

**NATIONAL FEDERATION PARTY**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 DECEMBER 2022**

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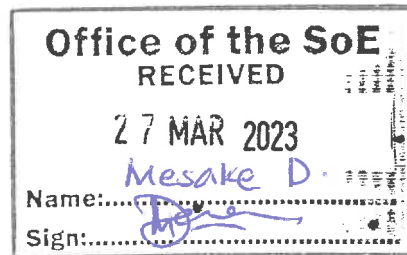
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Time: 4pm

**NATIONAL FEDERATION PARTY**

**MANAGEMENT BOARD STATEMENT**

On behalf of the Management Board of the National Federation Party we state that in our opinion:

- (i) the accompanying statement of income and expenditure of the party is drawn up so as to give a true and fair view of the results of the party for the year ended 31 December 2022;
- (ii) the accompanying statement of financial position of the party is drawn up so as to give a true and fair view of the state of affairs of the party as at 31 December 2022;
- (iii) the accompanying statement of cash flows of the party is drawn up so as to give a true and fair view of the cash flows of the party for the year ended 31 December 2022;

On behalf of the Management Board of the National Federation Party:



.....  
**Pio Tikoduadua**  
President



.....  
**Chandrakant Lodhia**  
Treasurer

Dated this 27 day of March, 2023.



## I. NAIVELI & CO.

*Chartered Accountants and Business Advisors*  
Registered Tax Agent, Certified Public Practitioner (CPP), Fellow Member – Association of International Accountants (UK),  
Member CPA Australia

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### INDEPENDENT AUDITORS REPORT

#### TO THE MEMBERS OF THE NATIONAL FEDERATION PARTY

##### Qualified Opinion

We have audited the financial statements of the National Federation Party, which comprise the statement of financial position as at 31 December 2022, and the statement of income and expenditure, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies as set out on schedule 5 to 5/4.

In our opinion, except for the possible effects of the matter described in the basis of qualified opinion paragraph, the accompanying financial statements present fairly, in all material aspects, the financial position of the Party and the financial performance and cash flows of the Party for the year then ended in accordance with International Financial Reporting Standards for Small and Medium Enterprises.

##### Basis for Qualified Opinion

Due to the nature of the transactions inherent in any political party, the completeness of contributions and other income and expenses is not susceptible to satisfactory audit verification. Accordingly, the evidence available to us regarding income, our audit procedures with respect to income from donations, had to be restricted to the amounts recorded in the financial records. We therefore are unable to express an opinion whether income obtained from these sources is complete.

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 party in accordance with the ethical requirements that are relevant to our audit of the financial statements in Fiji and we have fulfilled our other responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Responsibilities of the management for the Financial Statements

The management are responsible for the preparation of the financial statements in accordance with International Accounting Standards, and for such internal control as the management 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 are responsible for assessing the party'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 either intend to liquidate the Party or to cease operations, or have no realistic alternative but to do so.

The management are responsible for overseeing the Party'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.

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 Party's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 Party'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 Party to cease to continue as a going concern
- We communicate with the management 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.

*I. Naiveli & Co*

.....  
**I. Naiveli & Co**  
**Chartered Accountants and Business Advisors**

*Akisi Rabulimasei Naiveli*

.....  
**Akisi Rabulimasei Naiveli**  
**(Registered Auditor - Under Companies Act 2015)**  
**Lot 4 Ratu Dovi Road**  
**Bure Ni Dula**  
**Nasinu**

**27 March 2023**

**NATIONAL FEDERATION PARTY  
STATEMENT OF INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2022**

Schedule I

		2022	2021
		\$	\$
<b>INCOME</b>	Note		
Candidates Levy		49,200	-
Donations		645,188	63,747
Parliamentary office resourcing		11,250	45,000
Other Income		4,916	5,413
Membership fees		94	89
Sundry		575	-
<b>TOTAL INCOME</b>		<u>711,223</u>	<u>114,249</u>
Less: <b>Expenditure</b>	(refer schedule 6)	<u>(726,113)</u>	<u>(111,427)</u>
<b>Net (Deficit)/Surplus</b>	(refer schedule 2)	<u>(14,890)</u>	<u>2,822</u>

*To be read in conjunction with the notes to and forming part of this financial statements.*

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**NATIONAL FEDERATION PARTY  
STATEMENT OF CHANGES IN PARTY FUNDS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

Schedule 2

	Note	Party fund \$	Revaluation reserve \$	Accumulated deficit \$	Total \$
Opening balance		300,000	416,104	(19,364)	696,740
<b>Balance as at 31/12/2021</b>		<u>300,000</u>	<u>416,104</u>	<u>(19,364)</u>	<u>696,740</u>
Excess of expenditure over income		-	-	(14,890)	(14,890)
Prior Year adjustment	8	-	-	15,990	15,990
<b>Balance as at 31/12/2022</b>		<u>300,000</u>	<u>416,104</u>	<u>(18,264)</u>	<u>697,839</u>

*To be read in conjunction with the notes to and forming part of this financial statements.*



**NATIONAL FEDERATION PARTY  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2022**


Schedule 3

	Notes	2022 \$	2021 \$
<b>ASSETS</b>			
Cash and cash equivalents	2	10,773	10,227
Trade and other receivables	3	813	2,737
Amount owed by Relief and Welfare Fund	6	-	1,223
Property, plant and equipment	4	708,918	720,776
<b>TOTAL ASSETS</b>		<u>720,504</u>	<u>734,963</u>
<b>LIABILITIES</b>			
Creditors and Accruals	5	22,665	38,223
<b>TOTAL LIABILITIES</b>		<u>22,665</u>	<u>38,223</u>
<b>NET ASSETS</b>		<u>697,839</u>	<u>696,740</u>
<b>ACCUMULATED FUNDS</b>			
Party funds		300,000	300,000
Revaluation reserves		416,104	416,104
Accumulated deficit	(refer schedule 2)	(18,264)	(19,364)
<b>TOTAL ACCUMULATED FUNDS</b>		<u>697,839</u>	<u>696,740</u>

*To be read in conjunction with the notes to and forming part of this financial statements.*

The financial statements are approved in accordance with a resolution of the Management Board.

For and on behalf of the Executive Committee and Management Board:



.....  
**Pio Tikoduadua**  
President



.....  
**Chandrakant Lodhia**  
Treasurer

Dated..... 27 .....of..... March .....2023

**NATIONAL FEDERATION PARTY  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

Schedule 4

		2022	2021
		\$	\$
<b>Cash flows from operating activities</b>	Note		
Receipt from donors and members		733,452	116,087
Payments to suppliers and employees		<u>(732,906)</u>	<u>(108,290)</u>
Net cash provided by operating activities	7(b)	<u>546</u>	<u>7,797</u>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		<u>-</u>	<u>(1,100)</u>
Net cash (used in) investing activities		<u>-</u>	<u>(1,100)</u>
Net increase in cash held		546	6,697
Cash/(overdraft) at the beginning of the financial year		<u>10,227</u>	<u>3,530</u>
Cash at the end of the financial year	7(a)	<u>10,773</u>	<u>10,227</u>

*To be read in conjunction with the notes to and forming part of this financial statements.*





**NATIONAL FEDERATION PARTY  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

Schedule 5

**1. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES**

The principal accounting policies adopted by the National Federation Party are set out to assist in the general understanding of these financial statements. These policies have been consistently applied except as otherwise indicated.

**1.1 PRESENTATION OF FINANCIAL STATEMENTS**

Subject to note 1.2, these accounts have been prepared on the basis of accrual accounting. The financial statements are prepared to reflect the transactions and movements within the Party Funds. The nature and purpose of the Relief and Welfare Fund transactions are separate and distinct from the function of the Party Funds. All transactions pertaining to the movement of Relief and Welfare Fund have since been separately presented.

**1.2 Income**

Income is accounted for when received which includes candidates levy, members subscription, parliamentary office resourcing, rental, interest income, donations and fundraising.

**1.3 Receivables**

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Party will not be able to collect all amount due according to the original terms of receivables.

**1.4 Property, plant and equipment**

Property, plant and equipment are stated at cost. All pre-operating setting up costs relating to acquisition of leasehold, land and construction of building have been capitalized to the relevant assets. Fixed assets are depreciated on a straight line basis so as to write off the cost of each fixed asset over its estimated useful life. Depreciation rate is as follows:

Building	- <i>Straight Line Method 1.25%</i>
Furniture and fittings	- <i>Straight Line Method 20%</i>

**1.5 Trade and other payables**

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.



**NATIONAL FEDERATION PARTY  
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 DECEMBER 2022**

Schedule 5/2

**1.5 Trade and other payables cont'd**

*Relief and welfare funds*

Donations and funds given to the Party for the purpose of relief and rehabilitation do not constitute Party income but are recognised as liabilities upon receipt until the funds are disbursed to cater for Relief, Welfare and Rehabilitation purposes.

**1.6 Employees and related liabilities**

Staff at the headquarters of the Party office work on voluntary basis or are paid allowances or remunerated at average rates depending on funding. The General Secretary is entitled to an honorarium and is also part of the key official at the Party headquarters and is paid allowances and remunerated.

*Assistance*

Party office bearers and staff are assisted by the Party for medical and education purposes only.

<b>2. CASH AND CASH EQUIVALENTS</b>	2022	2021
This represents:	\$	\$
Bank of the South Pacific - Suva	6,151	9,994
Bank of the South Pacific- Election Account no. 80519102	4,389	-
Bank of Baroda - Lautoka	233	233
	<u>10,773</u>	<u>10,227</u>

**3. TRADE AND OTHER RECEIVABLES**

This represents amount by :

Suva City Council	463	463
Rent prepaid	350	700
Other receivable	-	1,574
	<u>813</u>	<u>2,737</u>

**NATIONAL FEDERATION PARTY**  
**NOTES TO AND FORMING PARTS OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

Schedule 5/3

	2022	2021
<b>4. PROPERTY, PLANT AND EQUIPMENT</b>	<b>\$</b>	<b>\$</b>
Land and building	730,000	730,000
Less: Accumulated depreciation	<u>(27,375)</u>	<u>(18,250)</u>
	<u>702,625</u>	<u>711,750</u>
Furniture and fittings	14,901	13,576
Addition		1,100
Less: Accumulated depreciation	<u>(8,608)</u>	<u>(5,650)</u>
	<u>6,293</u>	<u>9,026</u>
Total Fixed assets at fair value	744,901	744,676
Less: Accumulated depreciation	<u>(35,983)</u>	<u>(23,900)</u>
<b>Total fixed assets at written down value</b>	<u><b>708,918</b></u>	<u><b>720,776</b></u>

**5. TRADE AND OTHER PAYABLES**

This represents:

Accruals	2,165	4,848
Creditors	5,500	18,375
Loan	<u>15,000</u>	<u>15,000</u>
	<u>22,665</u>	<u>38,223</u>

**6. AMOUNT OWED BY RELIEF AND WELFARE FUNDS** - 1,223

These funds which represent the net effect of withdrawals and deposits into the Bank of the South Pacific account NFP Relief and Welfare Fund 80519102 in the previous years to Party Fund transactions has now been written off.

**7. NOTES TO STATEMENT OF CASH FLOWS**

For the purposes of the statement of cash flows, cash includes cash on hand and in banks, investments in money markets, net of outstanding bank overdrafts. Cash at the end of the reporting year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

Cash at bank	<u>10,773</u>	<u>10,227</u>
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**NATIONAL FEDERATION PARTY**  
**NOTES TO AND FORMING PARTS OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

Schedule 5/4

	2022	2021
7. <b>NOTES TO STATEMENT OF CASH FLOWS</b>	\$	\$
(b) <b>Reconciliation of net cash provided by operating activities to operating profit</b>		
Operating (loss)/profit	(14,890)	2,822
Add: Non-cash items		
<i>Depreciation</i>	12,083	12,060
	<u>(2,807)</u>	<u>14,882</u>
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivable	14,459	(1,163)
Increase/(decrease) in trade and other payables	(11,106)	(5,922)
	<u>546</u>	<u>7,797</u>
8 <b>PRIOR YEAR ADJUSTMENT</b>	<u>15,990</u>	<u>3,583</u>

This amount represents the adjustments for 2021 receivables that has now been written off and the 2021 accruals, and amount owed to Max Marketing of \$18,375 that was cleared off in the 2022 financial year.

10. **CONTINGENT LIABILITIES**

There were no contingent liabilities at balance date. (2021 - \$Nil).

11. **CAPITAL COMMITMENTS**

There were no capital commitments at balance date (2021 - \$Nil).

**NATIONAL FEDERATION PARTY  
NOTES TO AND FORMING PARTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

Schedule 5/5

**12. RELATED PARTIES**

**(a) *National Executives***

Leader	–	Professor Biman Prasad
President	–	Pio Tikoduadua
Vice Presidents	–	Parmod Chand Lenora Qereqeretabua Davedra Naidu Kamla Lajendra Kini Viliame Bimal Prasad Chaudhory
General Secretary	–	Leba Seni Nabou
Assistant General Secretary-		Ansu Lata
Treasurer	–	Chandrakant Lodhia
Registered Officer	–	Dalip Kumar

<b>(b) <i>Remuneration</i></b>	2022	2021
	\$	\$
Honorarium & Allowance	<u>65,650</u>	<u>49,000</u>

**DISCLAIMER**

**FINANCIAL INFORMATION**

**FOR MANAGEMENT PURPOSES ONLY**

The additional financial data presented on schedule 6 are in accordance with the books and records of the Party, which have been subjected to normal auditing procedures applied in audit of the Party for the year ended 31 December 2022. It will be appreciated that our audit did not cover all details of the additional data. Accordingly we do not express an opinion on this financial information and no warranty of accuracy or reliability is given.

A handwritten signature in black ink, consisting of a stylized capital letter 'A' followed by a horizontal line and a short vertical stroke at the end.

**NATIONAL FEDERATION PARTY  
DETAILED INCOME AND EXPENDITURE STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2022**

Schedule 6

<b>INCOME</b>	Notes	2022 \$	2021 \$
Candidates Levy		49,200	-
Donations		645,188	63,747
Interest Income		16	-
Parliamentary office resourcing		11,250	45,000
Rental		4,900	-
Sundry		575	5,413
Subscription		94	89
<b>TOTAL INCOME</b>		<u>711,223</u>	<u>114,249</u>
 <b>EXPENDITURE</b>			
Audit fees		5,000	3,270
Advertisement		372,746	8,715
Bank Charges		287	166
Donation refunds		20,000	-
Depreciation		12,083	12,060
Electricity and water		2,827	2,565
Fiji Elections Office - Candidates Levy		55,000	-
Fixed Assets		275	-
FNPF		4,154	-
Freight		509	-
Insurance		-	1,034
Land rent		300	300
Meeting and campaign expenses		99,308	8,750
PAYE		2,615	-
Printing and stationery		6,664	1,978
Rent and rates		7,006	2,431
Refreshments		5,085	2,093
Repairs and maintenance		6,501	3,256
Telephone		9,301	10,360
Transport		13,164	292
Volunteers allowances		67,400	42,275
Sundry expenses		7,773	11,881
Wages		28,115	-
<b>TOTAL EXPENDITURE</b>		<u>726,113</u>	<u>111,427</u>
 <b>EXCESS OF EXPENDITURE OVER INCOME</b>	 (refer schedule 2)	 <u>(14,890)</u>	 <u>2,822</u>