

SOCIAL DEMOCRATIC LIBERAL PARTY

FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 DECEMBER 2023

**I. NAIVELI & CO**

CHARTERED ACCOUNTANTS, TAX AGENT, BUSINESS ADVISORS



**SOCIAL DEMOCRATIC LIBERAL PARTY**

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

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## SOCIAL DEMOCRATIC LIBERAL PARTY

### EXECUTIVE COMMITTEE STATEMENT

In accordance with the resolution of the Executive Committee of the Social Democratic Liberal 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 for the year ended 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 Executive Committee and in accordance with a resolution of the Committee:



.....  
**President**



.....  
**General Secretary**



.....  
**Treasurer**

Dated this 12 day of April, 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

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### Auditors Independence Declaration Under Section 395 of the Companies Act 2015

**To:** The Executive Committee of the Social Democratic Liberal Party

As lead auditor for the audit of Social Democratic Liberal Party for the year ended 31 December 2023, I declare that to the best of my knowledge and belief, there have been:

- No contraventions of the auditor independence requirements of the Companies Act, Fiji 2015 in relation to the audit and
- No contraventions of any applicable code of professional conduct in relation to the audit.

The declaration is of the Social Democratic Liberal Party during the period.

**Akisi Rabulimasei Naiveli**  
**Managing Partner**  
**I.Naiveli & Co**

**Suva, Fiji**  
**12 April 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

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### INDEPENDENT AUDITOR'S REPORT

#### TO THE MEMBERS OF THE SOCIAL DEMOCRATIC LIBERAL PARTY

##### Qualified Audit Opinion

We have audited the financial statements of the Social Democratic Liberal 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 4 to 4/3.

In our opinion, except for the matters noted under basis for qualified opinion and its effects on the financial statements, the accompanying financial statements give a true and fair view of the financial position of the Party and the financial performance and cash flows of the Party as at 31 December 2023 for the year then ended in accordance with International Financial Reporting Standards for Small Medium Enterprises.

##### Basis for Qualified Opinion

Due to the lack of sufficient supporting documents, we were unable to ascertain whether disbursements to the total of \$22,574 were bonafide payments made for the Party's activities hence we cannot ascertain whether these disbursements are fairly reflected of its stated nature of disbursement within the financial statements.

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 Financial Reporting Standards for Small Medium Enterprises., and for such internal control as it determines 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 is 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 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.





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### **Auditor's Responsibilities for the Audit of the Financial Statements** **cont'd**

As part of an audit in accordance with ISA, we exercise professional judgement and maintain professional scepticism 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.

### **Emphasis of Matter**

Without qualifying our opinion expressed above, we draw attention on the following matter:

#### *Continuation as a Going Concern*

As at 31 December 2023, total liabilities of the Party exceeded total assets resulting in net deficiency in assets of \$159,875. Furthermore, the Party may require funding to meet its working capital and capital expenditure requirements.

The above conditions indicate the existence of a material uncertainty that may cast significant doubt about the Party's ability to continue as a going concern. The appropriateness of the going concern assumption on which the financial statements are prepared is critically dependent on the Party members and supporters financial contribution to the Party and its ability to secure funding to settle its debts.



## 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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### Emphasis of Matter                      cont'd

Should the going concern assumption be not appropriate, adjustments would have to be made to reflect a situation here the assets may need to be realized other than in the normal course of business and at amounts which could differ significantly from the amounts stated in the statements of financial position of the Party.

In addition, the Party may have to provide for further liabilities which may arise, and to classify the non-current assets and non-current liabilities as current assets and current liabilities respectively. No such adjustments have been made to these financial statements.

*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**  
**Laucala Beach Estate**  
**Nasinu.**

**12 April 2024**

**SOCIAL DEMOCRATIC LIBERAL PARTY**  
**STATEMENT OF INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

Schedule 1

		2023	2022
		\$	\$
<b>INCOME</b>	Note		
Donation		20,818	107,691
Fundraising		50,206	37,068
Parliamentary grant and MP levy		203,750	90,700
Membership fee - Constituency Council and Branches		809	5,293
Candidate Levy		6,700	129,475
Sale of merchandise		-	2,530
TC Relief Income		-	6,506
Women's Forum		-	11,400
Youth Forum		-	1,133
Refund		-	6,686
Others		-	47,533
<b>TOTAL INCOME</b>	(refer schedule 5)	<u>282,283</u>	<u>446,015</u>
Less: <b>Expenditure</b>	(refer schedule 5/2)	190,473	(666,823)
<b>Net Surplus/(Deficit)</b>	(refer schedule 2/2)	<u>91,810</u>	<u>(220,808)</u>

*The accompanying notes should be read in conjunction with the notes to and forming part of the financial statements.*



**SOCIAL DEMOCRATIC LIBERAL PARTY  
STATEMENT OF FINANCIAL POSITION  
FOR THE YEAR ENDED 31 DECEMBER 2023**

Schedule 2

	Notes	2023 \$	2022 \$
<b>ASSETS</b>			
Cash and cash equivalents	2	66,475	566
Inventory		9,198	9,198
Property, plant and equipment	3	37,466	52,114
<b>TOTAL ASSETS</b>		<u>113,139</u>	<u>61,878</u>
<b>LIABILITIES</b>			
Creditors and Accruals	4	3,950	8,500
Women's and Youth		212	211
Candidate incentive		7,420	7,420
FNPF	5	19,144	19,144
Fijian Teachers Association		-	8,500
RICOH Business Centre	6	64,783	92,283
Amount owed to Vulivou Partnership		177,505	177,505
<b>TOTAL LIABILITIES</b>		<u>273,014</u>	<u>313,563</u>
<b>NET DEFICIENCY IN ASSETS</b>		<u>(159,875)</u>	<u>(251,685)</u>
<b>ACCUMULATED LOSSES</b>			
Opening balance		(251,685)	146,628
Add: Excess of income over expenditure	(refer schedule 1)	91,810	(220,808)
Add: Prior year adjustment	7	-	(177,505)
<b>TOTAL ACCUMULATED LOSSES</b>		<u>(159,875)</u>	<u>(251,685)</u>

The accompany notes should be read in conjunction with the notes to and forming part of the 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.



.....  
**President**



.....  
**General Secretary**



.....  
**Treasurer**

Dated this 12 day of April, 2024.

**SOCIAL DEMOCRATIC LIBERAL PARTY  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

Schedule 3

		2023	2022
	Notes	\$	\$
<b>Cash flows from operating activities</b>			
Receipts of grant, fundraising income		282,283	455,141
Payments to members, suppliers and employees		(216,374)	(540,955)
<b>Net cash provided from operating activities</b>	8(b)	<u>65,909</u>	<u>(85,814)</u>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		<u>-</u>	<u>-</u>
<b>Net cash provided from investing activities</b>		<u>-</u>	<u>-</u>
<b>Net increase/(decrease) in cash held</b>		65,909	(85,814)
<b>Cash at the beginning of the year</b>		<u>566</u>	<u>86,380</u>
<b>Cash at the end of the year</b>	8(a)	<u>66,475</u>	<u>566</u>

*The accompanying notes should be read in conjunction with the notes to and forming part of the financial statements.*

**SOCIAL DEMOCRATIC LIBERAL PARTY**  
**NOTES TO AND FORMING PARTS OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

Schedule 4

**1. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES**

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

**1.1 BASIS OF ACCOUNTING**

The accounts have been prepared using the accrual basis of accounting. The financial statement have also been prepared under historical cost convention which permits revaluations of non-current assets but, otherwise, has no regard to changes in the levels of prices.

**1.2 INCOME**

Income is accounted for when received which includes candidates levy, parliamentary office resourcing, soli and other income categorized and accounted for when received.

**2. CASH AND CASH EQUIVALENTS**

	2023	2022
The amount represents:	\$	\$
Cash on hand	445	445
Cash at bank ANZ # 11720039	66,040	131
Cash at bank ANZ # 12647841	(10)	(10)
	<u>66,475</u>	<u>566</u>

**SOCIAL DEMOCRATIC LIBERAL PARTY**

Schedule 4/2

**NOTES TO AND FORMING PARTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023	2022
3. <b>PROPERTY, PLANT AND EQUIPMENT</b>	\$	\$
Motor Vehicle	47,400	47,400
Addition	-	-
Less: Accumulated depreciation	37,768	(32,080)
	<u>9,632</u>	<u>15,320</u>
Equipment	79,899	79,899
Addition	-	-
Less: Accumulated depreciation	52,065	(43,105)
	<u>27,834</u>	<u>36,794</u>
Total Fixed assets at fair value	127,299	127,299
Less: Accumulated depreciation	89,833	(75,185)
<b>Total fixed assets at written down value</b>	<u>37,466</u>	<u>52,114</u>

**4. CREDITORS AND ACCRUALS**

I. Naiveli and Company	<u>3,950</u>	<u>8,500</u>
5. <b>FNPF</b>	<u>19,144</u>	<u>19,144</u>

The above refers to the amount owed to the Fund by the Party which includes interest of \$11,300.

6. <b>RICOH BUSINESS CENTER</b>	<u>64,783</u>	<u>92,283</u>
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This amount relates to the printing of campaign material for the 2022 General Elections.

7. <b>PRIOR YEAR ADJUSTMENT</b>	<u>-</u>	<u>177,505</u>
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The above relates to the amount owed by the Party Executives to Vulivou Partnership from 2022.

**SOCIAL DEMOCRATIC LIBERAL PARTY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

Schedule 4/3

8.	<b>NOTES TO STATEMENT OF CASH FLOWS</b>	2023	2022
(a)	<b>Reconciliation of cash</b>	\$	\$

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	66,475	566
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(b) **Reconciliation of net cash provided by operating activities to operating profit**

Operating profit/(loss)	91,810	(220,808)
<b>Adjustment for non-cash items</b>		
Depreciation	14,649	14,689
<b>Change in assets and liabilities:</b>		
(Increase)/decrease in assets	-	(4,852)
Increase/(decrease) in liabilities	(40,550)	125,157
<b>Net cash provided by operating activities</b>	<b>65,909</b>	<b>(85,814)</b>

	2023	2022
9. <b>RELATED PARTIES</b>	\$	\$

The Social Democratic Liberal Party has a related party relationship with its Committee Members.

(a)	Management Board Members	9,976	19,536
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(b) **Executive Committee:**

RT Manoa Roragaca - President  
 Filimoni Soqeta - Vice President  
 Avenito Kolikata - Vice President  
 Viliame Waka Takayawa - General Secretary

10. **CONTINGENT LIABILITIES**

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

11. **CAPITAL COMMITMENTS**

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



**DISCLAIMER**

**FINANCIAL INFORMATION**

**FOR MANAGEMENT PURPOSES ONLY**

The additional financial data presented on schedule 5 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.

**SOCIAL DEMOCRATIC LIBERAL PARTY**  
**STATEMENT OF INCOME AND EXPENDITURE**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

Schedule 5

	2023	2022
	\$	\$
<b>INCOME</b>		
Donation	20,818	107,691
Fundraising	50,206	37,068
Parliamentary grant	203,750	90,700
Membership fee - Constituency Council and Branches	809	5,293
Candidates Levy	6,700	129,475
Sale of merchandise	-	2,530
TC Relief	-	6,506
Women's Forum	-	11,400
Youth Forum	-	1,133
Refund	-	6,686
Others	-	47,533
<b>TOTAL INCOME</b>	<b>282,283</b>	<b>446,015</b>
<b>EXPENDITURE</b>		
Awareness team	13,252	32,415
Advertisement	845	3,873
Audit fees	3,950	8,500
Arbiter		1,000
Bank Charges	170	503
Box rental	201	-
Campaign Cost	1,200	171,113
Candidates Levy - Fiji Elections Office	-	55,000
Candidate induction expenses	-	15,227
Office equipment	1,649	-
Depreciation	14,649	14,689
Electricity	3,122	5,500
FNPF	7,831	29,682
Forum expenses	1,388	12,364
Fundraising expenses	9,860	10,837
General expenses	-	255
Reimbursement/Refund	8,022	-
Legal fees	3,900	13,317
Meetings - Management Board/Working Committee	9,976	19,536
Merchandise	-	1,466
	<b>80,014</b>	<b>395,277</b>

**SOCIAL DEMOCRATIC LIBERAL PARTY  
STATEMENT OF INCOME AND EXPENDITURE  
FOR THE YEAR ENDED 31 DECEMBER 2023**

Schedule 5/2

	2023	2022
	\$	\$
<b>EXPENDITURE (CONT'D)</b>	<b>80,014</b>	<b>395,277</b>
Motor vehicle repairs and maintenance	3,820	3,073
Other expenses	-	675
Office Supplies	100	12,316
PAYE	-	1,039
Printing and stationaries	3,585	7,157
Reguregu	690	5,740
Rent	17,749	37,500
Salaries and allowances	78,913	166,030
Social media	1,142	1,108
Telephone	1,970	879
Transportation/Rental Car	2,050	11,885
Transfer to operation account	-	23,504
Water bill	230	640
Vehicle Fuel	210	-
<b>TOTAL EXPENDITURE</b>	<b>190,473</b>	<b>666,823</b>
<b>EXCESS OF INCOME OVER EXPENDITURE</b>	(refer schedule 1) <b>91,810</b>	<b>(220,808)</b>

*To be read in conjunction to the disclaimer on page 10.*

