





Sugar Cane Growers Council

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19th September, 2024

The Minister Hon. Charan Jeath Singh Ministry for Multi Ethnic Affairs and Sugar Industry Level 04 Bali Tower 318 Toorak Road Suva P O Box 1292

<u>Suva</u>

Dear Sir,

RE: Annual Report 2022

Pursuant to the requirements of Part IV Section 54 (3) of the Sugar Industry Act, 1984 we are pleased to submit the Annual Report on activities and audited financial accounts for the year ended 31st July, 2022.

We wish to take this opportunity to thank you and the Government for the financial support and assistance provided to Cane Growers. The support has been instrumental in enhancing productivity, improving growers' livelihood and strengthening the industry, ensuring its resilience for the future. Your continued commitment to fostering the growth and sustainability of the Sugar Industry is greatly appreciated.

Jinedra Singh Chairperson

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CHIEF EXECUTIVE OFFICER'S REPORT



As we reflect on the last financial year, I am proud to report that despite the ongoing challenges we faced, the Sugar Cane Growers Council (SCGC) has remained steadfast in its commitment to representing our cane growers. dedicated team of 27 staff members and a 9-member council, we have worked diligently to proudly address the concerns and demands of our 11,393 grower portfolio actively engaged in cultivating cane. Our strong network of 1,656 cane harvesting operational and 48 cooperatives (1,436 grower members) has been crucial in fostering collaboration and resilience in the sugar industry.

In the 2022 season, I am pleased to recognize the crop produced by the growers was 1,417,267 tonnes. This achievement, however, masks the reality of an 18% decline in crop size compared to previous seasons, primarily due to impacts of tropical cyclones Yasa and Anna. Notably, the Labasa Mill suffered significant setbacks, whereas the Lautoka Mill managed to its yield by 6% increase.

The initial crop forecast for the 2022 season was set at 1.9 million tonnes later revised to 1.8 million tonnes following the impact of tropical cyclone Cody.

The harvesting season commenced in June for Labasa and Lautoka mills, with Rarawai starting in mid-July and concluded between October and November.

Covid-19 The ongoing pandemic systemically continued to hinder the field operations, particularly securing labor from non-sugar cane belt areas. This was further exacerbated due to delays in the importation of mechanical harvester parts engagement of technicians. However, few growers were fortunate to successfully negotiate and employ laid-off workers from the tourism sector, demonstrating the adaptability of our community.

This year, 36.1% of the cane crop was harvested with the aid of mechanical harvesters. While the majority performed exceptionally well, contributing significantly to alleviating labor shortages, a few faced operational challenges due to delayed spare parts and technician availability. The depletion of grower portfolios located in the hills is obvious with ongoing labour scarcity, and associated costs will probably further decline unless a technological intervention of mechanised solutions for hilly farms is introduced.

For the 2022 season, growers received an impressive payment of \$91.38 per tonne of cane, significantly higher than the forecasted price of \$66.92. This outcome underscores our commitment to ensuring that growers receive fair compensation for their efforts. Furthermore, the Council passionately facilitated the distribution of subsidized weedicide and affordable cane knife sets through our eight district offices.

This initiative reflects our dedication to encouraging grower's managing their fields efficiently.

SCGC continues to advocate tirelessly for the interests of our growers engaging in negotiations with the iTaukei Land Trust Board and the Department of Lands and Mineral Resources to address critical cane lease renewal challenges.

The escalating lease premiums in a few cane belts pose significant hurdles, especially for growers whose leases are set to expire within the next five years.

We have enhanced our visibility, conduct of ongoing consultations and grower meetings addressing various governance issues faced by our growers. Our collaboration with the industry stakeholders has gained recognition enables us to promptly address grower grievances and contributions, also facilitating a financial inclusion package, gaining budgeting, savings skills, insurance understanding, and borrowing principles.

Growers appreciate the sustainability of the Micro Bundled Insurance product available to all active cane growers at an affordable annual premium of \$52. This insurance offers comprehensive coverage. A total of 263 families were assisted with a value of \$602,500, including term life, funeral benefits, house fire, and personal accident.

Additionally, the provisions of the disaster risk financing mitigation strategy, the rollout of the parametric microinsurance products, which provide timely assistance

following disasters without the need for a minimum trigger event.

We are enthusiastic to announce plans for the implementation of a Grower Management System designed to host a robust grower profile database.

This system will streamline grower profiles, data collection and management, enhancing operational efficiency and opportunities for improved service delivery to growers.

Council acknowledges the sincere gesture from the Ministry of Sugar Industry with the allocation of grants to execute several capital programs in the 2022/2023 financial year, including the minimum guaranteed cane price of \$85 per ton of cane, new farmer assistance, fertilizer & weedicide subsidy, cane access road maintenance, grant for replanting & planting of cane and cane cartage subsidy (Penang to Rarawai). These initiatives are vital in strengthening our industry needs, direct and indirect financial obligations for our growers.

In conclusion, I extend my gratitude to our dedicated staff, council members, and especially our cane growers for their resilience and hard work in these challenging times. Together, we shall endure to navigate the uncertainties ahead, advocating for the best interests of our farming community and ensuring a sustainable future for the sugar cane industry.

Thank you for your continued support.

Vimal Sachin Dutt

Chief Executive Officer

CORPORATE MATTERS

SUGAR CANE GROWERS COUNCIL

Sugar Cane Growers Council (SCGC) is representative sole the grower effective organization committed to representation service delivery, and leadership to ensure long term viability of growers in the industry. Sugar Cane Growers Council was established under the Sugar Industry Act, 1984 with specific functions to protect and promote the interests of registered cane growers in Fiji. In accordance with this, the vision of the SCGC is "To be a proactive grower representative organization striving to serve the interest of cane growers in Fiji".

The SCGC will continue to protect and promote the livelihood of their growers through innovative measures that will focus mainly on grower welfare, timely redress to grower grievances, negotiation and support towards increasing farm yield and subsidizing cost of production, education and advocacy.

VISION

To Be The Pro-Active Grower Representative Organization, That Strives To Serve The Interests of The Cane Growers of Fiji.

MISSION

The Sugar Cane Growers Council Is Committed To Providing Effective Representation, Leadership And Services To The Cane Growers In Order To Secure Long Term Viability For Them In The Industry.

OJBECTIVES

- a) To effectively represent the interest of the cane growers as stakeholders in all aspects of the industry.
- b) To actively pursue and encourage the development of a sustainable and viable sugar industry.
- c) To take necessary measures to provide

services to the cane growers to better facilitate their cane farming activities.

d)To explore ways and means to reducing cost and increasing productivity and yield and adopting best practice methods which would encourage and facilitate this for the cane growers through better utilization of their existing resources.

- e) To conduct research and collect data in respect of cane farming activities and other related areas.
- f) To inform and educate the cane growers and the community on the issues relating to cane farming and the industry.
- g) To represent the growers and make investment on their behalf in areas related

to the activities of cane growing and sugar manufacture.

h) To represent growers interest, both collectively and individually on matters relating to cane farming and their obligations to the industry and seek redress for their legitimate grievances through the appropriate authorities.

FUNCTIONS OF THE COUNCIL

- a) Encourage and promote co-operation among registered growers and between registered growers and others engaged in the industry.
- b) Remove and obtain redress of all legitimate grievances of individual registered growers, of registered growers generally or of registered growers of particular sector, district or mill area.
- c) Provide registered growers with goods and services relating to the business of cane-growing and agricultural diversification.

- d) Establish, hold and administer funds for the benefit of registered growers.
- e) Encourage and promote research and education with a view to improving the efficiency and productivity of registered growers and to collect record and distribute information of value to registered growers.
- f) Perform such other functions as many are assigned to the Council by this Act, Master Award or any other written law.



COMPOSITION OF THE COUNCIL

- (1) The Council shall consist of the following persons who shall be appointed by the Minister
- (a) 2 elected representatives from each of the following cane producers' association
 - o(i) Rarawai and Penang Cane Producers' Association;
 - o(ii) Labasa Cane Producers' Association; and
 - o(iii) Lautoka Cane Producers' Association;
- (b) The Commissioner for the Western Division;
- (c) The Commissioner for the Northern Division; and
- (d) A Representative of the Ministry of Sugar.
- (2) The Minister shall appoint the chairperson of the Council.

The Council consists of the following persons who were appointed by the Minister for Sugar:

- (a) Two elected representatives from each of the following cane producers' associations:
 - (i) Raawai and Penang Cane Producers' Association
 - i. Mr. Radha Krishna
 - ii. Mr. Davendra Nath
 - (ii) Labasa Cane Producers' Association
 - i. Mr. Ami Chandra
 - ii. Mr. Abdul Samim
 - (iii) Lautoka Cane Producers' Association

Vacant

(b) The Commissioner for the Western Division

Mr. Mesake Ledua

(c) The Commissioner for the Northern Division

Mr. Uraia Rainima

(d) And a Representative of the Ministry

Director Policy and Research - Ms. Reshmi Kumari [Chairperson]

COUNCIL MEMBERS



RESHMI KUMARI CHAIRPERSON

Appointed: 01 January 2021 for three years



URAIA RAINIMA
COMMISSIONER NORTHERN DIVISION
Appointed: 29 April 2023 for three years



MESAKE LEDUA

COMMISSIONER WESTERN DIVISION
Appointed: 21 April 2020 for three years



ABDUL SAMIN

LABASA CANE PRODUCERS

ASSOCIATION

Appointed: 13 June 2021 for three years



AMI CHANDRA

LABASA CANE PRODUCERS

ASSOCIATION

Appointed: 13 June 2021 for three years



RADHA KRISHNAN
RARAWAI PENANG CANE PRODUCERS
ASSOCIATION
Appointed: 13 June 2021 for three years



DEVENDRA NATH
RARAWAI PENANG CANE PRODUCERS
ASSOCIATION
Appointed: 13 June 2021 for three years

EXECUTIVE MANAGEMENT



VIMAL SACHIN DUTT CHIEF EXECUTIVE OFFICER



SUNIL DEO CHAUDHARY GENERAL MANAGER OPERATIONS

COUNCIL MEETINGS

Throughout the financial year ending on 31st July 2022, the Council convened three meetings. During these sessions, the Council addressed various aspects of its operations, including corporate governance, financial performance, risk management, business management, and strategic matters.

Additionally, the Council engaged in discussions regarding challenges and concerns raised by growers, aiming to find amicable solutions to promote the sustainable development of the sugar industry.

OUR PEOPLE

Central to achieving success is a cohesive team united by common objectives. Here at Sugar Cane Growers Council, we establish our goals collectively as a team, leveraging the individual drive and passion of each member to propel us towards achievement.

The operational oversight of Sugar Cane Growers Council rests in the hands of the Chief Executive Officer, supported by a team of 27 dedicated staff members. Governance responsibilities are assumed by a panel of 9 member Council appointed by the Minister of Sugar Industry.

The Council's composition is carefully craft-

ed to encompass a rich diversity of industry expertise, technical knowledge, intellectual insight and a shared passion for the sugar industry.

This balance enables the Council to effectively steer its operations towards success. Understanding the importance of investing in human resources, the Council encourages members' actively staff professional growth. This includes encouraging participation in workshops, seminars, and tertiary courses to enhance academic and technical both competencies, as well as keeping up with developments in their respective fields.

SUGAR CANE GROWERS

The sugar industry has played a pivotal role in Fiji's economy for over a century, contributing significantly to the country's Domestic Product (GDP) employment. However, challenges such as non-renewal of land leases and the gradual withdrawal of preferential prices by the European Union have led to a decline in sugarcane production. The Sugar Growers Council, representing registered cane growers, aims to address these issues and safeguard their interests.

There are 16,909 registered cane growers, however close to 11,398 growers actively grow cane. These farms tend to be quite modest, with the majority producing less than 200 tonnes of sugarcane annually. Interestingly, most of these farms adhere to a historical legacy: they occupy 4 hectares (equivalent to 10 acres) of land.

This allocation size dates back to the British colonial administration and the end of the indentured labour system in the 1920s.

Back then, a 4-hectare plot was considered sufficient to support a farmer and their family. However, over time, many farmers have migrated to urban areas in search of more convenient and lucrative employment opportunities.

Currently, majority of farm areas are effectively managed by older-generation farmers who are over 50 years old. These growers either personally cultivate their farms or employ casual labourers. However, finding labourers to work on the farms has become increasingly challenging, and in some cases, nearly impossible.

The younger generation, including the children of these growers, has typically left

rural areas to pursue higher education and seek white-collar employment opportunities in urban centres.

The sugar industry in Fiji has witnessed mechanization as growers come together to form cooperatives and invest in machinery for sugarcane cultivation and harvesting. The Sugar Cane Growers Council (SCGC) actively promotes mechanization and offers guidance and support to cooperatives and individuals interested in acquiring farm machinery. Despite these efforts, challenges persist due to small farm sizes and challenging which hinder widespread terrains. mechanization.

REGULATORY FRAMEWORK

The Sugar Industry in Fiji operates within a highly regulated framework outlined in the Sugar Industry Act of 1984, governing its structure and organization.

The primary aim of this legislation is to establish regulatory bodies overseeing different facets of the industry. The dynamic between millers and growers is meticulously outlined in the Master Award, explaining their respective rights and responsibilities in detail.

As of 2022, Fiji boasted a total of 16,909 registered growers and 1,656 cane harvesting gangs, indicative of the industry's scale and scope.

As per the legislation, growers are mandated to contribute one third of the annual operating costs of the Sugar Research Institute of Fiji (SRIF).

Additionally, growers have access to affordable loans provided by the Sugar Cane Growers Fund (SCGF). These loans are intended for upgrading their standard of living, investing in new farm buildings, acquiring machinery, and covering other farm-related expenses.

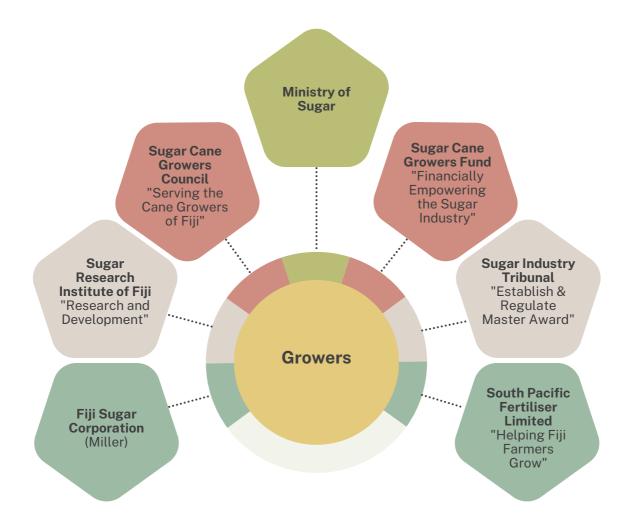
The establishment of the Cane Farmers Cooperatives is also seen as crucial for collectively investing in mechanization and other initiatives aimed at enhancing efficiency and empowering the community.

Currently, there are 48 operation cooperatives spread across the cane belt, comprising a total of 1,436 grower members.

Summary of registered growers and harvesting gangs across respective mills.

Mill	Lautoka	Rarawai	Labasa	Total
No. of Registered Growers	5,517	7,194	4,198	16,909
No. of Harvesting Gangs	478	650	528	1,656

THE SUGAR INDUSTRY





OPERATIONS

The Management of the Sugar Cane Growers Council takes pleasure in presenting its 2021/2022 Report.

CROP

A crop of 1,407,900 tonnes of cane was forecasted for the year 2021, and the actual crop harvested at the end of the season was 1,417,267 tonnes. The crop size had declined by 18% compared to the previous season due to the impacts of two tropical cyclones, Yasa and Anna. Tropical cyclone Yasa brought devastating winds to Vanua Levu, which damaged the crops and caused sea water to flood fields due to tidal waves. Later, Tropical Cyclone Anna brought massive rain and caused flooding,

water logging of fields and caused extensive damage to infrastructure such as roads and crossings.

Labasa mill area was most badly affected by the natural disaster and suffered a 46% crop loss when compared to the 2020 season. This was the lowest crop harvest for the Labasa Mill area in the last few decades. The only mill that recorded an increase of 6% is Lautoka.



Figure 1: Crop Established through the Tropical Cyclone Yasa Rehabilitation Program.

2021 CROP ACHIEVED AGAINST FORECAST

Mill	2021 Pre-Crush Estimate (Tonnes)	2021 Season Actual Harvest (Tonnes)
Lautoka	439,900	442,811
Rarawai	552,400	612,219
Labasa	415,600	362,237
Total	1,407,900	1,417,267

The initial crop forecast for 2022 season was 1.9M tonnes, however after Tropical Cyclone Cody the crop was affected and the forecast was revised to 1.8M tones. The cyclone caused crop lodging and water logging.

Lodging lowers the productivity of sugar cane through a reduction in radiation use efficiency and stalk damage. It also results in increase of harvest losses more in mechanical harvesting. Weed control in lodged cane becomes difficult and there

could be significant losses in fields with creepers. Water logging drastically reduces the growth and survival of sugarcane which can lead to a significant reduction in cane yield. Water logging stress inhibits the leaf and stem expansion, tiller production and causes changes in the orientation of shoot extension. Water logged fields are difficult to cultivate, thus weeds can also become an issue. Furthermore, nutrients would be lost through erosion and leaching.



Figure 2: Cane Loading in Meigunyah Sector, Solovi Nadi.

The table below shows the cane planted in respective mill areas for the 2022 harvest season:

Mill	Area Planted (Ha)
Lautoka	567
Rarawai	903
Labasa	1,673
Total	3,143



Figure 3: New Cane Planting in Daku Sector, Labasa.

HARVESTING SEASON

The 2021 crushing season for Labasa and Lautoka mills commenced in June, while Rarawai started in mid-July. After processing 1.41M tonnes of cane, the mills terminated crush between October and November. During the season growers faced a lot of challenges while trying to harvest and deliver the crop to the mills.

Restrictions due to COVID-19 Pandemic had continued and had caused difficulty in securing labours from outside cane belt areas, delayed importation of mechanical harvester parts and engagement of qualified technician's. However, some

growers were lucky to engage labours laid off by industries such as tourism.

Milling inefficiencies, poor rail transport performance, and cyclone affected crops in Labasa coupled with recurrent adverse weather conditions during the season affected the harvesting operations with growers incurring additional costs.

Council in collaboration with other Sugar Industry Stakeholders tried its best to resolve issues and mitigate some of the challenges encountered by the growers to leverage the field operations.



Figure 4: Lorry Mode of Cane Delivery in Lovu Sector, Lautoka.

The season length for respective mill are as follows:

LAUTOKA MILL RARAWAI MILL LABASA MILL

20.3 WEEKS

23 WEEKS

26 WEEKS

Though harvesting was quite slow at the onset, the cane supply to the factories normalised and became consistent as the season progressed.

During the season, Council continued with grower representation in the bid to find

speedy and amicable resolution to ongoing challenges faced by growers.

Also, Council provided mediation services to address growers' grievances and to provide timely redress to ensure minimum to zero disruption in field operation.



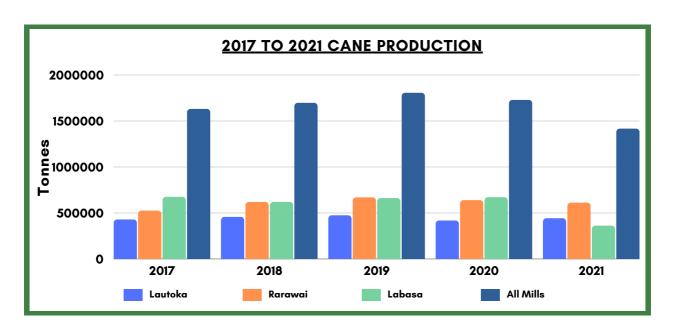
Figure 5: 60 Percent of Sugar Cane is Harvested Manually.

2021 SEASON CANE AND SUGAR PRODUCTION IN COMPARISION TO LAST FIVE YEARS

TONS	2017	2018	2019	2020	2021
Cane	1,631,301	1,697,370	1,806,379	1,729,181	1,417,267
Sugar	180,388	160,206	168,702	151,590	133,209

FIVE YEARS CROP PRODUCTION

Mill	2017	2018	2019	2020	2021
Lautoka	429,569	457,481	474,914	418,149	442,811
Rarawai	526,111	619,570	669,729	639,816	612,219
Labasa	675,741	620,335	661,929	671,316	362,237
Total	1,631,421	1,697,386	1,806,572	1,729,281	1,417,267

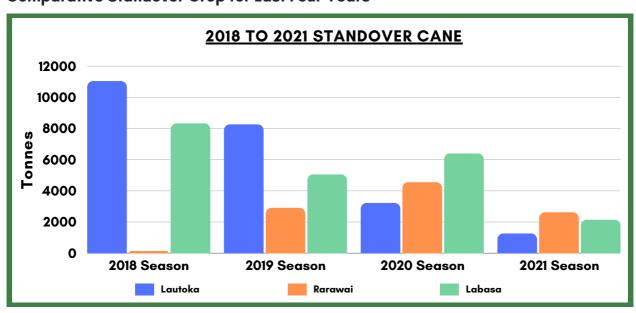


STANDOVER CROP IN 2021 SEASON

The total standover crop for the 2021 season was 6,035 tonnes. The table below shows the stand-over figures for respective mills in the past four seasons:

Mill	2018 Season	2019 Season	2020 Season	2021 Season
Lautoka	11,046	8,267	3,225	1,265
Rarawai	140	2,910	4,555	2,625
Labasa	8,330	5,055	6,400	2,145
Total	19,516	16,232	14,180	6,035

Comparative Standover Crop for Last Four Years



Standover crop in all mill areas was very marginal when compared to the past three seasons. Farms had standover crop mainly due to un-availability of cane cutters, lack of interest in the growers, absentee

growers, poor rail transport performance, and in a few cases, adverse weather conditions affected field operations in the last lag of the season.



Figure 6: Cane Planting at Bucaisau Sector, Labasa.

MECHANICAL HARVESTING

In the 2021 crushing season, 36.1% (511,331 tonnes) of the crop was harvested using mechanical harvesters. Though the total harvesters increased to 98 units for the season when compared to 95 in year 2020, the overall billet cane harvest dropped by approximately 102,000 tonnes. The low achievement was mainly due to smaller crop volume, especially in Vanua Levu, where crop was badly damaged by Tropical Cyclone Yasa. The COVID-19 Pandemic and closure of international borders restricted getting technicians and

harvester operations from India delayed importation of spare parts. However, local technicians were engaged to service and prepare the machines while locals were trained and engaged to operate the harvesters.

While most harvesters performed exceptionally well and provided much-needed relief to growers in mitigating labour shortage issues, few harvesters continued to struggle as the arrival of spare parts and expert technicians was delayed.



Figure 7: 40 Percent of the Sugar Cane is Harvested Mechanical and Cage Bin Loading.

The table below provides figures for mechanicary harvested cane in five years for each mill.

Mill	2017	2018	2019	2020	2021
Lautoka	110,965	150,934	202,871	180,577	185,075
Rarawai	88,877	159,386	184,105	192,116	197,627
Labasa	107,171	176,718	242,786	241,281	128,626
Total	307,013	487,038	529,762	613,974	511,331

CANE ACCESS ROAD

The CAR maintenance works in all the mill areas for the 2021 season were successfully completed. As a result, there was no cane left (standover) in the fields due to poor road access.

The CAR National Steering Committee provided policy guidelines on the utilization of the Government grant. The actual planning, monitoring and assessing of the task was headed by FSC with the assistance of personnel from the Ministry of Sugar Industry and Sugar Cane Growers Council. Under this program, the total cost

of each road, crossing maintenance, and supply of culverts was paid through government grants.

Since most cane access roads are temporarily fixed due to low budget allocation, these roads easily are damaged during the rainy season and require maintenance before of commencement every harvesting season. Year 2022 was no exception, thus the Government had to allocate funds for maintenance of over 3,400 km of cane access roads in the entire cane belt.

The table below shows the grant allocation for repair of CAR in preparation for the 2022 crushing season:

Allocation					
Mill	No. of Roads	KM	Cost		
Lautoka	943	1,200	\$720,000		
Rarawai	1,331	1,383.4	\$900,000		
Labasa	1,070	865.7	\$510,000		
Total	3,344	3,449.1	\$2,130,000		



Figure 8: Rail Mode of Cane Delivery.

CANE PRICE & PAYMENTS

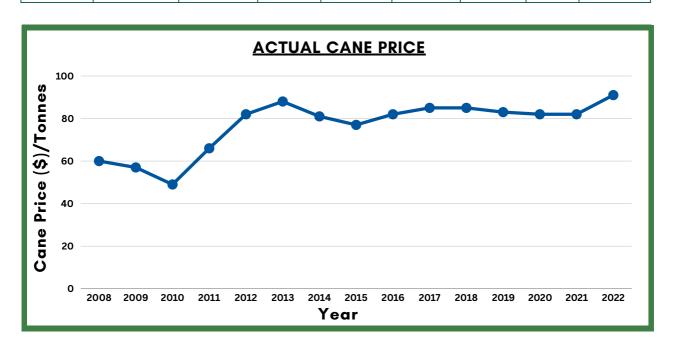
For the 2022 season, Growers received a total payment of \$91.38 per tonne of cane against the forecast price of \$66.92 per ton. The growers received 60% (\$40.15) of the forecast price in the delivery payment. The second cane payment of 20% (\$13.38) of the forecast was received five weeks

after termination of crushing in each mill.

A third and fourth cane payment of \$24.62 and \$7.11, respectively, were later paid to the growers, with the final cane payment of \$6.12 paid for the year 2022.

The cane price for the past fifteen (15) years are listed below: -

Season	Forecast	Delivery	Second	Special	Third	Fourth	Final	Total
2008	\$46.26	\$27.76	\$9.25	\$4.00	\$4.02	\$12.44	\$2.33	\$59.70
2009	\$61.17	\$36.70	\$12.23	-	\$5.03	\$2.26	\$0.37	\$56.59
2010	\$45.67	\$27.40	\$9.13	-	\$3.50	\$6.54	\$2.59	\$49.16
2011	\$52.20	\$31.32	\$10.44	-	\$10.18	\$11.39	\$2.34	\$65.67
2012	\$53.55	\$32.13	\$10.70	\$4.00	\$11.50	\$20.40	\$3.09	\$81.82
2013	\$62.58	\$37.55	\$12.52	\$5.00	\$12.00	\$15.05	\$6.37	\$88.49
2014	\$62.70	\$37.62	\$12.54	-	\$15.13	\$15.00	\$0.71	\$81.00
2015	\$62.70	\$37.62	\$11.14	\$4.80	\$9.88	\$11.12	\$2.10	\$76.66
2016	\$65.69	\$39.42	\$13.14	\$3.05	\$9.28	\$10.57	\$6.54	\$82.22
2017	\$65.63	\$39.38	\$13.13	-	\$13.45	\$15.14	\$3.90	\$85.00
2018	\$66.08	\$39.65	\$13.22	-	\$8.15	\$12.50	\$11.48	\$85.00
2019	\$63.17	\$37.90	\$12.63	-	\$11.00	\$13.73	\$7.62	\$82.88
2020	\$64.17	\$38.50	\$12.83	-	\$8.37	\$10.31	\$12.05	\$82.06
2021	\$54.36	\$38.5	\$12.83	-	\$11.00	\$15.15	\$4.45	\$81.93
2022	\$66.92	\$40.15	\$13.38	-	\$24.62	\$7.11	\$6.12	\$91.38



SERVICES PROVIDED TO GROWERS

WEEDICIDE DISTRIBUTION

The Council facilitates the distribution of weedicide to growers from the Eight District Offices located in the sugar cane belt areas. The price of weedicide was subsidized by 20% through a government grant program for Amine, Diuron, and Valpar King. Since the total grant allocation for weedicide had reduced

significantly, growers had to pay only 80% of the total cost of three commodities and 100% for Glufosinate. FSC issues orders to individual growers under the farm input advance platform and the Sugar Cane Growers Council facilitates the weedicide delivery to growers.

Weedicide	Government Subsidy	Price Paid By Grower
Amine	\$8.30	\$33.10
Diuron	\$4.09	\$16.34
Valpar King	\$5.69	\$22.74
Glufosinate	No Subsidy	\$77.00

Uptake of weedicides by growers from respective districts for the year is tabulated below:

District	Diuron (\$)	Amine (\$)	Glufosinate (\$)	Valpar King (\$)	Total Sales (\$)
Rakiraki	\$140,727	\$102,431	\$104,320	\$43,059	\$390,538
Tavua	\$83,693	\$90,842	\$51,214	\$58,010	\$283,760
Ba	\$357,650	\$281,107	\$129,559	\$169,102	\$937,419
Lautoka	\$171,537	\$135,568	\$70,878	\$62,467	\$440,450
Nadi	\$176,029	\$130,581	\$84,488	\$43,365	\$434,463
Sigatoka	\$37,942	\$48,905	\$8,133	\$25,370	\$120,350
Labasa	\$165,686	\$280,730	\$128,038	\$108,323	\$682,777
Seaqaqa	\$55,944	\$98,845	\$56,123	\$133,256	\$344,168
Total	\$1,189,802	\$1,169,011	\$632,753	\$642,953	\$3,633,925

Amine is a post-emergent weed killer used to eliminate broadleaf weeds and brush.

Diuron is a post-emergent, non-selective herbicide designed to control various types of grasses and broadleaf weeds. It can also be used as a selective pre-emergent herbicide in croplands. It controls barnyard grass, crabgrass, quack grass, pigweed, horseweed, and more.

Valpar King can control a wide range of annual and perennial grasses, broadleaf weeds and vines in established sugar cane.

Glufosinate Ammonium is one of the most widely applied broad spectrum herbicides used to control weeds in a wide variety of crops across the world.



Figure 9: Dispatch of Weedicide in the Ba District.

CANE KNIFE SALES

Council has continued to assist growers by facilitating the sale of cane knife sets (knife, file, and hand gloves) from its district offices at a very affordable price of \$18 per set.

However, effective June 2022, the price to growers increased to \$20 due to an increase in the purchase price. Sugar Cane Growers Council has sold a total of 1,700 knife sets to growers.

District	Rakiraki	Tavua	Ва	Lautoka	Nadi	Sigatoka	Labasa	Seaqaqa	Total
Quantity Sold	32	217	285	291	455	163	128	129	1,700

LEGAL SERVICES TO GROWERS

Sugar Cane Growers Council offers an extensive array of legal services to cane growers at a highly competitive rates. The demand for legal assistance is on the rise, encompassing not only conveyancing matters but also consultations for legal advice and mediation sessions with our lawyers. There was a decrease in the

number of legal services provided in the financial year of 2022 due to the COVID-19 pandemic. In the financial year of 2022, SCGC catered to the legal needs of 1,021 growers, reflecting the growing reliance on our services within the cane growing community.

The number of legal services provided from 1st August 2021 to 31st July 2022.

Legal Services					
	Instruments	Count			
1	Probates/Letters of Administratiom	102			
2	Transmission By Death / Transfer of Farm/Lease Ownership	124			
3	Powers of Attorney (POA) / Revocation of Powers of Attorney	142			
4	Wills and Testament	105			
5	Deed Of Appointment/Retirement	4			
6	Request for Provisional Title/Lease & Instrument of Tenancy	3			
7	Sales And Purchase Agreement Contracts	33			
8	Legal Advice, Notices and Enquiries	384			
9	Referrals - Grower Governance/ Legal Related/ Mediation	124			
	Total	1,021			





Deed of Family Arrangement
Deed of Retirement of Trustee
Deed of Appointment of Trustee
New Cane Registration
Amendment of Cane Contract Card
Transfer of Cane Contract
Registration
Transfer
Tenancy Agreement



Figure 10: Legal Counsel Providing Legal Service to a Cane Grower.

LANDS ISSUES

SCGC tirelessly advocates for growers' interests and actively participates in negotiations with the iTaukei Land Trust Board and the Department of Lands and Mineral Resources to resolve issues impacting cane growers in an amicable manner.

Renewing high lease premiums in some districts poses a significant challenge for growers whose leases are nearing expiration within the next five years. Many tenants are seeking loan assistance from the Sugar Cane Growers Fund (SCGF) and Fiji Development Bank (FDB) to cover these premiums. However, given that numerous growers already have existing loans with lending institutions, securing additional loans for lease renewal premiums has become increasingly hard.

The Sugar Cane Growers Council has been actively engaged in negotiations with both the iTaukei Land Trust Board (TLTB) head office and regional officers on behalf of the growers, advocating for a review of the premium rates and expediting the lease renewal process. While iTaukei Land Trust Board (TLTB) has initiated the renewal process, progress has been hindered by various factors, resulting in a slower-than-expected pace.

We consistently follow up on pending cases with the Department of Lands and iTaukei Land Trust Board (TLTB) to ensure that we stay informed about the latest progress. This proactive approach enables us to provide timely updates to the concerned growers, keeping them informed about the status of their cases.



Figure 11: Growers Consultation Meeting in Labasa.

GROWERS CONSULTATION

Consultation and grower meetings are ongoing in the respective mill areas and numbers of issues are raised by the growers during the discussions which are addressed by the Council management and staff. Council also collaborates with other industry institutions and agents to promptly address grower requests and grievances.

Following issues were discussed and addressed:

- Cane planting grant utilization for Crop development. Timely release of funds to growers.
- Achieve sustainability in cane farming by improving crop yield and increasing production.
- Harvesting and transportation of cane, burnt cane, gang matters and mediation.
- Monitoring and verification of cane access road maintenance works.
- Obligation of road committees and growers.

- Awareness on Government Support Programs.
- Stakeholder matters.
- Facilitate the formation of cane grower's cooperatives.
- Providing guidance facilitate to growers/cooperatives requests obtaining loans from the Sugar Cane Fiji Growers Fund (SCGF) and Development Bank farm development and mechanization.
- Advocating on new initiatives to address grower's welfare.
- Advocacy on the Council's services to growers.

The Council also facilitates financial literacy training for growers and advocates for grower's welfare initiatives such as Microbundled Insurance and Parametric Insurance.



Figure 12: Consultation Meeting with Growers.

COMMUNITY COLLABORATION



Figure 13: Gang Sirdar's Meeting at Drasa Sector Office, Lautoka.



Figure 14: Growers Meeting Held in Rakiraki District.

GROWERS SERVICES

SCGC provides various services to the sugar These services are on demand basis and a cane growers through its eight-district total of 56,180 were served from 1st August offices and Head office in Lautoka.

2021 to 31st July 2022.

The table below reflect the detailed report: -

	ACTIVITY REPORT									
G	rowers Services	Rakiraki	Tavua	Ba	Lautoka	Nadi	Sigatoka	Labasa	Seaqaqa	Total
1	Crop Management	68	57	99	415	331	274	188	60	1,492
2	Cane Contract	126	137	256	475	39	99	134	9	1,275
3	Lease/ Land/ Subdivision	104	184	39	147	6	13	143	19	655
4	Farm Income/ Tax/ VAT	434	285	828	417	130	295	1,019	139	3,547
5	Farm Advances/ Purchase	1,851	1,795	4,214	1,995	2,478	863	4,313	1,189	18,698
6	Legal Matters	1180	429	255	598	79	73	224	44	2,882
7	Grower Welfare	223	151	153	188	79	182	616	58	1,650
8	Harvesting & Transportation/ Cartage	533	912	1,206	896	839	558	1,170	270	6,384
9	Cane Payment	369	72	27	303	119	72	352	104	1,418
10	Consultation/ Meetings	384	487	605	547	462	518	486	285	3,774
11	General Inquires	1,505	1,927	1,585	2,054	1,710	1333	2,989	1302	14,405
	Total	6,777	6,436	9,267	8,035	6,272	4,280	11,634	3,479	56,180



Figure 15: Ratu Tuinasolo Received The First Cane Contract Card of Drasa Sector, Lautoka.

GROWERS WELFARE

MICRO BUNDLED INSURANCE

Micro Bundled Insurance was introduced in 2017, and it is the sole welfare initiative currently available to all active cane Growers at an annual preferential premium of \$52 per annum, which equates to one dollar per week.

Currently, the premium is paid through deductions made from grower's share of sugar proceeds. The product comes as a liberation to the growers in time of dismal catastrophe. It provides cover for Term Life of \$3,000; Funeral Benefit of \$1,000; House Fire of \$3,000; and Personal Accident of \$3,000 for a total sum insured of \$10,000.

The total claim payout for the year 2022 was \$602,500, and a total of 263 growers and their families benefited from the remarkable scheme.

Summary of Claims - Micro Bundled Insurance						
Product	No. of Growers	Amount Paid				
Funeral	145	\$145,000				
Term Life/Funeral	108	\$432,000				
Fire	8	\$22,500				
Permanent Disability	2	\$3,000				
Claims Paid for Year 2022	263	\$602,500				

The illustrations below shows the recipients' gender based on the deceased and the beneficiaries.

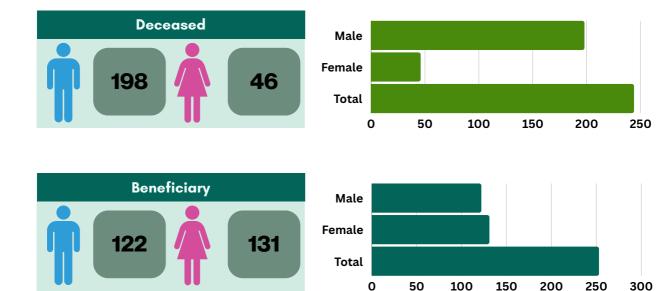




Figure 16: Family Member of the Deceased Received Micro Bundled Insurance Payout from Staff.

PARAMETRIC INSURANCE

The United Nations Capital Development Fund (UNCDF), through a joint programme with the United Nations Development Programme (UNDP), the United Nations University Institute for Environment and Human Security (UNU-EHS), and in close collaboration with key stakeholders from the government, public, private sector, and other development partners, aims to address the challenges of post-disaster financing through the work streams envisaged in the Pacific Insurance and Climate Adaptation Programme (PICAP). The Programme is aligned to the United Nations Pacific Strategy, UNCDF global strategies and the respective country national development plans.

The objective of this project is to improve the financial preparedness and climate disaster risk resilience of our Sugar Cane Growers.

This new product does not need to have a

minimum trigger event such as a cyclone, if there is cumulative rainfall over consecutive 5 days or 300mm, growers will still get a payout. The payout is applicable on the occurrence of either wind or rainfall and even if both wind and rainfall trigger happens together. Multiple events within one policy are covered up to a maximum of 100% of the sum insured. There is no limitation on the geographical location as well; all the growers are eligible for this new product.

Parametric Insurance provides cover for loss of income of smallholder farmers due to cyclonic storms by offering weather index-based microinsurance products.

The Combined Wind and Rainfall Cover is effective from 1st November 2021 and ends 31st October 2022. There are two sum insured cover options of \$1,000 and \$2,000 with some variation in strike threshold and payoff.

The policy cover duration is from 1st October 2021 to 30th September 2022. During the 2021/2022 cyclone season, 202 growers had registered for the Parametric Microinsurance.

However, insured members did not receive any payout during the cover period as there was no catastrophic event recorded with the minimum threshold.

The following tabulated data illustrates the registration of parametric microinsurance by district office.

Parametric Insurance Registration								
Mill	Count	Male	Female					
Rakiraki	31	29	2					
Tavua	25	22	3					
Ва	21	17	4					
Lautoka	29	27	2					
Nadi	21	17	4					
Sigatoka	56	50	6					
Labasa	12	11	1					
Seaqaqa	7	7	0					
Total	202	180	22					



Figure 17: Workshop on Crop Insurance for Protection Against Natural Disaster Losses.

FINANCIAL LITERACY PROGRAM FOR CANE GROWERS

Sugar Cane Growers Council with the support of the Reserve Bank of Fiji and the United Nations Capital Development Fund (UNCDF), organized a financial literacy program for cane growers in the cane belt areas.

A number of sessions were held, and the core objective of the training was to teach growers on financial planning, Budgeting, Units Trust Saving Plan, Bundled Insurance, Parametric Insurance, Loans accessibility for farmers.



Figure 18: Financial Literacy Training Program held in Ba for Sugar Cane Growers.

GROWER MANAGEMENT SYSTEM

The Grower Management System will function as the core system performing services at SCGC. Grower Management System will be an extension of the data collected through the scientific survey. Every online survey detail captured through the system will result in the creation of an account in the Grower Management System. Authorized users at SCGC will be able to update the grower details and update information against it.

The grower's scientific survey will be conducted all across the cane growers, obtaining data that will be the source of data for the grower's management system.

This is an opportunity to establish a robust grower profile database. Bundle Insurance is an added feature that will allow functionality to create and manage details relating to Bundle Insurance.

The Grower Management System will be utilized by the internal team at SCGC. The system will have the following modules:

I. Admin - The admin module will cover the basic functionalities required for the system such as user roles profiles, user management and user roles and securities. The user profiles created will be able to view/edit the system based on the roles assigned to them.

The user profiles will be secure and will follow an end-to-end authentication system.

- 2. Grower Survey This module prepopulates the existing data and captures new details of the growers on the survey.
- 3. Legal Service This module captures legal services provided to the growers.
- 4. Grower Welfare This module captures the Micro Bundled Insurance and Parametric Insurance details.
- 5. Grower Services This module captures the grower services provided by the Sugar Cane Growers Council.

- 6. Report This module generates the reports of the Growers Module. This module shall display search and download options.
- 7. Dashboard This module displays the dashboard. The user clicks on the dashboard icon, and the data shall be displayed in the pie chart and bar graph format.



IMPACTS OF CLIMATE CHANGE

The impact of climate change on Fiji's industry sugarcane significant. is Sugarcane farmers have been affected by hazards, including climate cyclones and floods. These events impact livelihoods and influence farmers' decisions regarding sugarcane farming. catastrophes create uncertainty about many farmer's futures in the industry. Climate-induced vulnerabilities play a significant role in these decisions.

Despite implementing climate change adaptation measures, Fiji's sugar industry faces devastating losses and damages from frequent and severe cyclones. Much of this loss and damage is irreversible and unavoidable, affecting property, crops, and income. Addressing both climate and non-climatic stressors is crucial for the industry's sustainability. Coordinated efforts toward sustainable intensification and planned adaptation are essential as Fiji's sugarcane sector navigates these challenges.

The sugarcane industry hopes to embrace several adaptive measures to address the challenges posed by climate change:

- **Diversification:** Farmers can diversify into other crops to reduce reliance solely on sugarcane. This could involve growing other crops alongside sugarcane, such as fruits, trees, vegetables, or alternative cash crops. Diversification provides a safety net during extreme weather events that may impact sugarcane yields.
- Improved Varieties: Developing and adopting climate-resilient sugarcane varieties is essential. These varieties should be more tolerant to heat, drought, and pests. Research institutions (SRIF) and agricultural extension services play a crucial role in promoting such varieties.

- Water Management: Efficient water management practices are vital. Implementing drip irrigation, rainwater harvesting, and efficient scheduling of irrigation can help conserve water and reduce vulnerability to changing rainfall patterns.
- Soil Health: Maintaining healthy soil is critical for crop resilience. Practices like cover cropping, organic matter incorporation, and reduced tillage enhance soil structure, nutrient availability, and water retention.
- Early Warning Systems: Establishing robust early warning systems for extreme weather events allows farmers to take timely action. Alerts about cyclones, floods, or droughts can help protect crops and infrastructure.

- Community-Based Adaptation: Collaborative efforts within farming better communities can lead to adaptation outcomes. Sharing knowledge, best resources, and practices helps build resilience collectively.
- Financial Support: Access to credit and insurance can buffer farmers against climate-related losses. Training programs can educate farmers on sustainable practices.

Adaptation strategies should consider local conditions, resources, and community needs. By combining these approaches, Fiji's sugarcane industry can better withstand the impacts of climate change.

GOVERNMENT SUPPORT MEASURES FOR CANE GROWERS

The Ministry of Sugar Industry ("Ministry") is the government arm providing regulatory and supportive roles to the Sugar Industry. In this 2021/2022 Financial Year, the Ministry allocated capital sum to execute seven capital programs namely:

1. Minimum Guaranteed Cane Price

The government had allocated \$46.9 million under the program and made its commitment to growers of \$85.00 per ton as the minimum cane price per ton of sugarcane.

2. New Farmer Assistance

The government had allocated \$250,000 and will pay 50% to a maximum of \$5,000 for lease offer costs for new farmers only who want to venture into cane farming.

3. Fertilizer Subsidy

Growers will continue to pay \$20.00 per

50 kg of blended fertilizer supplied by South Pacific Fertilizers PTE Limited. The balance of the price is paid by the Government of \$15.6 million.

4. Weedicide Subsidy

80% of the price of weedicide is paid by the grower, while 20% is paid by the government. The three main weedicides, Diuron, Valpar and Amine are covered by the subsidy program. Government allocated \$500,000.

5. Cane Access Road Maintenance Grant

Growers are not required to pay any amount in repair and maintenance of cane access roads. The government takes full responsibility for the repair of cane access road expenses, with an allocation of \$2 million for the program.

6. Grant for Replanting & Planting of New Sugarcane

Growers were eligible for a one-acre [0.4 Ha] grant of \$600 per acre for cane planting and replanting. The government allocated \$0.5 million and grants are available on a first-come, first-come basis.

7. Cane Cartage (Penang to Rarawai)

Cane cartage from Rakiraki mill yard to Rarawai mill yard is paid by the government at no additional cost to growers. The government allocated \$3.7 million to cater the cane transfer cost.

SUSTAINABLE DEVELOPMENT GOALS

The Sugar Cane Growers Council remains committed to advancing the United Nations Sustainable Development Goals by embedding sustainability into every aspect of our operations. Through a strategic focus on fair trade, environmental stewardship, and community welfare, we are working towards a better future for our growers and the environment.

We prioritize SDG 1 (No Poverty) by ensuring fair compensation for our growers, helping to improve livelihoods and foster economic resilience. To contribute to SDG 2 (Zero Hunger), we promote sustainable agricultural practices that increase yields while maintaining soil health and minimizing environmental impact.

SDG 6 (Clean Water and Sanitation) and SDG 13 (Climate Action) are integral to operations as we focus on efficient water management and adopt climate-resilient farming techniques to combat the effects of climate change. We also advocate for responsible land use, in alignment with SDG 15 (Life on Land) to prevent land degradation and promote biodiversity.

Furthermore, we are advancing SDG 8 (Decent Work and Economic Growth) by creating safe, fair and rewarding work environments while supporting gender equality initiatives (SDG 5) to empower all

equality initiatives (SDG 5) to empower all growers and workers in our communities by fostering equal opportunities for women and ensuring their voices are heard in decision-making.

Our dedication to these SDGs reflects our long-term vision to grow sustainability so that future generations benefit from a thriving, resilient sugarcane industry.



SDG 1: No Poverty in the Sugar Industry

The sugar industry is a significant contributor to the economic development of many countries, particularly in rural areas where it supports the livelihoods of smallholder farmers, workers, and their families.



SDG 2: Zero Hunger

Zero hunger emphasizes the need for sustainable agricultural practices to ensure food security and nutrition for all. By promoting resilient farming techniques and supporting local communities, the Sugar Cane Growers Council is committed to increasing crop yields while safeguarding the environment, ultimately contributing to a more sustainable and food secure future.



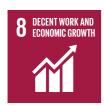
SDG 5: Gender Equality in the Sugar Industry

Promoting gender equality in the sugar industry is vital to achieving SDG 5 and advancing sustainable development across the sector. By promoting access to microbundled insurance and parametric insurance, the Sugar Cane Growers Council aims to empower women farmers, providing them with tailored financial protection against risks. These innovative insurance products can help women secure their livelihoods and recover quickly from adverse events, ultimately fostering greater economic independence and participation in decision-making processes within the agricultural community.



SDG 6: Clean Water and Sanitation

This goal underscores the vital role of ensuring safe and sustainable water resources. The Sugar Cane Growers Council is dedicated to implementing efficient water management practices, promoting irrigation innovations, and promoting local water sources to enhance water quality and availability for our growers and surrounding communities.



SDG 8: Decent Work and Economic Growth

This SDG goal focuses on promoting inclusive and sustainable economic growth, full and productive employment, and decent work for all.

The Sugar Cane Growers Council is committed to fostering fair labor practices, ensuring safe working conditions, and providing training and development opportunities for workers. By supporting local economies and encouraging responsible business practices, we aim to create a thriving sugarcane industry that benefits all stakeholders and contributes to long-term economic resilience.



SDG 13: Climate Action in The Sugar Industry

The sugar industry as a key agricultural sector is both affected by and contributes to climate change. The sugar industry has a pivotal role to play in addressing climate change by reducing its environmental footprint, adopting climate-resilient practices, and contributing to renewable energy solutions.



SDG 15: Life on Land

This SDG goal focuses on the sustainable management of terrestrial ecosystems, combating desertification, and halting biodiversity loss. The Sugar Cane Growers Council is dedicated to promoting responsible land use practices, restoring degraded areas, and implementing agroecological approaches that natural habitats, ensuring that agricultural activities contribute positively to environmental health and biodiversity while supporting the long-term sustainability of the sugarcane industry.



FINANCIAL STATEMENTS

SUGAR CANE GROWERS COUNCIL

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

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SUGAR CANE GROWERS COUNCIL MEMBER'S REPORT FOR THE YEAR ENDED 31 JULY 2022

In accordance with a resolution of the stakeholders, the Council herewith submit the statement of financial position of Sugar Cane Growers Council ("the Council") as at 31 July 2022, the related statement of comprehensive income and accumulated funds and statement of cash flows for the year ended on that date and report as follows:

Members

The name of the Members at the date of this report and at any time during the financial year and up till the date the financial statements were authorised for issue are as follows:

- Reshmi Kumari
- Abdul Samim
- Ami Chandra
- Devend Dharmend Nath
- Radha Krishna
- Mesake Ledua (completed term on 5 October 2022)
- Uraia Rainima
- Apolosi Lewaqai (appointed on 2 November 2022)

State of affairs

In the opinion of the Members the accompanying statement of financial position gives a true and fair view of the state of affairs of the Council as at 31 July 2022 and the accompanying statement of comprehensive income and accumulated funds and the statement of cash flows give a true and fair view of the results, changes in funds employed and cashflows of the Council for the year then ended.

Principal activity

The principal business activity of the Council are outlined under Section 1.2 of the Sugar Industry Amendment Bill 2015 which is to ensure the protection and development of the sugar cane industry. There were no significant changes in the nature of the activities of the Council during the financial year.

Results

The total comprehensive income for the year amounted to \$250,977 (2021: \$113,616).

Current assets

The Members took reasonable steps before the Council's financial statements were made out to ascertain that the current assets of the Council were shown in the accounting records at a value equal to or below the value that would be expected to be realised in the ordinary course of business.

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

Receivables

The members took reasonable steps before the Council's financial statements were made out to ascertain that all known bad debts were written off and adequate allowance was made for impairment loss.

At the date of this report, the Members are not aware of any circumstances which would render the above assessment inadequate extent.

Related party transactions

All related party transactions have been adequately recorded in the financial statements.

Basis of accounting

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

SUGAR CANE GROWERS COUNCIL MEMBER'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

Unusual transactions

Apart from these matters and other matters specifically referred to in the financial statements, in the opinion of the Members, the results of the operations of the Council 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 Council in the current financial year, other than those reflected in the financial statements.

Events subsequent to balance sheet date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Council, the results of those operations, or the state of affairs of the Council in future financial years.

Other circumstances

As at the date of this report:

- no charge on the assets of the Council 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 Council could become liable; and
- (iii) no contingent liabilities or other liabilities of the Council 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 Member, will or may substantially affect the ability of the Council 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 Council's financial statements, which would make adherence to the existing method of valuation of assets or liabilities of the Council misleading or inappropriate.

For and on behalf of the stakeholders in accordance with a resolution of the Members this 27 day of June 2023.

Council member

Council member

Independent Auditor's Report

To the Members of Sugar Cane Growers Council

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Sugar Cane Growers Council ("the Council"), which comprise the statement of financial position as at 31 July 2022, and the statement of comprehensive income and accumulated funds and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Council as at 31 July 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs).

Basis for Opinion

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

Other information

The Members are responsible for the other information. The other information comprises the Members' report but does not include the financial statements and the auditor's report thereon.

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

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

Responsibilities of the management and those charged with governance for the Financial Statements

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

In preparing the financial statements, the management and those charged with governance are responsible for assessing the Council'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 those charged with governance either intend to liquidate the Council or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Council's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

Independent Auditor's Report (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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

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

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

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

Ernst & Young Chartered Accountants

Shaneel Nandan Partner Nadi, Fiji 27 June 2023

SUGAR CANE GROWERS COUNCIL STATEMENT OF COMPREHENSIVE INCOME AND ACCUMULATED FUNDS FOR THE YEAR ENDED 31 JULY 2022

	Notes	2022 \$	2021 \$
Sale of weedicide		3,318,269	2,360,346
Cost of sales - weedicide		(3,291,218)	(2,386,957)
Gross profit/(loss)		27,051	(26,611)
Grant income	2.1	614,843	601,488
Other income	2.2	434,438	474,451
Administrative expenses	2.3	(555,764)	(546,867)
Other operating expenses	2.4	(307,623)	(431,885)
		212,945	70,576
Finance income	2.6	38,032	43,040
Surplus before income tax		250,977	113,616
Income tax		*	*
Net surplus for the year		250,977	113,616
Other comprehensive income		7	
Total comprehensive income for the year, net of tax		250,977	113,616
Accumulated fund at the beginning of the year		3,744,762	3,631,146
Accumulated fund at the end of the year		3,995,739	3,744,762

SUGAR CANE GROWERS COUNCIL STATEMENT OF FINANCIAL POSITION AS AT 31 JULY 2022

	Notes	2022	2021
Current assets		\$	\$
Cash and cash equivalents	3	1,977,455	1,406,470
Held to maturity investments	4	759,400	1,050,000
Inventories	7	128,649	60,292
Receivables	5	2,270,758	1,735,557
Prepayments	6	20,334	24,801
		5,156,596	4,277,120
Non-current assets			
Property, plant and equipment	9	948,842	966,775
Intangible assets	10	6,158	5,495
Investments	8	400,488	367,844
Held to maturity investments	4	200,000	100,000
		1,555,488	1,440,114
Total assets		6,712,084	5,717,234
Current liabilities			
Deferred income	12	963	4,311
Trade and other payables	11	2,551,982	1,924,258
Unexpended project fund	13	115,522	4,167
Employee benefits liability	14	42,341	37,297
		2,710,808	1,970,033
Non-current liabilities			
Deferred income	12	2,565	
Employee benefits liability	14	2,972	2,439
		5,537	2,439
Total liabilities		2,716,345	1,972,472
Net assets		3,995,739	3,744,762
Funds employed			
Funds employed		3,995,739	3,744,762
Total funds employed		3,995,739	3,744,762

Signed on behalf of the Board.

Council member

Council member

The accompanying notes form an integral part of the statement of financial position.

SUGAR CANE GROWERS COUNCIL STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 JULY 2022

	Notes	2022	2021
		\$	\$
Operating activities			
Receipts of growers levy from Fiji Sugar Corporation		502	336
Receipts from weedicide sales		2,782,566	1,760,678
Government grant received		595,044	595,046
Other grant received - UNCDF		130,371	-
Other receipts		401,794	862,130
Payments to suppliers and employees		(3,544,781)	(2,682,999)
Net cash from operating activities		365,496	535,191
Investing activities			
Interest received	2.6	38,032	43,040
Acquisition of property, plant and equipment and software		(23,143)	(17,989)
(Dinvestment)/investment in term deposits		190,600	(400,000)
Net cash flows from/(used in) investing activities		205,489	(374,949)
Net increase in cash and cash equivalents		570,985	160,242
Cash and cash equivalents at 1 August		1,406,470	1,246,228
Cash and cash equivalent at 31 July	3	1,977,455	1,406,470

Material non-cash investing activity related to re-investment of dividend income earned in Unit Trust of Fiji (refer note 16).

1.1 Reporting entity

The financial statements of Sugar Cane Growers Council for the year ended 31 July 2022 were authorised for issue in accordance with a resolution of the Council members on 27 June 2023. Sugar Cane Growers Council ("the Council") is a body corporate domiciled in Fiji, established under the Sugar Industry Amendment Bill 2015. The address of the Council's registered office is 75 Drasa Avenue, Lautoka.

The principal activity of the Council is described in Note 21.

1.2 Basis of preparation of financial statements

The financial statements of the Council have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board.

The financial statements have been prepared on a historical cost basis except where stated.

1.3 Summary of significant accounting policies

(a) Foreign currency translation

The Council's financial statements are presented in Fijian dollar, which is also the Council's functional currency. Transactions in foreign currencies are initially recorded by the Council at the functional currency rates prevailing the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency of exchange ruling at the reporting date.

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

(b) Revenue recognition

Revenue is recognized to the extend that it is probable that the economic benefit will flow to the entity and the revenue can be reliably measured in accordance with realisation principle, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, and consumption tax. The following specific criteria must also be met before revenue is recognised:

Levy income

Levy income for any financial year is approved by the Council and certified by the Tribunal Accountant at the beginning of the crushing season in accordance with Sections 51 and 53 of the Sugar Industry Act of 1984 and recorded in profit or loss on an accrual basis. Growers levies are determined under the Master Award and regulated under the Sugar Industry Act 1984 s(53). The collection of levies by the Fiji Sugar Corporation is deducted from the grower's share of proceeds of sale of sugar, molasses and other by-products. Effective 1 January 2016, the growers levy was replaced by the government grant to meet the administrative and operational expenses of the Council.

Sale of weedicide

Revenue from sale of weedicide is measured at the fair value of the consideration received or receivable. Revenue is recognised when significant risks and rewards of ownership have been transferred to the buyer.

Government and European Union Grant

Grants from the Government and the Pacific Community are recognised at their fair value where there is a reasonable assurance that the grants will be received and the entity will comply with all attached conditions. Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they intended compensate.

Other income

Other income from operating activities are recognised in profit or loss on an accrual basis.

1.3 Summary of significant accounting policies (continued)

(b) Revenue recognition (continued)

Dividend income

Dividend income is recognised from investment in South Pacific Fertilizer Pte Limited. The Council has 9.4% stake in the company. This investment was written down in the accounts in prior years considering the going concern risk of the investee.

Rental income

Rental income from hire of hall and office premises are recognised in profit or loss on an accrual basis.

(c) Income tax

The Council is exempt from income tax by virtue of sub-regulation (2) of part 7 of the Income Tax (Exempt Income) Regulations 2016.

(d) Financing income

Finance income comprises interest received on the term deposits held. Interest income is recognised as it accrues in profit or loss.

(e) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment is stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any.

Cost includes expenditure that is directly attributable to the acquisition of the asset. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with carrying amount of the property, plant and equipment, and is recognised net within other income/ other operating expenses in profit or loss.

(ii) Subsequent costs

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Council. Ongoing repairs and maintenance is expensed as incurred.

(iii) Depreciation

Items of property, plant and equipment are depreciated in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Council will obtain ownership by the end of the lease term.

The depreciation rates for the current and comparative year is as follows:

As	sset	Rate
	Fixtures and fittings	25%
٠	Plant and equipment	25%
٠	Motor vehicles	25%
	Leasehold land and building	1.25% - 5%
٠	Land	Freehold

(f) Financial instruments

(i) Non-derivative financial asset

The Council generally recognises loans and receivable on the date that they are originated. All other financial assets (including assets designed as at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Council becomes a third party to the contractual provisions of the instrument.

1.3 Summary of significant accounting policies (continued)

(f) Financial instruments (continued)

(i) Non-derivative financial asset (continued)

The Council derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of the ownership of the financial asset are transferred. Any interest in the transferred financial asset that is created or retained by the Council is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when and only when the Council has a legal right to offset the amounts and intends either to offset the amounts and settle on a net basis or to realise the asset and settle the liability simultaneously.

The Council classifies non-derivative financial assets into the following categories: financial assets at fair value through profit or loss, held to maturity financial assets and loans receivable.

Trade and other receivables

Sales are generally on the basis of normal credit terms, and the receivables do not bear interest. Trade receivables are initially measured at their transaction price. Where credit is extended beyond normal credit terms or otherwise the arrangement constitutes a financing transaction, receivables are initially measured at present value of the future payments discounted at a market rate of interest for a similar debt instrument. Subsequently measurement is at amortised cost using the effective interest method. At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in profit or loss.

Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at bank and on hand and short-term deposits with a maturity of three months or less. For the purpose of statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts.

Held to maturity financial assets

If the Council has the positive intent and ability to hold debt securities to maturity, then such financial assets are classified as held to maturity. Held to maturity financial assets recognised initially at fair value plus any directly attributable transaction costs. Held to maturity financial assets comprise of term deposits.

Financial assets at fair value through profit and loss

A financial asset is classified at fair value through profit or loss if it is classified as held for trading or designated as such upon initial recognition. Financial assets are designated at fair value through profit or loss if the Council manages such investments and makes purchases and sale decisions based on their fair value in accordance with the Council's documented risk management or investment strategy. Attributable transaction costs are recognised in profit or loss as incurred. Financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognised in profit or loss.

Financial assets at fair value through profit or loss comprise of investments in Unit Trust of Fiji.

(ii) Non- derivative financial liability

Financial liabilities are recognised initially on the trade date at which the Council becomes a party to the contractual provisions of the instrument.

The Council derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

1.3 Summary of significant accounting policies (continued)

(f) Financial instruments (continued)

(ii) Non- derivative financial liability (continued)

The council classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Other financial liabilities comprise of payable and other accruals.

(g) Impairment

(i) Non-derivative financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is required. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Financial assets measured at amortised cost

The Council considers evidence of impairment for financial assets at amortised cost at a specific asset level.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against loans. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit and loss.

(ii) Impairment of non-financial assets

The Council assesses at each reporting date whether there is an indication that an asset may be impaired. Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than their carrying amount an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

(h) Employee benefits

(i) Defined contribution plan / superannuation

Contribution are paid to the Fiji National Provident Fund on behalf of employee's to secure retirement benefits. Costs are included in profit or loss as the service is provided by the employee.

(ii) Annual leave and long service leave

Annual leave and long service leave with respect to employee's services up to the reporting date, measured at the amounts expected to be paid when the liabilities are settled, are accrued for under employee benefits. Long service leave is payable once the staff has served for more than 10 years or 15 years.

(iii) Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed in profit or loss as the related service provided.

1.3 Summary of significant accounting policies (continued)

(h) Employee benefits (continued)

(iii) Short-term benefits (continued)

Liabilities for wages and salaries expected to be settled within 12 months of the reporting date are recognised in other payables on the statement of financial position.

(i) Inventories

Inventories include weedicide. 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 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.

(j) Deferred income

Computer equipment acquired via donation from the European Union are capitalised and depreciated in accordance with Note 1.3 (e), with the related grant being credited to deferred income as the liability and released to profit or loss over the expected useful economic life.

(k) Unexpended project funds

Unutilised donor monies at year end used for cash grant which is received for utilization in more than one financial period is treated as unexpended project funds.

(I) Intangibles

Intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

(m) Leases

Leases are classified as operating leases. Rental payable under operating leases are charged to the income statement on a straight-line basis over the term of the relevant lease.

(n) Value Added Tax (VAT)

The Council complies with VAT under the Second Schedule of the VAT Decree 1991.

(o) Comparative figures

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

2.	Revenue and expenses	2022	2021 \$
	2.1 Grant income		
	Government - Sugar levy	595,046	595,046
	The Pacific Community - donated assets	4,309	6,442
	UNCDP grant	11,321	-
	Small Grant Scheme	4,167	-
	Grant income	614,843	601,488

Reve	enue and expenses (continued)	2022	2021
2.2	Other income	\$	\$
	Dividend income	66,458	84,377
	Gain on investments carried at fair value	22,587	3,146
	Rental income	119,976	120,753
	Legal income	99,046	59,198
	Knife sales	31,055	96,599
	Directors fees, hall hire and sundry income	28,722	11,90
	Management fees	57,401	
	Weedicide admin fee	9,193	98,47
		434,438	474,451
2.3	Administrative expense	\$	\$
	Bank charges	2,245	1,50
	Meeting costs	11,801	9,670
	Personnel expenses (refer note 2.5)	541,718	535,69
		555,764	546,867
2.4	Other operating expenses	\$	\$
	Advertising	1,398	92
	Audit fees	6,300	6,33
	City rates	4	44
	Cleaning	8,752	8,27
	Depreciation and amortisation	40,413	121,86
	Electricity	21,150	21,89
	Fringe benefit tax	2,493	2,32
	Growers accountant's fees	5,000	5,00
	Hospitality	1,725	3,50
	Insurance	16,299	17,36
	Information technology	4,598	4,40
	Legal department expenses	27,332	27,68
	Medical expenses	15,711	13,63
	Motor vehicle expenses	43,924	21,93
	Office expenses	(10,047)	9,85
	Parametric insurance expenses	1,416	
	Postage	3,495	3,10
	Professional services	6,153	70
	Purchase of knives	21,928	84,06
	Rent	43,810	43,74
	Repairs and maintenance	4,041	2,96
	Security expenses	3,342	3,08
	Staff training	293	73
	Stationery and printing	13,116	10,133
	Subscriptions	3,583	3,08
	Small Grant Scheme expenses	6,284	
	Telephone	14,346	14,28
	Water rates	768	54
		307,623	431,885

2.	Revenue and expenses (continued)	2022	2021
	2.5 Personnel expenses	\$	\$
	Annual and long- service leave	24,408	24,408
	Fiji National Provident Fund (FNPF) contributions	24,459	19,644
	Key management compensation - short term benefit	122,370	122,370
	- FNPF	9,124	9,124
	Fiji National University Levy	2,588	5,110
	Wages and salaries	358,769	355,039
		541,718	535,695
	2.6 Finance income	\$	\$
	Interest income	38,032	43,040
١.	Cash and cash equivalents	\$	\$
	Cash at bank	1,975,653	1,404,668
	Cash on hand	1,802	1,802
	Cash and cash equivalents in the cash flow statements	1,977,455	1,406,470
	Cash and cash equivalents consist of cash on hand and balances with banks. Ca	ash and cash equivale	ents included i
	the statement of cash flows comprise of the following statement of financial posi	tions amounts:	
		\$	\$
	Cash at bank and on hand	1,977,455	1,406,470
	Held to maturity investments	\$	\$
	6	750 400	1 050 000
	Current	759,400	1,050,000
	Non-current	759,400 200,000	1,050,000
		200,000 959,400	100,000 1,150,000
5.	Non-current	200,000 959,400	100,000
5.	Non-current The interest rate on term deposits ranges from 2% to 3.75% per annum (2021: 2 Receivables	200,000 959,400 .35% to 5.25% per an	100,000 1,150,000 num).
5.	Non-current The interest rate on term deposits ranges from 2% to 3.75% per annum (2021: 2	200,000 959,400 .35% to 5.25% per an \$ 692,844	100,000 1,150,000 num). \$ 693,348
i .	Non-current The interest rate on term deposits ranges from 2% to 3.75% per annum (2021: 2 Receivables Growers levy receivable from The Fiji Sugar Corporation Limited	200,000 959,400 .35% to 5.25% per an	100,000 1,150,000 num). \$ 693,348
5 .	Non-current The interest rate on term deposits ranges from 2% to 3.75% per annum (2021: 2 Receivables Growers levy receivable from The Fiji Sugar Corporation Limited	200,000 959,400 .35% to 5.25% per an \$ 692,844 (693,346)	100,000 1,150,000 num). \$ 693,348
i.	Non-current The interest rate on term deposits ranges from 2% to 3.75% per annum (2021: 2 Receivables Growers levy receivable from The Fiji Sugar Corporation Limited	200,000 959,400 .35% to 5.25% per an \$ 692,844 (693,346) (502)	100,000 1,150,000 num). \$ 693,348 (693,348
5.	Non-current The interest rate on term deposits ranges from 2% to 3.75% per annum (2021: 2 Receivables Growers levy receivable from The Fiji Sugar Corporation Limited Less: Provision for doubtful debts	200,000 959,400 .35% to 5.25% per an \$ 692,844 (693,346) (502)	100,000 1,150,000 num). \$ 693,348 (693,348 5 1,639,315
i.	Non-current The interest rate on term deposits ranges from 2% to 3.75% per annum (2021: 2 Receivables Growers levy receivable from The Fiji Sugar Corporation Limited Less: Provision for doubtful debts Receivable from the Fiji Sugar Corporation Limited for sale of weedicide	200,000 959,400 .35% to 5.25% per an \$ 692,844 (693,346) (502)	100,000 1,150,000 num). \$ 693,348 (693,348 \$ 1,639,315
i.	Non-current The interest rate on term deposits ranges from 2% to 3.75% per annum (2021: 2 Receivables Growers levy receivable from The Fiji Sugar Corporation Limited Less: Provision for doubtful debts Receivable from the Fiji Sugar Corporation Limited for sale of weedicide Other receivables	200,000 959,400 .35% to 5.25% per an \$ 692,844 (693,346) (502) \$ 2,203,516	100,000 1,150,000 num). \$ 693,348 (693,348 \$ 1,639,315 21,042
i.	Non-current The interest rate on term deposits ranges from 2% to 3.75% per annum (2021: 2 Receivables Growers levy receivable from The Fiji Sugar Corporation Limited Less: Provision for doubtful debts Receivable from the Fiji Sugar Corporation Limited for sale of weedicide Other receivables VAT receivable	200,000 959,400 .35% to 5.25% per an \$ 692,844 (693,346) (502) \$ 2,203,516	100,000 1,150,000 num). \$ 693,348 (693,348 \$ 1,639,315 21,042 75,200
5.	Non-current The interest rate on term deposits ranges from 2% to 3.75% per annum (2021: 2 Receivables Growers levy receivable from The Fiji Sugar Corporation Limited Less: Provision for doubtful debts Receivable from the Fiji Sugar Corporation Limited for sale of weedicide Other receivables VAT receivable	200,000 959,400 .35% to 5.25% per an \$ 692,844 (693,346) (502) \$ 2,203,516 10,842 56,400 2,270,758	100,000 1,150,000 num). \$ 693,348 (693,348 \$ 1,639,315 21,042
5.	Non-current The interest rate on term deposits ranges from 2% to 3.75% per annum (2021: 2 Receivables Growers levy receivable from The Fiji Sugar Corporation Limited Less: Provision for doubtful debts Receivable from the Fiji Sugar Corporation Limited for sale of weedicide Other receivables VAT receivable Dividend receivable	200,000 959,400 .35% to 5.25% per an \$ 692,844 (693,346) (502) \$ 2,203,516 10,842 56,400 2,270,758	100,000 1,150,000 num). \$ 693,348 (693,348
5.	Non-current The interest rate on term deposits ranges from 2% to 3.75% per annum (2021: 2 Receivables Growers levy receivable from The Fiji Sugar Corporation Limited Less: Provision for doubtful debts Receivable from the Fiji Sugar Corporation Limited for sale of weedicide Other receivables VAT receivable Dividend receivable Movement in provision for doubtful debts	200,000 959,400 .35% to 5.25% per an \$ 692,844 (693,346) (502) \$ 2,203,516 10,842 56,400 2,270,758	100,000 1,150,000 num). \$ 693,348 (693,348 \$ 1,639,315 21,042 75,200 1,735,557 \$
5.	Non-current The interest rate on term deposits ranges from 2% to 3.75% per annum (2021: 2 Receivables Growers levy receivable from The Fiji Sugar Corporation Limited Less: Provision for doubtful debts Receivable from the Fiji Sugar Corporation Limited for sale of weedicide Other receivables VAT receivable Dividend receivable Movement in provision for doubtful debts Balance as at 1 August	200,000 959,400 .35% to 5.25% per an \$ 692,844 (693,346) (502) \$ 2,203,516 10,842 56,400 2,270,758 \$ 693,346	100,000 1,150,000 num). \$ 693,348 (693,348 (693,348
	Non-current The interest rate on term deposits ranges from 2% to 3.75% per annum (2021: 2 Receivables Growers levy receivable from The Fiji Sugar Corporation Limited Less: Provision for doubtful debts Receivable from the Fiji Sugar Corporation Limited for sale of weedicide Other receivables VAT receivable Dividend receivable Movement in provision for doubtful debts Balance as at 1 August Recoveries	200,000 959,400 .35% to 5.25% per an \$ 692,844 (693,346) (502) \$ 2,203,516 10,842 56,400 2,270,758 \$ 693,346 (502)	100,000 1,150,000 num). \$ 693,348 (693,348 (693,348
	Non-current The interest rate on term deposits ranges from 2% to 3.75% per annum (2021: 2 Receivables Growers levy receivable from The Fiji Sugar Corporation Limited Less: Provision for doubtful debts Receivable from the Fiji Sugar Corporation Limited for sale of weedicide Other receivables VAT receivable Dividend receivable Movement in provision for doubtful debts Balance as at 1 August Recoveries Balance as at 31 July	200,000 959,400 .35% to 5.25% per an \$ 692,844 (693,346) (502) \$ 2,203,516 10,842 56,400 2,270,758 \$ 693,346 (502) 692,844	100,000 1,150,000 num). \$ 693,348 (693,348 (693,348
5. 5.	Non-current The interest rate on term deposits ranges from 2% to 3.75% per annum (2021: 2 Receivables Growers levy receivable from The Fiji Sugar Corporation Limited Less: Provision for doubtful debts Receivable from the Fiji Sugar Corporation Limited for sale of weedicide Other receivables VAT receivable Dividend receivable Movement in provision for doubtful debts Balance as at 1 August Recoveries Balance as at 31 July Prepayments	200,000 959,400 .35% to 5.25% per an \$ 692,844 (693,346) (502) \$ 2,203,516 10,842 56,400 2,270,758 \$ 693,346 (502) 692,844 \$	100,000 1,150,000 num). \$ 693,348 (693,348 \$ 1,639,315 21,042 75,200 1,735,557 \$ 693,682 (336 693,346

8.	Investments				2022 \$	2021 \$
	Unit Trust of Fiji This represents investment in Unit units) at \$2.42 (2021: \$2.28)	400,488	367,844			
	Reconciliation of investment in Un Balance as at 1 August	it Trust of Fiji			367,844	755,523
	Additions units acquired during the	10,057	9,177			
	Additions units re-purchased during				-	(403,542)
	Gain on remeasurement investmen				22,587	6,686
	Balance as at 31 July			_	400,488	367,844
	This is disclosed as:			_		
	Current				-	-
	Non - current				400,488	367,844
					400,488	367,844
	Fiji Sugar Corporation					
	This represents investment in Fiji	Sugar Corporati	on		29,850	29,850
	Less provision for impairment			_	(29,850)	(29,850)
				=	-	-
9.	Property, plant and equipment					
	Cost	Fixtures and	Plant and	Motor	Land and	
		Fittings	Equipment	Vehicles	Buildings	Total
	As at 31 July 2020	133,251	413,084	353,854	1,360,812	2,261,001
	Additions	1,821	15,430			17,251
	At 31 July 2021	135,072	428,514	353,854	1,360,812	2,278,252
	Reclassification		(5,204)		-	(5,204)
	Additions	4,358	16,225		1,764	22,347
	At 31 July 2022	139,430	439,535	353,854	1,362,576	2,295,395
	Accumulated depreciation			0.00.000.000.000		VI 35-100 (40 GDI 42 FE)
	As at 31 July 2020	124,834	391,641	264,200	409,589	1,190,264
	Depreciation charge for the year	3,988	15,390	84,659	17,176	121,213
	At 31 July 2021	128,822	407,031	348,859	426,765	1,311,477
	Depreciation charge for the year Reclassification	3,906	14,466 (5,204)	4,995	16,913	40,280 (5,204)
	At 31 July 2022	132,728	416,293	353,854	443,678	1,346,553
	Net book value					
	At 31 July 2022	6,702	23,242	-	918,898	948,842
	At 31 July 2021	6,250	21,483	4,995	934,047	966,775
	Donated assets included in plant a			.,,,,,	30.170.11	70071.10
10.	Intangible assets				\$ 14,879	\$
	Computer software Additions				796	14,141 738
	Less: accumulated amortisation				(9,517)	(9,384)
	Less, accumulated amortisation			-	6,158	5,495
				-		353.844
11.	Trade and other payables				\$	\$
	Payables and accruals				85,141	74,371
	South Pacific Fertilizers Pte Limite	bd			2,466,841	1,847,827
	VAT payable			-	2,551,982	2,060 1,924,258
				_	2,551,982	1,924,238

12. Deferred income

Donated assets

Donor	Opening Balance	Funds Received during the year	Utilized during the year	Balance at 31 July 2022
· ·	\$	\$	\$	\$
Pacific Community (EU)	4,311		(4,311)	
United Nations Capital Development Fund **		3,850	(322)	3,528
Total	4,311	3,850	(4,633)	3,528
Disclosed as:			\$	\$
Current			963	4,311
Non-current			2,565	-
Total			3,528	4,311

13. Unexpended project fund

	Received		
Opening Balance	during the year	Utilized during the year	Balance at 31 July 2022
\$	\$	\$	\$
4,167		(4,167)	17
-	126,521	(10,999)	115,522
4,167	126,521	(15,166)	115,522
	\$ 4,167	Opening Balance S \$ 4,167 - 126,521	Received

^{**} Council has collaborated with UNCDF administered Pacific Insurance and Climate Adaptation programme (PICAP) for the implementation stage of Fiji's first Parametric Micro insurance product.

		2022	2021
14.	Employee benefits liability	\$	\$
	Balance at 1 August	39,736	38,461
	Arising during the year	24,408	24,408
	Leave utilised during the year	(18,831)	(23,133)
	Balance at 31 July	45,313	39,736
	This comprises of:	\$	\$
	Annual leave (current)	42,341	37,297
	Long service leave (non current)	2,972	2,439
		45,313	39,736

15. Related parties

(a) The Members

The names of the Members at any time during the financial year as follows:

- Reshmi Kumari
- Abdul Samim
- Ami Chandra
- Devend Dharmend Nath
- Radha Krishna
- Mesake Ledua (completed term on 5 October 2022)
- Uraia Rainima
- Apolosi Lewaqai (appointed on 2 November 2022)

15. Related parties (continued)

(b) Identity of related parties

The Fiji Sugar Corporation Limited (FSC) and South Pacific Fertilizers Pte Limited are related parties by virtue of common Directorship and shareholding. Other related parties of the Council include key stakeholders in the Fiji Sugar Industry, namely, the Government of Fiji and Sugar Cane Growers Fund.

	2022	2021
(c) Amounts receivable from / (payable to) related parties	\$	\$
Payable to South Pacific Fertilizers Pte Limited	(2,466,841)	(1,847,827)
Receivable from Fiji Sugar Corporation Limited for sale of weedicide	2,203,516	1,639,315
Micro Bundled insurance receivable	692,844	693,348

(d) Transactions with relates parties

During the year, the Council entered into various transactions with related parties which were at normal commercial terms and conditions. The aggregate value of material transactions with the relates parties during the year is as follows:

	\$	\$
Purchase of weedicide from South Pacific Fertilizers Pte Limited	3,291,218	2,386,957
Sale of weedicide to the Fiji Sugar Corporation Limited	3,318,269	2,360,346
Sitting allowance to members	5,400	5,400
Rental income from Sugar Cane Growers Fund	119,976	120,753
Dividend income from South Pacific Fertilizer Pte Limited	66,458	84,377

(e) Transactions with key management personnel

Key management personnel includes the Chief Executive Office and General Manager Operations.

In addition to their salary, the Council also provides non cash benefits to the key management personnel. Key management compensation is disclosed in Note 2.5.

16. Material non- cash investing activity

Re-investment of dividend income earned in Unit Trust of Fiji

\$	\$
10,057	9,177

17. Commitments and contingencies

- (i) There is a civil case and an employee dispute matter against the council in employment court. The Council members are defending the matters and are confident that no liability will arise.
- (ii) Capital expenditure commitments \$nil (2021: \$nil)
- (iii) Finance lease commitments \$nil (2021: \$nil)

(iv) Operating lease commitments

Rental agreement is scheduled as follows:	\$	\$
Within one year	12,850	12,850
Later than one year and not later than five years	16,100	16,650
Later than 5 years	27,000	28,000
	55,950	57,500

18. Involvement with unconsolidated structured entity

The Council is 70% beneficiary of SK Trust which is administered by Sugar Industry Tribunal ("Trustee"). SK Trust holds all real and personal properties of the Sugar Commission of Fiji (dissolved) over the vested period of 21 years from the date of execution of the trust deed which was dated 30th August 2009. The Trustee has absolute and uncontrolled discretion in managing the Trust which includes controlling trust income payment, capitalization of unpaid income and payments of capital. No income has been distributed to the beneficiaries with undistributed income retained in the Trust as Trust funds.

18. Involvement with unconsolidated structured entity (continued)

At 31 December, the following unaudited balances relate to the Council's involvement with SK Trust:

	2019	2018
Particulars	\$	\$
Total assets	946,780	919,278
Total liabilities	(84,588)	(83,915)
Net assets	862,192	835,363
Council's interest	70%	70%
Council's beneficiary	603,534	584,754

The Council concluded that it does not control, and therefore should not consolidate, its interest in SK Trust. The Council does not have power over the relevant activities of SK Trust.

19. Events subsequent to balance sheet date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Council, the results of those operations, or the state of affairs of the Council in future financial years.

20. Segment Information

Industry segment

The Council operates predominantly in the sugar industry.

Geographical segment

The Council operates predominantly in Fiji and is therefore one geographical area for reporting purposes.

21. Principal business activity

The principal business activity of the Council are outlined under Section 1.2 of the Sugar Industry Amendment Bill 2015 which is to ensure the protection and development of the sugar cane industry. There were no significant changes in the nature of the activities of the Council during the financial year.

Number of employees

As at balance date, the Council employed a total of 27 employees (2021: 27).

SUGAR CANE GROWERS COUNCIL DISCLAIMER ON ADDITIONAL FINANCIAL INFORMATION FOR THE YEAR ENDED 31 JULY 2022

The additional financial information, being the attached detailed Income Statement has been compiled by management of Sugar Cane Growers Council.

To the extent permitted by law, we do not accept liability for any loss or damage which any person, other than Sugar Cane Growers Council may suffer arising from any negligence on our part. No person should rely on the additional financial information without having an audit or review conducted.

SUGAR CANE GROWERS COUNCIL DETAILED INCOME STATEMENT FOR THE YEAR ENDED 31 JULY 2022

Income	2022	2021
Sales	3,318,269	2,360,346
Cost of sales	(3,291,218)	(2,386,957
Gross loss	27,051	(26,611
Government grant	595,046	595,046
European Union grant	4,309	6,442
Dividend income	66,458	84,377
Gain on investments carried at fair value	22,587	3,146
Interest income	38,032	43,040
Rental income	119,976	120,753
Legal income	99,046	59,198
Knife sales	31,055	96,599
Directors fees, hall hire and sundry income	28,722	11,901
Management fees	57,401	
Weedicide admin fee	9,193	98,477
UNCDP grant	11,321	
Small Grant Scheme	4,167	
Total Income	1,114,364	1,092,368
Less: Expenditure		
Advertising	1,398	925
Audit fees	6,300	6,330
Bank charges	2,245	1,502
City rates	**	440
Cleaning	8,752	8,275
Depreciation and amortisation	40,413	121,865
Electricity	21,150	21,898
Fiji National Provident Fund contributions	33,583	28,768
Fiji National University Levy	2,588	5,110
Fringe benefit tax	2,493	2,326
Growers accountant's fees	5,000	5,000
Hospitality	1,725	3,504
Insurance	16,299	17,364
Information technology	4,598	4,402
Legal department expenses	27,332	27,680
Meeting costs- other	11,801	9,670
Medical expenses	15,711	13,634
Motor vehicle expenses	43,924	21,937
Office expenses	(10,047)	9,852
Parametric insurance expenses	1,416	
Postage	3,495	3,105
Professional services	6,153	700
Purchase of knives	21,928	84,066
Rent	43,810	43,741
Repairs and maintenance	4,041	2,969
Security expenses	3,342	3,087
Staff training	293	739

The detailed income statement is to be read in conjunction with the disclaimer on additional financial information on page 20.

SUGAR CANE GROWERS COUNCIL DETAILED INCOME STATEMENT FOR THE YEAR ENDED 31 JULY 2021 (continued)

	2022	2021
Less: Expenditure (continued)	\$	\$
Stationery and printing	13,116	10,133
Subscriptions	3,583	3,083
Small Grant Scheme expenses	6,284	-
Telephone	14,346	14,282
Wages and salaries	505,547	501,817
Water rates	768	548
Total expenditure	863,387	978,752
Net surplus	250,977	113,616

The detailed income statement is to be read in conjunction with the disclaimer on additional financial information on page 20.

MYNOTES

MYNOTES





SUGAR CANE GROWERS COUNCIL

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