,103
Total current liabilities		2,983,844	2,724,486
Non-current liabilities			
Deferred revenue	14	10,531,819	7,807,019
Employee benefit liability	13	1,534	4,065
Total non-current liabilities		10,533,353	7,811,084
Total liabilities		13,517,197	10,535,570
Net assets		19,959,225	18,098,942
Equity			
Retained earnings		19,959,225	18,098,942
Total equity		19,959,225	18,098,942

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



Chairman



Director

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

NATIONAL FIRE AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2017

	Note	For the year ended 31 July 2017 (12 months) \$	For the 7 months ended 31 July 2016 \$
Operating activities			
Cash receipts in the course of operations		17,374,956	8,491,673
Cash payments in the course of operations		(12,164,405)	(6,133,726)
Net cash flows from operating activities		5,210,551	2,357,947
Investing activities			
Capital grant received from Government		2,651,539	3,669,725
Interest from investment		36,723	70,230
Redemption of held-to-maturity investments		1,013,958	238,090
Payments for property, plant and equipment		(3,252,591)	(2,496,529)
Proceeds from sale of property, plant and equipment		68,000	-
Payments for intangible assets		(150)	(9,113)
Net cash flows from investing activities		517,479	1,472,403
Net increase in cash and cash equivalents		5,728,030	3,830,350
Cash and cash equivalents at 1 August/1 January		6,132,117	2,301,767
Cash and cash equivalents at 31 July	5	11,860,147	6,132,117

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

NATIONAL FIRE AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017

1. General information

National Fire Authority (the Authority) is a fully owned Government of Fiji entity domiciled in Fiji. The financial statements were authorised for issue with a resolution of Members on 26th May 2023.

The principle activities of the Authority during the course of the financial year were to coordinate the Emergency Management Service activities for the purpose of fire protection and managing other emergencies and establish courses of training to members of the fire services.

The Authority operates predominantly from their head office at Argo Street, Walu Bay. However, there are operational centres at Nausori, Valelevu, Pacific Harbour, Navua, Sigatoka, Nadi Denarau, Lautoka, Ba, Tavua, Labasa, Savusavu, Taveuni and Levuka.

1.1 Summary of significant accounting policies

A summary of significant accounting policies adopted by the Authority are set out in this note. The policies adopted are in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

All amounts are stated in Fijian currency and except as indicated, are rounded to the nearest dollar.

a) Basis of preparation of the Financial Statements

The financial statements have been prepared in accordance with the historical cost convention and do not take into account changing money values or current valuations of non-current assets.

Statement of compliance

The financial statements have been prepared in accordance with the IFRS issued by the IASB.

Going concern

The financial statements have been prepared on a going concern basis, which contemplates the continuity of the business activities and realisation of assets and payment of liabilities in the normal course of the business.

b) Foreign currencies transactions

Foreign currency transactions are translated to Fijian dollars at rates of exchange ruling at the date of the transactions. Amounts receivable and payable in foreign currencies are translated to Fijian dollars at the rates of exchange at balance date. All exchange gains or losses whether realised or unrealised are reflected in the Statement of Profit or Loss and Other Comprehensive Income.

1.1 Summary of significant accounting policies *continued*

c) Use of estimates and judgements

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and the accompanying disclosures. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future years affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included in the following notes:

- Note 1(d) - Property, plant and equipment
- Note 1(e) - Intangible assets
- Note 1(f) - Trade and other receivables
- Note 1(g) - Impairment of non-financial assets
- Note 1(l) - Employee entitlements

d) Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition and installation of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Authority and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial year in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The following annual depreciation rates are as follows:

Land and buildings	10%
Leasehold improvements	Term of lease
Fire engines	5% - 10%
Motor vehicles	20%
Radio equipment	10%
Fire fighting equipment	10%
Office equipment	20%
Furniture and fittings	15%
Computer equipment	20%

Where estimated useful lives or recoverable values have diminished due to technological change or market conditions, depreciation is accelerated. The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each balance date.

1.1 Summary of significant accounting policies *continued*

d) Property, plant and equipment *continued*

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are taken into account in determining the results for the year.

Capital work in progress principally relates to costs and expenses incurred for capital works in the nature of property, plant and equipment. Capital work in progress is stated at historical cost and is not depreciated.

e) 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 accumulated impairment losses.

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 are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of 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 in the expense category that is consistent with the function of the intangible assets.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon 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.

The Authority's intangible assets consists of computer software with the expected useful life of 5 years.

f) Trade and other receivables

Trade receivables are carried at original invoice amounts less provision made for impairment of these receivables. A provision for impairment of receivables is established when there is objective evidence that the Authority will not be able to collect all amounts due according to the original terms of the receivables. This provision is based on a review of all outstanding amounts at year end. Bad debts are written off during the year in which they are identified.

1.1 Summary of significant accounting policies *continued*

g) Impairment of non-financial assets

The carrying amount of assets is reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated at balance date. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. All impairment losses are recognised in the statement of profit or loss and other comprehensive income.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation and amortisation, if no impairment had been recognised.

h) Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated selling expenses.

The cost of inventories is based on the first-in-first-out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

i) Cash and cash equivalent

For the purpose of the Statement of Cash Flows, cash and cash equivalent comprise cash at bank and on hand. Bank overdrafts (if any) are classified as borrowings under current liabilities on the Statement of Financial Position.

j) Trade and other payables

These amounts represent liabilities for goods and services provided to the Authority prior to the end of the financial year and which are unpaid. The amounts are usually paid within 30 days of recognition.

k) Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held-to-maturity when the Authority has the positive intention and ability to hold it to maturity. After initial measurement, held-to-maturity investments are measured at amortised cost using the effective interest method (EIR), less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss and other comprehensive income. The losses arising from impairment are recognised in the statement of profit or loss and other comprehensive income as finance costs.

l) Employee entitlements

(i) *Wages, salaries and annual leave*

Liabilities for employees' entitlements related to wages and salaries, annual leave and other current employee entitlements (that are expected to be paid within twelve months) are accrued at undiscounted amounts, calculated at amounts expected to be paid as at reporting date.

1.1 Summary of significant accounting policies *continued*

l) Employee entitlements *continued*

(ii) *Long service leave and gratuity benefits*

The liability for long service leave and gratuity benefits is recognised in the employee entitlements measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

m) Deferred revenue

Deferred revenue classified as non-current liability consists of deferred government grants related to acquisition of property, plant and equipment and underground fire hydrant which will be amortised over its useful life.

n) Income tax

The Authority is exempt from income tax in accordance with Regulation 3, Part 1, paragraph 2 of the of the Income Tax Act 2015.

o) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Authority and revenue can be reliably measured. Revenue represents income earned from fees charged for fire services, insurance fire levy, interest earned, commission received and water levy and is recognised on accrual basis.

(i) *Amortisation of deferred revenue*

The benefits arising from the assets acquired by the Authority from those received from Fiji Government and other organisations are credited to the Statement of Profit or Loss and Other Comprehensive Income at the rate those assets are depreciated.

(ii) *Fire levy contribution*

Fire levy contributions are brought on an accrual basis at 0.06% of the total of all sums insured during the year.

(iii) *Water levy contributions*

Water levy contributions are brought to account on an accrual basis at a rate of \$0.50 per water meter per month as provided for in the National Fire Service (Amendment) Act 1997.

p) Comparatives

Where necessary, comparative figures have been re-grouped to conform to changes in presentation in the current year. The financial statements for the prior period are for the 7 months ended 31 July 2016. The Authority was required to align its reporting period to that of the Government of Fiji in the prior period. Therefore, the amounts presented in the financial statements are not entirely comparable.

NATIONAL FIRE AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 JULY 2017

1.2 Standards issued but not yet effective

A number of standards and interpretations have been issued by the IASB during the year, but are not yet effective, up to the date of issuance of the Authority's financial statements. The Authority intends to adopt these standards, if applicable, when they become effective. The Authority is currently assessing the impact of the amendments to determine the impact they will have on the Authority.

New standards and amendments	Effective date
IFRS 16 Leases	1 January 2017
IFRS 9 Financial Instruments	1 January 2018
IFRS 15 Revenue from Contracts with Customers	1 January 2018
Onerous Contracts - Costs of Fulfilling a Contract - Amendments to IAS 37	1 January 2022
Property, Plant and Equipment: Proceeds before Intended Use - Amendments to IAS 16	1 January 2022
IFRS 9 Financial Instruments - Fees in the '10 per cent' test for derecognition of financial liabilities	1 January 2022
Reference to the Conceptual Framework - Amendments to IFRS 3	1 January 2022
Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2	1 January 2023
Definition of Accounting Estimates - Amendments to IAS 8	1 January 2023
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)	1 January 2023

	For the year ended 31 July 2017 (12 months)	For the 7 months ended 31 July 2016
	\$	\$
2. Income		
Amortisation of deferred revenue - Government grants	100,753	96,014
Amortisation of deferred revenue - hydrant grant	185,832	166,943
Fire levy contributions	11,945,339	5,716,560
Fire levy penalties	-	30,800
Ambulance grant	366,972	366,972
Ambulance income	48,917	45,570
Doubtful debts recovered	15,350	218,248
Gain on disposal of fixed asset	20,342	-
Private fire alarm rental, attendance and special services	161,126	143,559
Structural fire safety	1,105,146	373,495
Special services	16,980	228,134
Water levy contributions	329,956	248,458
Other income	940,700	548,046
	15,237,413	8,182,799

NATIONAL FIRE AUTHORITY
 NOTES TO THE FINANCIAL STATEMENTS *continued*
 FOR THE YEAR ENDED 31 JULY 2017

	For the year ended 31 July 2017 (12 months)	For the 7 months ended 31 July 2016
3. Personnel expenses	\$	\$
Wages and salaries	7,551,791	3,929,261
Fiji National Provident Fund contributions	438,531	442,812
Fiji National University levy	72,805	41,072
	<u>8,063,127</u>	<u>4,413,145</u>
4. Operating and administration expenses	\$	\$
Audit fees	13,323	7,728
Advertising	59,612	102,850
Bank charges	5,382	2,579
Communication	211,842	137,484
Community awareness	6,342	19,808
Electricity	114,143	64,418
Fire fighting expenses	57,720	13,957
Fire station expenses	255,438	15,037
Insurance	243,849	158,399
Motor vehicle - fuel	179,077	202,851
- insurance	281,103	31,558
- repairs	281,519	313,610
Premises rental and rates	31,755	29,719
Repairs and maintenance - others	73,723	274,281
Staff training	336,619	57,573
Travel and accommodation	50,326	28,606
Uniform	103,801	11,127
Other expenses	1,687,013	559,174
	<u>3,992,587</u>	<u>2,030,759</u>
	2017	2016
5. Cash and cash equivalents	\$	\$
Cash at bank	11,852,219	6,124,339
Cash on hand	7,928	7,778
	<u>11,860,147</u>	<u>6,132,117</u>
6. Held-to-maturity investments	\$	\$
Term deposits	1,582,242	2,596,200
	<u>1,582,242</u>	<u>2,596,200</u>
	Term deposits are placed with financial institutions in Fiji at terms of 12 months. The interest rate of these deposits range from 3.15% to 3.85%.	
7. Prepayments	\$	\$
Prepayments	4,810	136,852
	<u>4,810</u>	<u>136,852</u>

NATIONAL FIRE AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 JULY 2017

	2017	2016		
8. Trade and other receivables	\$	\$		
a) Trade accounts receivable	1,577,558	2,462,998		
Less: provision for doubtful debts	<u>(316,263)</u>	<u>(17,512)</u>		
	1,261,295	2,445,486		
Deposits	64,890	24,111		
Value Added Tax receivable	-	835,750		
Less: provision for doubtful debts	-	(312,131)		
Staff advances	6,754	46,258		
Other receivables	34,659	67,800		
Less: provision for doubtful debts	<u>-</u>	<u>(1,970)</u>		
Total trade and other receivables	<u>1,367,598</u>	<u>3,105,304</u>		
b) Movements in allowance for doubtful debtors of trade receivables are as follows:				
	\$	\$		
At the beginning of the year	17,512	136,304		
Movement during the year/period	<u>298,751</u>	<u>(118,792)</u>		
At 31 July	<u>316,263</u>	<u>17,512</u>		
c) As at 31 July 2017 and 31 July 2016, the ageing analysis of the Authority's trade receivables (net of allowance for doubtful debts) is as follows:				
	Total	Neither past due nor impaired	Past due but not impaired	
			63 - 92 days	> 93 days
	\$	\$	\$	\$
31 July 2017	1,577,558	1,249,708	11,587	316,263
31 July 2016	2,445,486	1,756,599	68,470	620,417
9. Inventories			\$	\$
Communication			107,518	51,750
Consumables and spares			126,552	81,058
Fire fighting gear			<u>62,651</u>	<u>47,386</u>
			<u>296,721</u>	<u>180,194</u>

NATIONAL FIRE AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 JULY 2017

10. Property, plant and equipment	Land and buildings \$	Fire engines \$	Motor vehicles \$	Radio equipment \$	Fire fighting equipment \$	Office equipment \$	Furniture & fittings \$	Computer equipment \$	Station requirements \$	Rescue equipment \$	Other assets \$	Work in Progress \$	Total \$
Balance at 1 August 2016	5,798,171	9,583,290	858,902	785,969	2,545,183	136,872	236,528	419,900	384,502	172,541	3,284,392	4,812,872	29,019,122
Additions	30,929	72	-	37,272	97,000	13,240	9,496	36,775	98,850	-	873,500	2,055,457	3,252,591
Disposals	-	-	(82,513)	-	-	-	(4,358)	-	-	-	-	(8,223)	(95,094)
Transfers	-	-	-	-	-	-	-	-	-	-	-	(13,200)	(13,200)
Balance at 31 July 2017	5,829,100	9,583,362	776,389	823,241	2,642,183	150,112	241,666	456,675	483,352	172,541	4,157,892	6,846,906	32,163,419
<i>Accumulated depreciation</i>													
Balance at 1 August 2016	4,447,553	3,581,160	631,237	584,566	1,674,103	107,527	171,436	299,423	176,472	135,634	747,072	-	12,556,203
Depreciation charge for the year	264,792	399,317	61,313	38,247	164,810	10,122	19,668	45,087	55,693	11,775	240,046	-	1,310,870
Disposals	-	-	(42,632)	-	-	-	(2,196)	-	-	-	-	-	(44,828)
Balance at 31 July 2017	4,712,345	3,980,477	649,918	622,833	1,838,913	117,649	188,908	344,510	232,165	147,409	987,118	-	13,822,245
<i>Carrying amount</i>													
As at 31 July 2016	1,350,618	6,002,130	227,665	201,383	871,080	29,345	65,092	120,477	208,030	36,907	2,537,320	4,812,872	16,462,919
As at 31 July 2017	1,116,755	5,602,885	126,471	200,408	803,270	32,463	52,758	112,165	251,187	25,132	3,170,774	6,846,906	18,341,174

NATIONAL FIRE AUTHORITY
 NOTES TO THE FINANCIAL STATEMENTS *continued*
 FOR THE YEAR ENDED 31 JULY 2017

	2017	2016
	\$	\$
11. Intangible assets		
<u>Cost</u>		
At the beginning of the year/period	52,844	43,731
Additions during the year/period	150	9,113
Transfer from work in progress	13,200	-
As at 31 July	<u>66,194</u>	<u>52,844</u>
<u>Accumulated amortisation</u>		
At the beginning of the year/period	31,918	25,170
Amortisation for the year/period	10,546	6,748
As at 31 July	<u>42,464</u>	<u>31,918</u>
Net book value	<u>23,730</u>	<u>20,926</u>
12. Trade and other payables	\$	\$
Trade creditors	1,461,905	1,387,414
Accruals	450,132	677,152
Income in advance	8,500	-
Value Added Tax payable	104,389	-
	<u>2,024,926</u>	<u>2,064,566</u>
13. Employee benefit liability	\$	\$
Annual leave		
<u>Current</u>		
At the beginning of the year/period	14,103	84,860
Movement during the year/period	282,329	(70,757)
At 31 July	<u>296,432</u>	<u>14,103</u>
Long service leave		
<u>Non-current</u>		
At the beginning of the year/period	4,065	42,600
Movement during the year/period	(2,531)	(38,535)
At 31 July	<u>1,534</u>	<u>4,065</u>

NATIONAL FIRE AUTHORITY
 NOTES TO THE FINANCIAL STATEMENTS *continued*
 FOR THE YEAR ENDED 31 JULY 2017

	2017	2016
14. Deferred revenue	\$	\$
At the beginning of the year/period	8,443,907	4,198,446
Add: grant received during the year/period	3,395,026	4,875,390
Less: government grant realised during the year/period	(100,753)	(96,014)
Less: ambulance grant realised during the year/period	(366,972)	(366,972)
Less: release of deferred revenue - hydrant grant	(185,832)	(166,943)
At 31 July	<u>11,185,376</u>	<u>8,443,907</u>
Current	653,557	636,888
Non-current	<u>10,531,819</u>	<u>7,807,019</u>
	<u>11,185,376</u>	<u>8,443,907</u>
15. Unexpended funds	\$	\$
<u>Winston contributions</u>		
At the beginning of the year/period	8,929	-
Funds received during the year/period	-	8,929
At 31 July	<u>8,929</u>	<u>8,929</u>
16. Commitments	\$	\$
(a) Capital expenditure - Approved by the Board and committed	<u>7,061,606</u>	<u>4,806,724</u>
(b) Operating lease commitments		
At year/period end, the Authority has outstanding commitments under an operating leases that fall due as follows:		
	\$	\$
Not later than one year	28,919	28,919
More than 1 year but no later than 5 years	94,474	94,474
More than 5 years	1,734,387	1,763,306
	<u>1,857,780</u>	<u>1,886,699</u>
17. Contingent liabilities	\$	\$
Contingent liabilities exist with respect to the following:		
Litigation	<u>22,526</u>	<u>22,526</u>

NATIONAL FIRE AUTHORITY
 NOTES TO THE FINANCIAL STATEMENTS *continued*
 FOR THE YEAR ENDED 31 JULY 2017

18. Related party information

a) Identity of related parties

The Authority is wholly owned by the Government of the Republic of Fiji. The Authority undertook various transactions with Government owned entities on normal trading terms and conditions.

b) Members and executive officers

The Members of the Authority in office at any time during the period were:

Member	Appointed	Resigned
Francis Kean (Chairman)	28 January 2016	February 2017
Peter McPherson	3 April 2017	July 2020
Ratu Aisea Waka Vosailagi	3 April 2017	
Satish Patel	3 April 2017	
Inia Naiyaga	3 April 2017	
John O'Connor (Chairman)	3 April 2017	

c) Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Authority, directly or indirectly, including any member (whether executive or otherwise) of that Authority.

During the year, the following persons were the executives identified as key management personnel, with the greatest Authority and responsibility for the planning, directing and controlling the activities of the Authority.

Name	Current title
John O'Connor	Chief Executive Officer
Qionilau Moceitai	Chief Fire Officer
Mileta Seniroqa	Manager Human Resource and Corporate Affairs
Timoci Nakaruru	Acting Divisional Fire Officer - Central Eastern (Resigned 31/7/17)
Raj Durgeshwaran Pillay	Divisional Fire Officer - West/Acting Deputy Chief Fire Officer (Retired 31/12/17)
Gopal Reddy	Divisional Fire Officer - West (Retired 31/12/17)
Soropepeli Korobiau	Divisional Fire Officer - SFS (Deceased 17/3/19)
Waisea Mateiwai	Acting Divisional Fire Officer- North

d) Key management personnel compensation

The aggregate compensation of the key management personnel comprises only short-term benefits and is set out below:

	2017	2016
	\$	\$
Salaries and other short-term benefits	329,384	329,384

19. Risk management objectives and policies

The Authority's activities expose it to a variety of financial risks: market risk and credit risk.

Risk management is carried out by management of the Authority. The Authority's members provide direction for overall risk management covering specific areas, such as mitigating market risk and credit risk.

Risk is inherent in the Authority's activities but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Authority's continuing profitability and each individual within the Authority is accountable for the risk exposure relating to his or her responsibilities. The Authority is exposed to credit risk and market risks.

The independent risk control process does not include business risks such as changes in the environment, technology and industry. They are monitored through the Authority's strategic planning process.

Risk management structure

The Board of Members are ultimately responsible for identifying and controlling risks. The Members have set up sub-committees to be responsible for managing and monitoring specific risks such as audit, finance, human resource and credit.

Board of Members

The Board of members are responsible for the overall risk management approach and for approving the risk strategies and principles.

a) Market risk

Market risk is the risk that changes in market prices, such as interest rates will affect the Authority's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

(i) *Political climate*

The Authority operates in Fiji and changes to governments and the policies they implement affect economic situation and ultimately the revenues of the Authority. To address this, the Authority will review its pricing regularly and responds to change in policies appropriately.

(ii) *Interest rate risk*

The Authority has held-to-maturity investments which are at a fixed interest rate, hence there are no interest rate risks during the period of the investment.

NATIONAL FIRE AUTHORITY
 NOTES TO THE FINANCIAL STATEMENTS *continued*
 FOR THE YEAR ENDED 31 JULY 2017

19. Risk management objectives and policies *continued*

b) Credit risk

Credit risk is managed by management with board oversight. Credit risk arises from cash and cash equivalents as well as credit exposure to outstanding receivables. The Authority monitors receivables balances on an ongoing basis with the result that the Authority's exposure to bad debts is not significant. There are no significant concentrations of credit risk within the Authority. On time payments from customers are monitored on a timely basis.

The carrying amount of financial assets represented the maximum credit exposure. The maximum credit exposure to credit risk at the reporting date was:

	2017	2016
	\$	\$
Cash and cash equivalent (Note 5)	11,860,147	6,132,117
Trade and other receivables (Note 8(a))	1,367,598	3,105,304
	<u>13,227,745</u>	<u>9,237,421</u>

20. Events Subsequent to Balance Date

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

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

21. Authority incorporation

The Authority was incorporated in Fiji under National Fire Services Act, 1994.

Registered office

The registered office of the Authority is located at:

Argo Street
 Walu Bay
 P O Box 207
 Suva, Fiji.

Number of employees

As at balance date, the Authority had 491 employees (2016: 452).

NATIONAL FIRE AUTHORITY
DISCLAIMER ON ADDITIONAL FINANCIAL INFORMATION
FOR THE YEAR ENDED 31 JULY 2017

Disclaimer on Additional Financial Information

The following additional information, being the Detailed Income Statement has been compiled by management of National Fire Authority and does not form part of the statutory financial statements.

No audit or review has been performed by Officer of the Auditor General and accordingly no assurance is expressed by Officer of the Auditor General.

NATIONAL FIRE AUTHORITY
 DETAILED INCOME STATEMENT
 FOR THE YEAR ENDED 31 JULY 2017

	For the year ended 31 July 2017 (12 months) \$	For the 7 months ended 31 July 2016 \$
Income		
Ambulance grant	366,972	366,972
Ambulance income	48,917	45,570
Amortisation of deferred revenue - Government grant	100,753	96,014
Amortisation of deferred revenue - hydrant grant	185,832	166,943
Commission	21,140	10,629
Commercial training	369,126	169,787
Discount received	23,556	47,423
Donations	592	-
Doubtful debts recovered	15,350	218,248
Fire levy contribution	11,945,339	5,716,560
Fire levy penalties	-	30,800
Gain from sale of alarm signalling equipment	129,872	147,346
Gain on disposal of fixed asset	20,342	-
Interest	58,291	89,565
Miscellaneous	311,367	38,514
Private fire alarm rental, attendance and connection fees	161,126	143,559
Rental income	11,900	16,200
Special services	16,980	228,134
Structural fire safety	1,105,146	373,495
Training and Productivity Authority of Fiji grant	14,856	28,582
Water levy contributions	329,956	248,458
Total income	15,237,413	8,182,799
Operating and administrative expenses		
Audit fees	13,323	7,728
Advertising	59,612	102,850
Ambulance expense	2,663	2,981
Bank charges	5,382	2,579
Board expenses	8,035	-
Commercial training	21,995	12,066
Communication	211,842	137,484
Community awareness	6,342	19,808
Depreciation and amortization	1,321,416	1,370,041
Electricity	114,143	64,418
Entertainment	3,597	2,145
Fire fighting expenses	57,720	13,957
Fire station expenses	255,438	15,037
Fiji National Provident Fund contributions	438,531	442,812
Foreign exchange loss	369	-

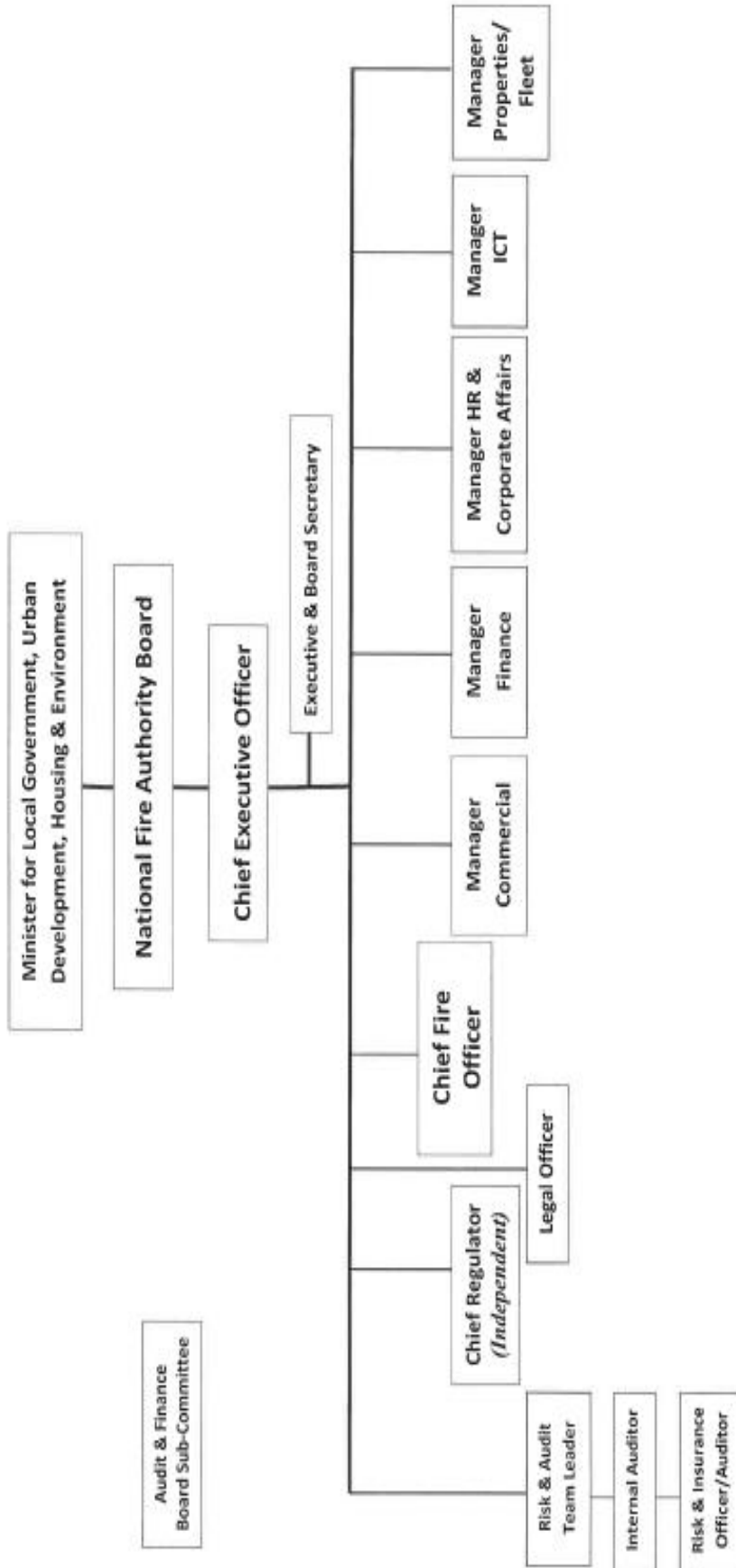
The Detailed Income Statement is to be read in conjunction with the disclaimer set out on page 50.

NATIONAL FIRE AUTHORITY
 DETAILED INCOME STATEMENT *continued*
 FOR THE YEAR ENDED 31 JULY 2017

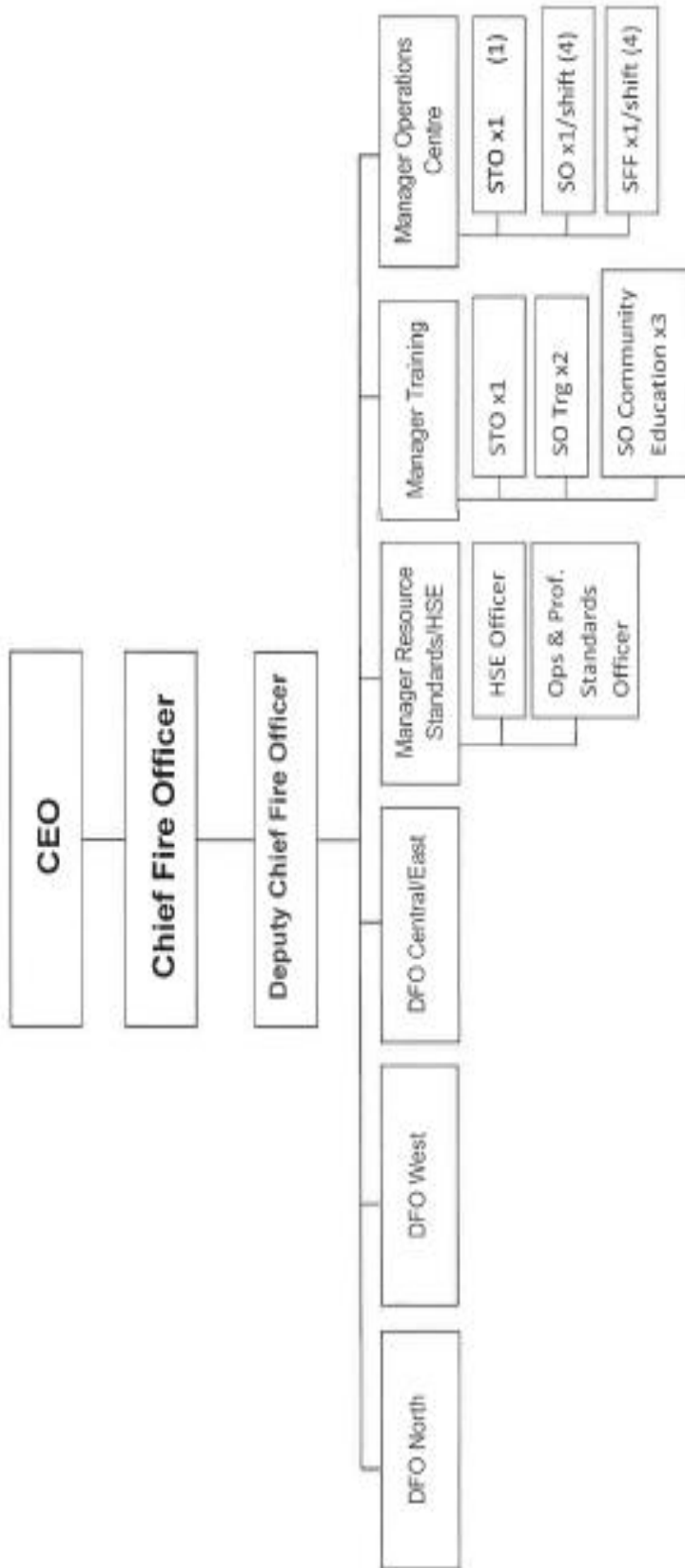
	For the year ended 31 July 2017 (12 months) \$	For the 7 months ended 31 July 2016 \$
<i>Operating and administrative expenses continued</i>		
Insurance	243,849	158,399
Miscellaneous expenses	899,863	30,643
Motor vehicle - fuel	179,077	202,851
- insurance	281,103	31,558
- repairs	281,519	313,610
Natural disaster	367	6,400
Office expenses	53,733	47,781
Postage and freight	9,569	2,031
Premises rental and rates	31,755	29,719
Printing and stationery	78,398	48,026
Professional fees	53,717	54,478
Repairs and maintenance - others	73,723	274,281
Salaries and wages	7,551,791	3,929,261
Staff amenities	162	1,205
Staff training and recruitment expense	336,619	57,573
Subsistence allowances	85,023	46,599
Department transportation	9,181	3,439
Travel and accommodation	50,326	28,606
Fiji National University levy	72,805	41,072
Uniform	103,801	11,127
Volunteer brigade	432,752	272,628
Water	23,383	20,891
Withholding tax	4,206	7,861
Total operating and administration expenses	13,377,130	7,813,945
Net surplus for the year/period	1,860,283	368,854

The Detailed Income Statement is to be read in conjunction with the disclaimer set out on page 50.

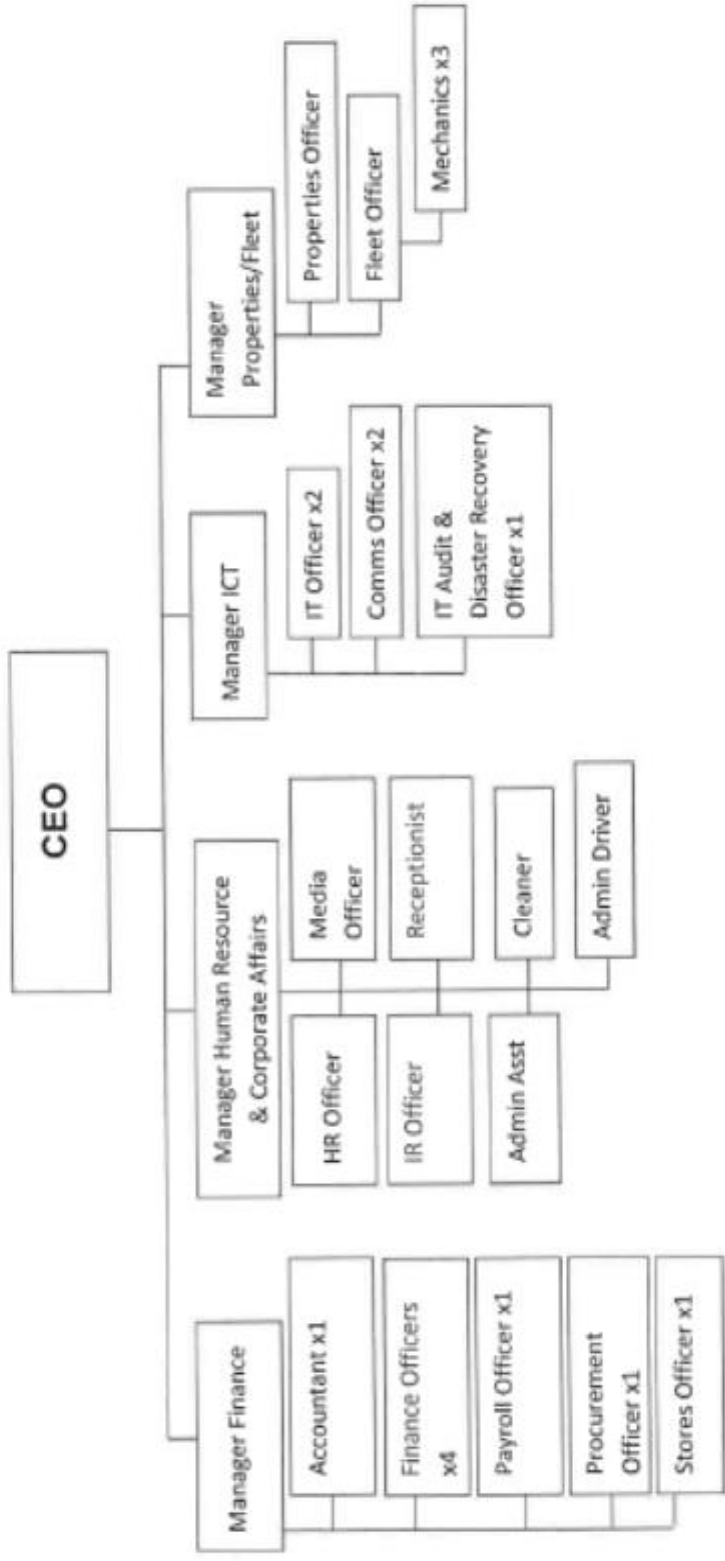
NATIONAL FIRE AUTHORITY ORGANIZATION STRUCTURE



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