

NATIONAL FEDERATION PARTY

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2023**

Contents:

Statement by the Management Board

Independent Auditor's Report

Schedule 1: Statement of Income

Schedule 2: Statement of Changes in Party Funds

Schedule 3: Statement of Financial Position

Schedule 4: Statement of Cash Flows

Schedule 5: Notes to and forming part of the financial statements

Schedule 6: Detailed Income and Expenditure Statement

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 2023;
- (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 2023;
- (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 2023;

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


.....
Dalip Kumar
Registered Party Officer


.....
Chandrakant Lodhia
Treasurer

Dated this 26 day of March, 2024.



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

INDEPENDENT AUDITORS REPORT

TO THE MEMBERS OF THE NATIONAL FEDERATION PARTY

Audit Opinion

We have audited the financial statements of the National Federation Party, which comprise the statement of financial position as at 31 December 2023, 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, 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 Audit 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 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

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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

26 March 2024

NATIONAL FEDERATION PARTY
STATEMENT OF INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023

Schedule 1

		2023	2022
		\$	\$
INCOME	Note		
Candidates Levy		-	49,200
Donations		237,885	645,188
Interest Income		9	-
Parliamentary office resourcing		204,167	11,250
Other Income		350	4,916
Membership fees		465	94
Sundry		4,769	575
TOTAL INCOME		<u>447,645</u>	<u>711,223</u>
Less: Expenditure	(refer schedule 6)	<u>(374,627)</u>	<u>(726,113)</u>
Net Surplus/(Deficit)	(refer schedule 2)	<u>73,019</u>	<u>(14,890)</u>

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

NATIONAL FEDERATION PARTY
STATEMENT OF CHANGES IN PARTY FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2023

Schedule 2

		Party fund \$	Revaluation reserve \$	Accumulated deficit \$	Total \$
	Note				
Opening balance		300,000	416,104	(19,364)	696,740
Balance as at 31/12/2021		<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	7	-	-	15,990	15,990
Balance as at 31/12/2022		<u>300,000</u>	<u>416,104</u>	<u>(18,264)</u>	<u>697,840</u>
Excess of income over expenditure				73,019	73,019
Balance as at 31/12/2023		<u>300,000</u>	<u>416,104</u>	<u>54,755</u>	<u>770,859</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 2023

Schedule 3

	Notes	2023 \$	2022 \$
ASSETS			
Cash and cash equivalents	2	75,713	10,773
Trade and other receivables	3	-	813
Property, plant and equipment	4	731,216	708,918
TOTAL ASSETS		<u>806,929</u>	<u>720,504</u>
LIABILITIES			
Creditors and Accruals	5	8,988	22,665
Prepaid Legislature Income		27,083	-
TOTAL LIABILITIES		<u>36,071</u>	<u>22,665</u>
NET ASSETS		<u>770,858</u>	<u>697,839</u>
ACCUMULATED FUNDS			
Party funds		300,000	300,000
Revaluation reserves		416,104	416,104
Accumulated surplus	(refer schedule 2)	54,755	(18,264)
TOTAL ACCUMULATED FUNDS		<u>770,858</u>	<u>697,839</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:



Dalip Kumar
 Registered Party Officer



Chandrakant Lodhia
 Treasurer

Dated.....26.....of.....nov.....2024

NATIONAL FEDERATION PARTY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023

Schedule 4

		2023	2022
		\$	\$
Cash flows from operating activities	Note		
Receipt from donors and members		483,295	733,452
Payments to suppliers and employees		<u>(381,133)</u>	<u>(732,906)</u>
Net cash provided by operating activities	6(b)	<u>102,162</u>	<u>546</u>
Cash flows from investing activities			
Payments for property, plant and equipment		<u>(37,222)</u>	<u>-</u>
Net cash (used in) investing activities		<u>(37,222)</u>	<u>-</u>
Net increase in cash held		64,940	546
Cash at the beginning of the financial year		<u>10,773</u>	<u>10,227</u>
Cash at the end of the financial year	6(a)	<u>75,713</u>	<u>10,773</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 2023

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 2023

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 are paid allowances or remunerated by the legislature.

Assistance

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

2. CASH AND CASH EQUIVALENTS	2023	2022
This represents:	\$	\$
Bank of the South Pacific - Suva	15,868	6,151
Bank of the South Pacific- Election Account no. 80519102	59,612	4,389
Bank of Baroda - Lautoka	233	233
	<u>75,713</u>	<u>10,227</u>

3. TRADE AND OTHER RECEIVABLES

This represents amount by :

Suva City Council	-	463
Rent prepaid	-	350
	<u>-</u>	<u>813</u>

4. PROPERTY, PLANT AND EQUIPMENT

Land and building	730,000	730,000
Less: Accumulated depreciation	(36,500)	(27,375)
	<u>693,500</u>	<u>702,625</u>

NATIONAL FEDERATION PARTY
NOTES TO AND FORMING PARTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

Schedule 5/3

	2023	2022
	\$	\$
4. PROPERTY, PLANT AND EQUIPMENT (cont'd)		
Furniture and fittings	14,901	14,901
Addition	37,222	-
Less: Accumulated depreciation	(14,407)	(8,608)
	<u>37,716</u>	<u>6,293</u>
 Total Fixed assets at fair value	 782,123	 744,901
Less: Accumulated depreciation	(50,907)	(35,983)
Total fixed assets at written down value	<u>731,216</u>	<u>708,918</u>
 5. TRADE AND OTHER PAYABLES		
This represents:		
Accruals	5,538	2,165
Creditors	3,450	5,500
Loan	-	15,000
	<u>8,988</u>	<u>22,665</u>

6. 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>75,713</u>	<u>10,773</u>
 (b) Reconciliation of net cash provided by operating activities to operating profit		
Operating profit/(loss)	73,019	(14,890)
Add: Non-cash items		
Depreciation	14,924	12,083
	<u>87,943</u>	<u>(2,807)</u>
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivable	813	14,459
Increase/(decrease) in trade and other payables	13,405	(11,106)
	<u>102,162</u>	<u>546</u>

NATIONAL FEDERATION PARTY
NOTES TO AND FORMING PARTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

Schedule 5/4

7.	PRIOR YEAR ADJUSTMENT	<u>-</u>	<u>15,990</u>
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This amount represents the adjustments for 2021 receivables that has now been written off, 2021 accruals, and the amount owed to Max Marketing of \$18,375 that was cleared off in the 2022 financial year.

8. **CONTINGENT LIABILITIES**

There were no contingent liabilities at balance date. (2022 - \$Nil).

9. **CAPITAL COMMITMENTS**

There were no capital commitments at balance date (2022 - \$Nil).

10. **RELATED PARTIES**

(a) *National Executives*

Leader	-	Professor Biman Prasad
President	-	Parmod Chand

Vice Presidents	-	Waisele Kanavo
		Petero Saunivalu
		Davedra Naidu
		Kamla Lajendra
		Ratu Esava Nabuta
		Vijay Rajnesh Prasad

General Secretary	-	Kamal Krishn Iyer
Assistant General Secretary-		Bimal Prasad Chaudhry

Treasurer	-	Chandrakant Lodhia
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Registered Officer	-	Dalip Kumar
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(b) <i>Remuneration</i>	2023	2022
	\$	\$
Honorarium and Allowance	<u>58,344</u>	<u>65,650</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 2023. 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.

NATIONAL FEDERATION PARTY
DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023

Schedule 6

INCOME	Notes	2023 \$	2022 \$
Candidates Levy		-	49,200
Donations		237,885	645,188
Interest Income		9	16
Parliamentary office resourcing		204,167	11,250
Rental		350	4,900
Sundry		4,769	575
Subscription		465	94
TOTAL INCOME		<u>447,646</u>	<u>711,223</u>
EXPENDITURE			
Audit fees		3,450	5,000
Advertisement		-	372,746
Bank Charges		232	287
Donation refunds		-	20,000
Depreciation		14,924	12,083
Electricity and water		4,899	2,827
Fiji Elections Office - Candidates Levy		-	55,000
Fixed Assets		-	275
FNPF		11,651	4,154
FNU Levy		386	-
Freight		-	509
Insurance		1,034	-
Land rent		-	300
Meeting and campaign expenses		119,238	99,308
PAYE		3,231	2,615
Printing and stationery		1,150	6,664
Rent and rates		1,626	7,006
Refreshments		4,703	5,085
Repairs and maintenance		39,887	6,501
Telephone		13,093	9,301
Transport		4,628	13,164
Volunteers allowances		58,344	67,400
Sundry expenses		8,607	7,773
Wages		83,544	28,115
TOTAL EXPENDITURE		<u>374,627</u>	<u>726,113</u>
EXCESS OF INCOME OVER EXPENDITURE	(refer schedule 2)	<u>73,019</u>	<u>(14,890)</u>
<i>To be read in conjunction with disclaimer.</i>			