

# NATIONAL FIRE AUTHORITY

FIJI

## 2011 Annual Report





## **CORPORATE INFORMATION**

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Auditor General, Government Buildings, Suva

**Bankers:**

ANZ Banking Group Limited, Suva

# NATIONAL FIRE AUTHORITY

## Annual Report 2011

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# NFA TODAY

## ESTABLISHMENT AND RELEVANT MINISTER

The National Fire Authority (NFA) was established by Government to take effect from 1<sup>st</sup> February 1995 when it assumed responsibility to provide a national fire service. NFA took over the fire services, which was then operated by the Board of Fire Commissioners of Suva and the Municipal Councils.

NFA is a statutory authority which reports to the Minister responsible for Urban Development.

NFA has since evolved over the years from its informal beginnings to a nation-wide emergency service organization, providing a diverse range of risk reduction and fire suppression services to minimize the impact of fires and other life threatening emergencies in the community. NFA is wholly committed to prevention, preparedness, response and recovery phases of emergency situations.

NFA is funded through contributions from insurance companies, the State, water levies and other sources.

## OBJECTIVES, FUNCTIONS, POWERS AND DUTIES

Under the National Fire Service Act, 1994 ("the NFS Act"), NFA is the responsible agency for:

- The corporate governance of NFA including the establishment of Board sub-committees.
- Appointment of the CEO.
- General overseeing of the administration and operations of the Authority.
- Establishing strategies and objectives.
- Approvals.
- Monitoring the performance of Management.
- Ensuring effective and efficient communications with all stakeholders.
- Ensuring an effective Human Resources program for the Authority and overseeing the development strategies for senior and high performance officers.

## SCOPE OF NFA SERVICE

NFA's operating environment is the metropolitan cities of Suva and Lautoka, urban towns and their sub-urban surrounds including some provincial towns.

NFA is responsible for the provision of fire protection services to every community in the Fiji Islands (including Rotuma). Depending on funding availability, an expectant gradual increase in fire fighting resources and capability will enhance NFA's ability to provide fire rescue and emergency services to every community in Fiji.

- NFA is mandated to protect life and property in the Fiji community.
- NFA volunteers contributed annually to the Fijian economy.
- There is a growing partnership between NFA and the National Disaster Management Office (NDMO) in the operation of Fiji's major emergency coordination centre.

## NATURE AND RANGE OF SERVICES PROVIDED

As a Statutory Authority, NFA is a community focused emergency management organization, providing a diverse range of services to contribute to the safety and well being of the people of Fiji.

NFA's operations rely on the skills of an integrated force of career and volunteer personnel. NFA members are dispersed throughout Fiji, united through a commitment to enabling *a community well prepared and supported to achieve minimal impact from fire and other emergencies*. NFA is building strategic relationships with the local communities and provides fire and related emergency coordination including:

- Community awareness, education and fire safety and prevention programs.
- Structural fire suppression.
- Transport related fire suppression.
- Road accident Rescue.
- Technical rescue such as high angle trench and mine operations.
- Hazardous materials transportation and storage incidents.
- Industrial accident response.
- Other emergency activities including flood evacuation assistance.
- Technical services including Building Code-related inspections and post incident investigations.
- Fire safety input planning for major community risks.
- Bush, cane and rubbish fire suppression.

## A QUICK LOOK AT NFA

	2011	2010
Brigades		
Permanent Fire brigades	27	27
Volunteer Fire brigades	24	21
Regional Head Quarters	2	2
National Head Quarters	1	1
NFA People		
Career firefighters	282	257
Auxiliary firefighters	3	2
Volunteers	95	104
Administration and Technical support Staff	23	22
<b>Total NFA People</b>	<b>403</b>	<b>385</b>
Incident Management		
Total number of incidents	2424	2162
Total number of brigade turnouts.	2424	2162
Buildings and Land		
Fire Stations Central/Eastern Division	7	7
Fire Stations Western Division	7	7
Fire Stations Northern Division	3	4
Head Quarters	1	1
Mechanical Workshop	1	1
Communications Workshop	1	1
Vehicle Fleet		
Tanker	6	7
Pumper	5	3
Fire Tender	20	20
Ladder Truck	-	-
Rescue Vehicles	4	3
Slip-On Vehicles	3	3
Hazardous Materials Unit	1	1
Twin Cabs	6	5
Ambulances	3	3
Executive vehicles	3	3
Communications Infrastructure		
Base Radios	16	16
Mobile Radios (Vehicle mounted)	43	46
Smokehouse Units	3	3
Sponsored by Goodman Fielder	1	1
Sponsored by Vodafone ATH Fiji Foundation	1	1
Sponsored by Leadership Fiji	1	1

## CHAIRMAN'S STATEMENT

**Mr Aiyaz Saiyed-Khaiyum**

Honorable Minister for Local Government, Urban Development  
Housing and Environment  
7th Floor, Suvavou House  
Victoria Parade  
Box 2213, Government Buildings  
Suva

Dear Minister

On behalf of the Board, I present the report of the National Fire Authority (NFA) for the year ended 31 December 2011. NFA is mandated under its Act to provide this annual report to give an account of the activities and performance of the National Fire Authority.

The NFA's statutory mandate is to reduce the incidence and consequences of fire. To give effect to the mandate, the NFA pursues a comprehensive mix of intervention strategies across fire safety and fire risk reduction, readiness and response capability. We assess the difference those interventions make to the fire outcomes for people, property, communities and the environment by closely monitoring key indicators over a period of time. The critical issue is to ensure the longer term trend lines remain positive towards the reduction and early mitigation of fires.

Among the various notable achievements during the year, of notable interest has been the 51% reduction in structural fires from 216 in 2010 to 106 in 2011. Whilst we acknowledge that fire occurrences are beyond NFA's control, we believe that continued vigorous fire safety awareness programs and effective fire mitigating strategies have contributed greatly to a declining trend of unnecessary fires destroying properties and putting lives at risk.

Government's assistance in providing grants for capital projects and for the purchase and installation of fire hydrants is acknowledged with gratitude as the NFA continues to address major shortfalls in water supply for its fire operations and improvement of its firefighting facilities and equipment in order to effectively implement the changes necessary to bring about a vibrant and proactive fire service.

Whilst we acknowledge the contributions made by the previous Boards towards NFA's strategic development, we also recognize the concerted efforts and contributions made by the current Board of Directors, Management and Staff in ensuring that the Government's objectives and expectations of its national fire service were met.

Honorable Minister, we take this opportunity to express our gratitude for your support and that of your Ministry and the Fiji Government towards assisting NFA in enhancing the delivery of fire and emergency services to the people of Fiji. We believe that this report will provide you with an adequate update of the activities carried out by the Authority in the year 2011.

Sincerely



**Francis Bulewa Kean**  
Commander  
Chairman

## CORPORATE GOVERNANCE

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

### NFA Board

The National Fire Authority of Fiji Board is constituted under the National Fire Service Act, 1994 and is accountable to the Minister responsible for Urban Development. The Act provides for a Board of seven (7) members of the Authority comprising of the Chairman, Deputy Chairman and 5 other members who are appointed by the Minister for a term of three (3) years. The Chairman and Board Members are paid fees and allowances out of its fund as the Minister may determine.

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

### Authority Members

- |                        |  |
|------------------------|--|
| 1. Mr John Low         | Chairman – Appointed 17 May 2007.  |
| 2. Mr Peter McPherson  | Deputy Chairman – Appointed 31 December 2007                                 |
| 3. Permanent Secretary | Ministry for Local Government, Urban Development,<br>Housing and Environment |
| 4. Mr Satish Badal     | Member – Appointed 17 May 2007   |
| 5. Mr Jone Mika        | Member – Appointed 17 May 2007   |
| 6. Mr Mosese Kama      | Member – Appointed 1 April 2011  |
| 7. Mr Hiagi Foraete    | Member – Appointed 1 April 2011  |

### Role of the NFA Board

Responsibility for the Authority's overall performance rests with the Board, who ensures appropriate risk management strategies are in place and that NFA complies with relevant legislation, Government's requirements, and its own corporate objectives in the annual Business Plan and the Strategic Roadmap for Fire Safety and Mitigation.

The primary role for the NFA Board is to:

- Develop and implement strategic plans to meet NFA's legislated responsibility;
- Formulate policy;
- Ensure systems and processes for proper accountability and managing risk are in place;
- Monitor the performance of NFA; and
- Ensure its compliance obligations are met.

### Board Sub-Committees

To assist the Board in effectively dealing with complex or specialized issues and fulfilling its decision making role, the Board reviewed the membership, roles and functions of its standing Sub-Committees. The four Sub-Committees are Finance, Human Resource, Legal and Works and they make recommendations for action to the full Board, which retains collective responsibility for decision making.

### Works Sub-Committee

The role of the Works Sub-Committee is to monitor, review and report to the Board the adequacy of the capital projects being undertaken by the Authority.

Members:

- Mr Azmat Khan (Chairman)
- Mr John Low
- PS Local Govt, Urban Development, Housing & Environment or his rep

### Finance Sub-Committee

The role of the Finance Sub-Committee is to monitor and report to the Board on corporate governance, compliance and risk management processes, including external audit functions of NFA.

Members:

- Mr Satish Badal (Chairman)
- Mr John Low
- Mr Peter McPherson
- PS Local Govt, Urban Development, Housing & Environment or his rep

### Human Resource Sub-Committee

The role of the Human Resource Committee is to take specific responsibility for recommending to the Board NFA's policy and practice for Executive Officer appointments and remuneration review processes. It is also responsible for reviewing and recommending to the Board remuneration and terms and conditions concerning all non-executive employees.

Members:

Mr Mr Jone Mika (Chairman)  
 Mr John Low  
 Mr Azmat Khan  
 PS Local Govt, Urban Development, Housing & Environment or his rep

### Legal Sub-Committee

The role of the Legal Sub-Committee is to assist the Board and Management in dealing with law-related issues including litigation efforts, settlement negotiations, investigations and preparation for future litigations that may be brought by or against the Authority. The Committee also evaluates the application of governance principles adopted by the Board and evaluates, assesses and recommends to the Board appropriate action with respect to related party transactions.

Members:

Mr Jagat Singh (Chairman)  
 Mr John Low  
 Mr Jone Mika  
 Mr Azmat Khan  
 PS Local Govt, Urban Development, Housing & Environment or his rep

### Executive Management Team

The Board delegates the responsibility of the management of the Authority to the Chief Executive Officer and his Executive Management Team (EMT) to ensure an efficient and capable fire service.

- Acting Chief Executive Officer – Mr Aseri Radrodro
- Chief Fire Officer and Director Operations – Mr Tupou Saubulinayau
- Director Corporate Services – Mr Rajesh Lal
- Board and Executive Secretary – Ms Kelly Fonmoa





# EXECUTIVE MANAGEMENT REPORT

## OVERVIEW

The National Fire Authority is responsible for coordinating and carrying out proactive fire prevention and responding to emergency rescue operations. NFA manages its operations in designated fire districts to protect Fiji's 0.83 million people, the well-over \$2.3 billion stock of buildings and a fast growing economic environment.

In 2011, NFA's business focus was on **Improving NFA's Human Capital Potential** which focused the organization's efforts on building up its human resource capacity and capability to bring about the efficient, effective and professional service delivery to the people of Fiji. Of greater importance was the need to put in place monitoring tools such as the performance management system that would enable Management to accurately measure the performance of its human capital as the major contributor towards enhanced efficiency, productivity for NFA and job satisfaction of its employees.

It was imperative that the NFA's progress complemented its *Strategic Roadmap for Fire Safety and Mitigation in* and aligned itself towards Government's national development plans and the Peoples Charter for Change, Peace and Progress through the *enhancement of public sector efficiency, performance, effectiveness and service delivery* (Pillar 4) and the *improvement of an integrated development structure at divisional level* (Pillar 7).

Nonetheless, the development of NFA's human capital needed to be aligned to complement the other critical support services such as ICT, fleet management, marketing, media and finance in order to bring about effective services delivery across the organization.

A key driving element was the continued improvement to community preparedness and the reduction of incidents and negative consequence of fire for Fiji's Communities. Achievement of this strategy was also dependent upon human capital development if NFA is to effectively contribute towards Government's goal of "building fire safety communities" by "working in partnership with communities".

The introduction of the emergency ambulance services in the beginning of this year provided the reassurance of Government's support for the enhancement of service delivery and the evolvement of NFA's emergency role beyond fire fighting to an emergency response agency. The emergency ambulance services were piloted between the Suva/Nausori corridor before expansion into the other regions.

## REPORT ON OPERATIONS - 2011

### EMERGENCY INCIDENT RESPONSES

The number of incidents attended to by NFA is as follows:

Incident	2011	2010
Property fire	106	216
Grass/Bush/Cane/Rubbish	785	986
Special services/Malicious/Others	191	315
Private Fire Alarms	512	659
Ambulance response	830	-
<b>Total</b>	<b>2,424</b>	<b>2,162</b>

### FIRE CAUSES

There is a great need for a change in the public and community attitude towards fire safety especially if we are to really grow the Fiji economy in line with Government's policy. All sectors of the economy will need to work together with the NFA to reduce fire occurrences in the country. The attitudes of people and the community should be to prevent unnecessary fire from taking place in the first place and help in educating our families and friends on fire safety and fire prevention techniques. This proactive approach to fires will help reduce the strain on the NFA's scarce fire fighting resources.

Having attended to a total of 106 structural fires during the year, the most common causes of these structural fires continue to be:

- Electrical-related fires
- Unattended cooking
- Children playing with matches
- Poor placement of mosquito coils, candles, diyas etc.

These fire causes can be prevented with a major change in people's attitudes toward the safe handling of fire and ensure that the necessary fire safety precautions are taken at all times.

## **SIGNIFICANT INCIDENTS**

### **January**

- Ba Fire Station was officially opened on Friday, 21 January 2011.

### **March**

- Commenced the 2011 Firefighter Recruitment.

### **April**

- NFA received flood rescue equipment worth \$8,000 from the Japanese International Cooperation Agency (JICA).

### **May**

- A fire at the Taveuni Palm Resort destroyed the Generator Room of the Resort.

### **June**

- A successful rescue operation was conducted in Taveuni where the NFA team rescued school children after their school bus tumbled at Soqulu.

### **July**

- Thirty-eight new career fire fighters graduated on 21st July 2011 after completing eight weeks firefighter training at the Fiji Naval base in Togalevu.

### **August**

- Australian fire & emergency consultant, Kevin Hinton, started his five weeks attachment at the NFA's Structural Fire Safety department to assist in the development of a National Fire Safety Policy.
- A fire at the Sustainable Mahogany Industries Limited Sawmill in Navua destroyed the Mill's sawshop area.

### **September**

- A Remembrance Day church service was held at the Suva Fire Station to remember the victims of September 11 disaster and commemorate the New York City Fire Department Fire officers who lost their lives.
- A bravery award was presented to Sunbeam Transport Limited Bus driver, Mr Nacanieli Natadra, who was hailed a hero by his employer, Sunbeam Transport Limited, and others when he helped safely evacuate 60 passengers as flames engulfed his bus at Nawai in Nadi during the month.

### **October**

- A fatal house fire at Namaqumaqua Village in Serua resulted in the tragic death of a four-month old boy.

### **November**

- Three brand new twin cabs were procured from China.
- Thirty new fire hydrants were installed in various centers around the country.

### **December**

- NFA completed emergency medical activity training for firefighters in the three divisions. The training was conducted by Japanese paramedical officers of the Matsusaka Fire Department to assist NFA in its Emergency Ambulance Services operations.

## FIRE SERVICE DELIVERY

### Fire Stations

NFA has established a total of seventeen fire stations around the country to ensure the prevention and early mitigation of fires in support of Government's efforts to enhance economic growth and for the protection of the lives and property of the people.

There are nine permanent fire stations which are manned by permanent career firefighters and eight volunteer fire stations which are manned by two permanent career firefighters and volunteer firefighters:

Division	Permanent Stations	Volunteer Stations
Central/East	Suva, Valelevu and Nausori (3)	Navua, Pacific Harbor, Levuka and Naboro (4)
West	Lautoka, Nadi, Sigatoka and Ba (4)	Tavua, Rakiraki and Denarau (3)
North	Labasa and Savusavu (2)	Taveuni (1)
<b>Totals</b>	<b>9</b>	<b>8</b>

### Water supply

Inconsistent water supply in major areas, particularly in the Western Division, continued to pose a major risk for the effective delivery of fire fighting operations. Whilst consultation with the Water Authority of Fiji continues, Stations were assigned to identify alternative water sources as a secondary means of water supply. Secondary water sources such as nearby rivers, creeks, swimming pools, water tanks and natural pools have been identified by each Station. In the situation of high risk areas without a secondary water source, discussions were held with community leaders to propose the installation of water tanks as an alternative water supply as well as a secondary water source for fire operations.

### Fire hydrants

Government continued its support in addressing the shortage of fire hydrants installed particularly in high risk priority areas. A grant of \$500,000vip was allocated by Government for the purchase and installation of a total of 130 fire hydrants around the country.

The strengthening of NFA's role and responsibility will facilitate the enforcement of fire safety compliance in all future new developments to include fire risk mitigating infrastructure and equipment as part of the project development cost.

### Fire appliances and Equipment

NFA had a total of 45 vehicles by the end of 2011 of which 91% are Operations vehicles. The fast-ageing vehicle fleet and the difficulties faced in obtaining spare parts locally for most of these fire trucks continue to be a problem as these parts are considered obsolete and are no longer manufactured.

### Emergency Ambulance Services

The outsourcing of Government's Emergency Ambulance Service (EAS) to the NFA continued during the year with the provision of Ambulance Services along the Suva-Nausori corridor and surrounding communities.

A total of 36 firefighters completed their Certificate in Emergency Care Assistance with FNU during the year. NFA also continued with the Emergency Medical Activity training course in an effort to maintain the required skill level in this emergency operation.

## FIRE SAFETY COMPLIANCE

### Structural Fire Safety

This department was established in July 2007 to reduce and/or prevent liabilities, improve capacity to deliver quality services and help contribute to full compliance of fire requirements in accordance with the National Building Code of Fiji and National Fire Service Act, 1994. Structural fire safety activities involved:

- Business license renewals
- Liquor license renewals
- Approval of building plans
- Fire safety compliance inspections

The strengthening of NFA's role in the NFS Act has empowered our fire officers to carry out their duties effectively. This process has, however, highlighted the need for NFA to draw up a National Fire Policy and Regulations on the standards for all Fire safety equipment and Certification of Agents.

Fire safety inspections were also conducted in the islands of Kadavu, Moala, Totoya and Matuku during the year where facilities such as the Hospital, Dispensary, Police Station, Hotels and Board Secondary Schools were inspected for fire safety compliance and recommendations made to their respective Ministries to ensure that these facilities comply with basic fire safety requirements.

### Commercial Training

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

The basis for the establishment of this specialized department in April 2008 was as follows:

- Increasing the level of fire safety awareness and training in the commercial sector through the delivery of structured programs.
- Establish an additional income stream by charging commercial rates for the delivery of commercial training programs.
- Equip the community in preparedness and response for fire and other emergencies in line with NFA's vision.

As a recognized Private-Vocational School under the provisions of the Education Act, NFA conducted the following TPAF Grant claimable courses to organized groups throughout the year:

- Fire Evacuation drill
- Fire Safety at Work
- Fire Warden training
- Fire Team training.

The HASAW legislation has increased the requirement for most companies employing more than ten people to undertake at least one of the above mentioned training products. Organizations with staff greater than thirty will be required to undertake three of our training products.

### Private Fire Alarm Monitoring System

NFA's GPRS Private Fire Alarm Monitoring (PFAM) system continued to be centrally monitored at NFA's Suva Control Centre. The PFAM system utilizes the Vodafone mobile GPRS network as its primary link to facilitate the monitoring of fire alarms via an installed Alarm Signaling Equipment (ASE) interface at the building. The secondary (back up) link is via the Telecom PSTN network.

NFA is the sole supplier and installer of the ASE interface units and facilitates the connection of the ASE interface to the GPRS network with the monthly rental of \$10 per ASE connection being borne by the building owner.

## FIRE SAFETY AWARENESS

Community awareness activities have basically involved the delivery of fire safety messages to the various communities in each station area.

House to house visitations proved to be very effective as fire officers took the opportunity to personally talk to families and provided them with fire prevention advice as well as highlighted the areas or practices in the home that could cause unnecessary fires.

The Smokehouse program with "Smokey the Fire Bird" and practical exercises that the children participate in after a lecture and demo by a fire officer continue to be popular programs for the children. These programs have been very effective with the children from pre-school level through to class 8 level and NFA continues to acknowledge with gratitude the partnership and support of Goodman Fielder Fiji Ltd, who sponsored the *Twisties* Smokehouse unit for the Central/Eastern Division, Vodafone Fiji Foundation for the *Vodafone* Smokehouse in the West and the *Leadership Fiji* Smokehouse in the North.

## FINANCIAL SUMMARY

### Income

Total income for 2011 was \$9,583,669 compared to \$9,111,791 for 2010. The increase in income by 5% was attributed to an improvement in fire levy contributions.

### Sources of Income

The major sources of income for NFA during the year were:

- Fire insurance levies contributions of \$7 million compared to \$6 million in 2010.
- Government grant of \$889,509 compared to \$1.2 million in 2010.
- Water levy contributions totaling \$581,487 compared to \$302,027 for 2010.
- Structural fire safety compliance inspections totaling \$616,167 compared to \$511,569 in 2010.
- Commercial training conducted totaling \$194,667 compared to \$175,926 in the previous year.

Fire levy contributions represented 73% of the total income compared to 69% for the previous year.

The Government grant of \$0.9 million vep was utilized for NFA's capital projects.

### Expenses

The total expenditure for 2011 was \$8.55 million compared to \$8.24 million for 2010. The slight increase in expenditure levels have been attributed mainly to the increase in staff training and volunteer brigades.

In 2011, \$5.5 million (2010: \$5.3 million) was attributed to salaries and other employee expenses such as superannuation and employee benefits. The total number of employees at the end of 2011 was 403 compared to 385 in 2010.

Total operating and administration expenses for the year 2011, compared to the previous years, have been distributed as follows:

- Communication expenses of \$137,014 compared to \$108,956 in 2010.
- Decrease in depreciation expenses from \$905,639 in 2010 to \$899,104 in 2011.
- Electricity expense increased by 21% to \$95,263 in 2011 from \$78,885 in 2010.
- Insurance expense of \$258,621 increased by 5% compared to \$246,056 in 2010.
- Vehicle maintenance and running costs of \$539,084 compared to \$587,479 in 2010.
- Premises rental was \$111,863 compared to \$111,095 in 2010.
- An increase of 213% in staff training costs from \$78,618 in 2010 to \$246,835 in 2011.
- Volunteer brigade expenses increased by 95% to \$220,702 compared to \$113,193 in 2010.
- Other expenses totaled \$566,959 compared to \$681,938 in 2010.

### Financial Performance

Details of the financial performance of the Authority for the year ended 31 December 2011 are provided under the audited financial statements section of this report.

## OUR PEOPLE

The total number of permanent staff as at 31 December 2011 was 305 compared to 279 staff in 2010. The increase is mainly attributed to the recruitment of 38 new career firefighters in July.

Type	2011	2010
Career firefighters (Permanent)	282	257
Administration & Technical Staff (Permanent)	23	22
Auxiliary firefighters	3	2
Volunteer firefighters	95	104
<b>Total</b>	<b>403</b>	<b>385</b>

### Retirements

- Mrs Sereana Matanatoto, Payroll Officer, Suva retired at the age of 55 after 6 years of service.
- Mr Tevita Drose, Firefighter, Suva retired at the age of 55 after 2 years of service.
- Mr Mau Lutudromu, Sub Officer, Valelevu retired at the age of 55 after 35 years of service
- Mr Temo Taubale, Senior Firefighter, Valelevu retired at the age of 55 years after 28 years of service
- Mr Paulo Radrodro, Sub Officer, Nausori retired at the age of 55 years after 31 years of service
- Mr Shiri Ram Reddy, Senior Firefighter, Sigatoka retired at the age of 55 years after 32 years of service
- Mr Amasa Naului, Senior Firefighter, Sigatoka retired at the age of 55 years after 20 years of service
- Mr Nabi Buksh, Sub Officer, Ba retired at the age of 55 years after 29 years of service
- Mr Josese Cavunisautu, Sub Officer, Lautoka retired at the age of 55 years after 30 years of service
- Mr Puspa Chandra Raj, Senior Firefighter, Lautoka retired at the age of 55 years after 32 years of service
- Mr Peni Mudunavonu, Station Officer, Savusavu retired at the age of 55 years after 20 years of service
- Mr Aisea Makulau, Senior Firefighter, Savusavu retired at the age of 55 years after 19 years of service
- Mr Amzad Ali, Station Officer, Labasa retired at the age of 55 years after 32 years of service
- Mr Isoa Makutu, Divisional Fire Officer, West retired at the age of 55 years after 28 years of service
- Mr Ovini Bokini, Auxilliary Firefighter, Tavua retired at the age of 55 years after 9 years of service

### Resignations

- Mrs Ashni Deo, Accountant in January 2011
- Mr Jone Koroi, Chief Executive Officer
- Mr Sekove Vadei, Manager Human Resources in September 2011
- Mr Ronald Singh, Audit and Compliance Officer in November 2011
- Firefighter Setareki Koroilagilagi, Ba Station in November 2011

### Termination

- Senior Firefighter Sowani Qoliqavoka

### Death

- Mr Tupou Saubulinayau, Chief Fire Officer passed away on 25<sup>th</sup> October 2011

### International Collaborations

#### Australia

- Long term work attachment – Station Officer Timoci Nakaruru was on a one year work attachment with the Country Fire Authority (March 2011 to January 2012)

#### Japan

- Senior Firefighter Peni Sovinisalevu of Valelevu Station attended a three months Rescue Techniques Training from 3<sup>rd</sup> October to 17<sup>th</sup> December 2011, Japan

- Senior Firefighters Howard Mason of Nadi and Ledua Vosa of Suva attended a three months Fire Fighting Techniques training from 3<sup>rd</sup> August to 20<sup>th</sup> October 2011
- Divisional Fire Officer Resource Advisor Kolinio Rakoroi attended a two weeks International Fire and Disaster Management Forum from 23<sup>rd</sup> October to 3<sup>rd</sup> November 2011 in Japan

#### China

- Sub Officer Lino Crocker and Firefighter Leleasiga Ledua attended a two weeks training on Emergency Medical Rescue Management in China from 8<sup>th</sup> to 28<sup>th</sup> September 2011

## PUBLIC RELATIONS

### Media and Stakeholder collaborations

There continued to be positive media coverage about NFA throughout the year with the regular release of media statements and articles to all the major Media outlets on NFA's operations, concerns and success stories, as well as involvement with the television and radio stations for regular broadcasts and talk back show programs in all three languages.

Consultative meetings were held with major industries such as FSC and Fiji Pine on fire preparedness and joint operations were organized in the event of a fire disaster. Combined drills and mock exercises were also conducted with organizations such as Airports Fiji, NDMO and JICA in an effort to effectively mitigate accident rescue incidents and flood evacuation operations.

The volunteer-based firefighting community in Pacific Harbor worked with NFA during the year and erected four billboards featuring fire safety awareness messages and emergency rescue operations that NFA undertakes. These billboards were proudly sponsored by the Bank of South Pacific and feature prominently along the Queens Highway's Deuba-Galoa corridor. These billboards were launched by the then Minister for Local Government, Urban Development, Housing and Environment.

The achievement of two Fire free weekends in August and October 2011 were a positive outcome for NFA as stations continued to visit their respective communities and encouraging families to prevent fires from burning down their homes and livelihood.

### Bravery Award

The introduction of the Bravery Award during the year created a lot of media attention as NFA recognized and acknowledged the bravery of Mr Nacanieli Natadra for saving the lives of his 60 passengers on board the Sunbeam Bus that he was driving from the West enroute for Suva on 2 September 2011.

The Bravery Award presentation was held in conjunction with the September 11 Remembrance parade at NFA's HQ in Walu Bay, Suva when NFA officials together with a representative from the American Embassy laid wreaths to commemorate the lives of all firefighters around the world, and in particular those involved in the September 11 disaster in the USA, and during the course of their duty paid the ultimate price for the lives of many citizens.







**NATIONAL FIRE AUTHORITY**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

# NATIONAL FIRE AUTHORITY

## FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2011

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## NATIONAL FIRE AUTHORITY DIRECTORS REPORT YEAR ENDED 31 DECEMBER 2011

In accordance with a resolution of the Authority, the members submit the balance sheet of the Authority as at 31 December 2011, and the related income statement, statement of changes in equity and statement of cash flows for the year ended 31 December 2011 and report as follows:

### Authority's members

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

Member	Appointed	Resigned
John Low	17/05/2007	01/01/2012
Peter McPherson	31/12/2007	
Satish Badal	17/05/2007	01/01/2012
Jone Mika	17/05/2007	01/01/2012
Mosese Kama	01/04/2010	31/12/2011
Hiagi Foraete	01/04/2010	
Commander Francis Kean	01/01/2012	
Waka Vosailagi	16/01/2012	
Lesimemata Maravuakula	01/01/2012	
Chandu Umaria	01/01/2012	

### State of affairs

In the opinion of the directors:

- there were no significant changes in the state of affairs of the Authority that occurred during the financial period under review not otherwise disclosed in this report or the financial statements; and
- the accompanying balance sheet gives a true and fair view of the state of affairs of the Authority as at 31 December 2011 and the accompanying incomes statement, statement of changes in equity and statement of cash flows gives a true and fair view of the result, changes in equity and cash flows of the Authority for the period then ended.

### Principal activities

The principal activities of the Authority during the course of the financial year were to coordinate the Fiji National Fire Service activities for the purpose of fire protection and other emergencies and establish courses of training to members of the fire service.

### Operating result

The operating profit of the Authority for the year 31 December 2011 was \$1,029,180 (2010: \$866,884).

### Reserves

There were no amounts transferred to or from reserves during the year.

### Dividends

There was no dividend paid during the year.

## NATIONAL FIRE AUTHORITY DIRECTORS REPORT YEAR ENDED 31 DECEMBER 2011

### Other matters

As at the date of this report:

- (a) The Authority's members are not aware of any circumstance which would render the values attributed to current assets in the Authority's financial statements misleading.
- (b)
  - (i) No charge of the assets of the Authority has been given since the end of the financial year to secure the liabilities of any other person;
  - (ii) No contingent liabilities have arisen since the end of the financial year for which the Authority could become liable except as disclosed in the financial statements;
  - (iii) As at the date of this report, the Authority members are not aware of any circumstances that have arisen, not otherwise dealt with in the report, which would make adherence to the existing method of valuation of assets or liabilities of the Authority misleading or inappropriate; and
  - (iv) Apart from the matters specifically referred to in the financial statements, in the opinion of the Authority members the results of the operations of the Authority during the financial year were not substantially affected by any item, transaction or event of an abnormal nature.

### Events subsequent to balance date

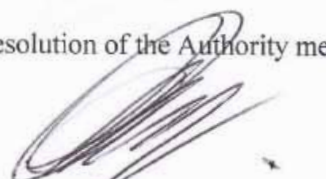
There has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Authority, to affect significantly the operations of the Authority, the results of those operations, or the state of affairs of the Authority, in subsequent financial years.

Dated at Suva this 3<sup>rd</sup> day of December 2013.

Signed for and on behalf of the Authority in accordance with a resolution of the Authority members.



Chairperson



Member

## NATIONAL FIRE AUTHORITY STATEMENT BY DIRECTORS YEAR ENDED 31 DECEMBER 2011

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

- i. the accompanying balance sheet of the Authority is drawn up so as to give a true and fair view of the state of affairs of the Authority as at 31 December 2011;
- ii. the accompanying income statement of the Authority is drawn up so as to give a true and fair view of the results of the Authority for the period ended 31 December 2011;
- iii. the accompanying statement of changes in equity of the Authority is drawn up so as to give a true and fair view of the changes in equity of the Authority for the period ended 31 December 2011;
- iv. the accompanying statement of cash flows of the Authority is drawn up so as to give a true and fair view of the cash flows of the Authority for the period ended 31 December 2011;
- v. at the date of this statement, there are reasonable grounds to believe that the Authority will be able to pay its debts as and when they fall due; and
- vi. all related party transactions have been adequately recorded in the books of the Authority.

For and behalf of the Authority and in accordance with a resolution of the Authority's members.

Dated at Suva this 3<sup>rd</sup> day of December 2013.

  
\_\_\_\_\_  
Chairperson

  
\_\_\_\_\_  
Member



8<sup>th</sup> Floor, Ratu Sukuna House  
 ManArthur Street,  
 P. O. Box 2214,  
 Government Buildings,  
 Suva, Fiji Islands

## OFFICE OF THE AUDITOR GENERAL

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Excellence in Public Sector Auditing

### **National Fire Authority Financial Statements for the Year Ended 31 December 2011**

#### **Independent Audit Report**

I have audited the accompanying financial statements of National Fire Authority, which comprises the statement of financial position as at 31 December 2011, and the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information as set out on pages 7 to 28.

#### ***Director's and Management's Responsibility for the Financial Statements***

The directors and management are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and the requirements of the provisions of National Fire Services (Amendment) Decree 2009 (Decree number 51 of 2009). This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making estimates that are reasonable in the circumstances.

#### ***Auditor's Responsibility***

My responsibility is to express an opinion on these financial statements based on the audit. I have conducted the audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

#### ***Audit Opinion***

In my opinion:

- (a) proper books of account have been kept by the National Fire Authority, so far as it appears from my examination of those books; and

(b) the accompanying financial statements which have been prepared in accordance with International Financial Reporting Standards:

- (i) are in agreement with the books of account;
- (ii) to the best of my information and according to the explanations given to me:
  - give a true fair view of the state of affairs of the National Fire Authority as at 31 December 2011 and of its financial performance, changes in equity and its cash flows for the year ended on that date; and
  - give the information required by the provisions of National Fire Services (Amendment) Decree 2009 (Decree number 51 of 2009), in the manner so required.

I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purposes of my audit.



Tevita Bolanavanua  
**AUDITOR GENERAL**

12 February 2014  
Suva, Fiji



**NATIONAL FIRE AUTHORITY  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2011**

	Notes	2011 \$	2010 \$
<b>Income</b>			
Revenue	2	9,583,669	9,111,791
<b>Expenses</b>			
Personnel expenses	3	(5,479,044)	(5,333,048)
Depreciation		(899,104)	(905,639)
Operating and administration expenses	4	(2,176,341)	(2,006,220)
		<u>(8,554,489)</u>	<u>(8,244,907)</u>
<b>Net operating surplus for the period</b>		<u><b>1,029,180</b></u>	<u><b>866,884</b></u>

The income statement is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 25 to 39.



**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2011**

	2011 \$	2010 \$
<b>Retained profits</b>		
Balance at the beginning of the year	7,218,476	6,351,592
Net operating surplus for the year	<u>1,029,180</u>	<u>866,884</u>
Balance at the end of the year	<u>8,247,656</u>	<u>7,218,476</u>

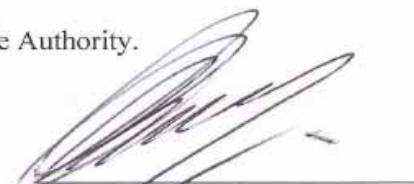
The statement of changes in equity is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 25 to 39.

**NATIONAL FIRE AUTHORITY  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2011**

	Note	2011 \$	2010 \$
<b>Current assets</b>			
Cash	14	2,103,881	1,165,678
Prepayments	6	68,136	59,369
Trade and other receivables	5	1,602,005	1,414,437
Inventories	7	145,372	80,849
<b>Total current assets</b>		<b>3,919,394</b>	<b>2,720,333</b>
<b>Non-current assets</b>			
Property, plant and equipment	8	5,693,335	5,918,499
<b>Total non-current assets</b>		<b>5,693,335</b>	<b>5,918,499</b>
<b>Total assets</b>		<b>9,612,729</b>	<b>8,638,832</b>
<b>Current liabilities</b>			
Trade and other payables	9	1,049,612	986,571
Employee entitlements	10	68,043	96,670
<b>Total current liabilities</b>		<b>1,117,655</b>	<b>1,083,241</b>
<b>Non-current liabilities</b>			
Deferred revenue	11	130,395	7,980
Employee entitlements	10	117,023	329,135
<b>Total non-current liabilities</b>		<b>247,418</b>	<b>337,115</b>
<b>Total liabilities</b>		<b>1,365,073</b>	<b>1,420,356</b>
<b>Net assets</b>		<b>8,247,656</b>	<b>7,218,476</b>
<b>Equity</b>			
Retained profits		8,247,656	7,218,476
<b>Total equity</b>		<b>8,247,656</b>	<b>7,218,476</b>
<b>Commitments and contingent liabilities</b>	12, 13		

Signed in accordance with the resolution of the members of the Authority.

  
\_\_\_\_\_  
Chairperson

  
\_\_\_\_\_  
Member

The balance sheet is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 25 to 39.

**NATIONAL FIRE AUTHORITY  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

	Note	2011 \$	2010 \$
<b>Cash flows from operating activities</b>			
Receipts from customers		8,625,257	7,740,892
Payments to suppliers and employees		<u>(7,877,928)</u>	<u>(6,681,784)</u>
Net cash (used in) operations		747,329	1,059,108
Government grant received		889,509	1,233,889
Interest income		3,750	(6,785)
VAT refund/ (paid)		<u>-</u>	<u>(100,000)</u>
<b>Net cash (used in)/ provided by operating activities</b>		<u>1,640,588</u>	<u>2,186,212</u>
<b>Cash flows from investing activities</b>			
Proceeds from sale of property, plant and equipment		1,111	-
Payments for property, plant and equipment		(703,496)	(675,946)
Payment for investments		-	-
Maturity of Investments		<u>-</u>	<u>-</u>
<b>Net cash (used in) investing activities</b>		<u>(702,385)</u>	<u>(675,946)</u>
<b>Net (decrease) in cash and cash equivalents</b>		<b>938,203</b>	<b>1,510,266</b>
Cash and cash equivalents at the beginning of the year		<u>1,165,678</u>	<u>(344,588)</u>
<b>Cash and cash equivalents at the end of the year</b>	<b>14</b>	<u><b>2,103,881</b></u>	<u><b>1,165,678</b></u>

The statement of cash flows is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 25 to 39.

**NATIONAL FIRE AUTHORITY  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

**1. Statement of significant accounting policies**

National Fire Authority (the "Authority") is a fully owned Government of Fiji entity domiciled in the Fiji. The financial statements were authorised for issue with a resolution of the members on 3<sup>rd</sup> December 2013.

The significant accounting policies which have been adopted in the preparation of these financials statements are:

**a) Statement of compliance**

The financial statements of the Authority have been drawn up in accordance with the provisions of the International Financial Reporting Standards (IFRS) and the requirements of the Fiji Institute of Accountants.

**b) Adoption of International Financial Reporting Standards (IFRS)**

The Authority has adopted IFRS with effect from 1 January 2007.

**c) Basis of preparation**

The financial statements are presented in Fiji dollars rounded to the nearest dollar. They have been prepared on the basis of historical costs and, except where stated, do not take into account changing money values or current valuation of non-current assets.

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with the current financial year amounts and other disclosures.

The accounting policies have been consistently applied and, except where there is a change in accounting policy are consistent with those of the previous year.

**d) Foreign currency transactions**

Foreign currency transactions are translated to Fiji currency at rates of exchange ruling at the dates of the transactions. Amounts receivable and payable in foreign currencies are converted to Fiji currency at the rates of exchange ruling at balance date. All exchange gains or losses whether realised or unrealised are included in the incomes statement.

**e) Use of estimates and judgments**

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

**NATIONAL FIRE AUTHORITY  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

**1. Statement of significant accounting policies (continued)**

**e) Use of estimates and judgment (continued)**

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

Note 1(f) – Property, plant and equipment impairment

Note 1(g) – Allowance for doubtful debts

Note 1(h) – Impairment

Note 1(m) – Employee entitlements

**f) Property, plant and equipment**

*(i). Owned assets*

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Costs include expenditure that is directly attributable to the acquisition of the asset. Profits and losses on disposal of property, plant and equipment are taken into account in determining the results for the year.

Property, plant and equipment that is being constructed or developed for the future use is classified as work in progress and stated at cost.

*(ii). Depreciation*

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives using the following rates:

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

Profits and losses on disposal of property, plant and equipment are taken into account in determining the results for the year.

*(iii). Subsequent expenditure*

Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately, including major improvements, renovations and overhaul expenditure, is capitalised. Other subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the item of property, plant and equipment. All other expenditure is recognised in the incomes statement as an expense as incurred.

**NATIONAL FIRE AUTHORITY  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

**1. Statement of significant accounting policies (continued)**

**g) Trade and other receivables**

Trade and other receivables are stated at their cost less allowance for doubtful debts and impairment losses. The collectability of trade receivables is assessed on monthly basis and at balance date and impairment losses are recognised in the incomes statement.

**h) Impairment**

The carrying amount of assets is reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated at balance date. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. All impairment losses are recognised in the incomes statement. The recoverable amount of trade receivables is the estimated future cash flows expected from the asset.

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

**i) Inventories**

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

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

**j) Cash and cash equivalents**

Cash and cash equivalents consist of cash on hand and cash at bank. Short term investments form an integral part of the Authority's cash management are included as a component of cash and cash equivalents for the purposes of the statement of cash flows.

**k) Trade and other payables**

Trade and other payables are stated at cost.

**NATIONAL FIRE AUTHORITY  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

**1. Statement of significant accounting policies (continued)**

**l) Provisions**

A provision is recognised in the balance sheet when the Authority has a legal or constructive obligation as a result of past event, and it is probable that an outflow of economic benefits will be required.

**m) Employee entitlements**

*(i). Wages, salaries and annual leave*

Liabilities for wages and salaries, incentives and annual leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Payments for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

*(ii). Long service leave and gratuity benefits*

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

**n) Deferred revenue**

Deferred revenue classified as non-current consists of deferred government grants and donations related to acquisition of assets which will be amortised over the useful life of the assets.

**o) Income Tax**

The Authority is exempt from income tax under the provisions of Section 17(24) of the Income Tax Act.

**p) Revenue recognition**

Revenue represents income earned from fees charged for fire services, insurance fire levy, interest earned, commission received, water levy and Government grants and is recognised on accrual basis.

**NATIONAL FIRE AUTHORITY  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

**1. Statement of significant accounting policies (continued)**

**p) Revenue recognition (continued)**

*(i). Amortisation of deferred revenue*

The benefits arising from the assets acquired by the Authority from Municipal Councils and those received from the Fiji Government and other organisations are credited to income statement at the rate those assets are depreciated.

*(ii). Fire levy contributions*

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

*(iii). Government grant*

Government grants are paid to the Authority in quarterly instalments in accordance with the National Fire Service (Amendment) Act 1997. These grants are provided by the Government to provide financial support and are recognised in the income statement.

*(iv). Water levy contributions*

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

**q) Expenses**

*(i). Personnel*

Personnel cost comprising of wages and salaries paid to staff as well as the Authority's contribution of superannuation and other contributions as required by law are recognised in the income statement.

*(ii). Operating lease commitments*

The Authority has determined, based on an evaluation of the terms and conditions of the arrangements, that it does not retain all the significant tasks and rewards of ownership of the property and so accounts for the contracts as operating leases.

**r) Comparative information**

Comparative information has been restated where necessary to achieve consistency in disclosure with current financial year amounts.



**NATIONAL FIRE AUTHORITY  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

**1. Statement of significant accounting policies (continued)**

**s) Standards, amendments and interpretations issued but not yet effective**

The following standards, amendments and interpretations to existing standards have been published and are mandatory for the Authority's accounting periods beginning on or after 1 January 2009 or later periods, but the Authority has not adopted them. No significant impact is expected to arise out of these standards, amendments and interpretations.

- IAS 1, Presentation of Financial Statements (effective from 1 January 2010);
- IAS 23 (Amendment), 'Borrowing costs' (effective from 1 January 2010);
- IAS 36 (Amendment), 'Impairment of assets' (effective from 1 January 2010).

**2. Income**

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
Amortisation of deferred income	12,223	201,955
Fire levy contributions	7,000,765	6,261,037
Government grants	889,509	1,233,889
Private fire alarm rental, attendance and special services	140,004	215,714
Structural fire safety	616,167	511,569
Water levy contributions	581,487	302,027
Other income	343,514	385,600
	<u>9,583,669</u>	<u>9,111,791</u>

**3. Personnel expenses**

Wages and salaries	4,901,393	4,821,616
Gratuity payment	6,640	4,000
FNPF contributions	514,474	457,343
TPAF levy	56,537	50,089
	<u>5,479,044</u>	<u>5,333,048</u>

The total number of employees at the end of the financial year was 349 (2010: 279).

**NATIONAL FIRE AUTHORITY  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
<b>4. Other operating expenses</b>		
Audit fees	14,034	6,055
Advertising	3,377	4,724
Bank charges	8,688	9,758
Communication	137,014	108,956
Community awareness	13,724	16,514
Electricity	95,263	78,885
Fire fighting expenses	24,531	24,985
Fire station expenses	76,417	103,676
Insurance	258,621	246,056
Interest expense	-	6,706
Motor vehicle - Fuel	273,887	282,971
- Repair	265,197	304,508
Premises rental and rates	111,863	111,095
Repairs and maintenance – others	36,745	60,880
Staff training	246,835	78,618
Travel and accommodation	22,798	31,446
Uniform	57,628	89,052
Other expenses	529,719	441,335
	<u>2,176,341</u>	<u>2,006,220</u>

**NATIONAL FIRE AUTHORITY  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

**5. Trade and other receivables**

	2011	2010
	\$	\$
Trade accounts receivable	1,580,523	1,373,121
Less: provision for doubtful debts	<u>(13,403)</u>	<u>(6,577)</u>
	1,567,120	1,366,544
Deposits	6,365	6,452
Staff advances	17,673	41,441
VAT receivable	<u>10,847</u>	<u>-</u>
	<u>1,602,005</u>	<u>1,414,437</u>
<i>Provision for doubtful debts</i>		
Opening balance	6,577	6,577
Movement during the year	<u>6,826</u>	<u>-</u>
	<u>13,403</u>	<u>6,577</u>

**6. Prepayments**

Prepayment	<u>68,507</u>	<u>59,369</u>
	<u>68,507</u>	<u>59,369</u>

**7. Inventories**

Consumables and spares	<u>145,372</u>	<u>80,849</u>
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

**8. Property, plant and equipment**

	Land and buildings	Fire engines	Motor vehicles	RadioFire fighting equipment	Office equipment	Furniture & fittings	Computer equipment	Station requirements	Rescue equipment	Other assets	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cost											
Balance at 1 January 2011	5,126,361	4,433,862	375,296	545,349	78,041	139,341	186,002	112,576	132,151	212,848	12,798,720
Acquisitions	32,763	-	78,973	301	9,071	5,409	13,640	24,735	1,476	453,213	703,352
Disposals	-	(198,542)	-	-	-	-	-	-	-	-	(198,542)
Balance at 31 December 2011	5,159,124	4,235,320	454,269	545,650	87,112	144,750	199,642	137,311	133,627	666,061	13,303,530
Accumulated depreciation											
Balance at 1 January 2011	2,378,315	2,474,582	329,832	393,962	69,316	116,247	114,660	26,635	42,175	174,772	6,880,221
Depreciation charge for the year	440,587	166,888	48,095	28,705	4,920	10,749	24,948	19,258	13,362	17,635	899,104
Disposals	-	(169,130)	-	-	-	-	-	-	-	-	(169,130)
Balance at 31 December 2011	2,818,902	2,472,340	377,927	422,667	74,236	126,996	139,608	45,893	55,537	192,407	7,610,196
Carrying amount											
At 1 January 2011	2,748,046	1,959,280	45,464	151,387	8,725	23,094	71,342	85,941	89,976	38,076	5,918,499
At 31 December 2011	2,340,222	1,762,980	76,342	122,983	12,876	17,754	60,034	91,418	78,090	473,654	5,693,335

The carrying amount of property, plant and equipment has been adopted as the deemed cost. The asset revaluation reserve arising from the revaluation of land and buildings in 2002 has been transferred to retained earnings upon transition to IFRS.

**National Fire Authority**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

**9. Trade and other payables**

	2011 \$	2010 \$
Trade accounts payable and accrued liabilities	1,049,612	815,593
VAT payable	-	170,978
	<u>1,049,612</u>	<u>986,571</u>

**10. Employee entitlements**

**Annual Leave**

Opening Balance	96,670	113,428
Encashed During the Year	(10,257)	(680)
Accrued in January	-	20,316
Movement during the year	<u>(18,370)</u>	<u>(36,394)</u>
	<u>68,043</u>	<u>96,670</u>

**Long service leave**

Opening Balance	329,135	159,914
Movement during the year	<u>(212,112)</u>	<u>169,221</u>
	<u>117,023</u>	<u>329,135</u>

**11. Deferred revenue**

Assets acquired from municipal councils	1,137,392	1,137,392
Assets received in aid from Japanese Government	279,026	279,026
Assets received in aid from Fiji Government	600,000	600,000
Assets received in aid from Australia	2,089	2,089
Grant received from Fiji Government	434,638	300,000
Fiji Hotels Association – slip on unit	50,000	50,000
Vodafone – Smokehouse	52,000	52,000
Rescue equipments from JICA	28,449	28,449
Sigatoka Hospital – Private Unit Appeal	<u>3,770</u>	<u>3,770</u>
	2,587,364	2,448,956
Less: provision for amortisation	<u>(2,456,969)</u>	<u>(2,440,976)</u>
	<u>130,395</u>	<u>7,980</u>

**National Fire Authority**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

**12. Commitments**

Capital expenditure - Approved by the board and committed	1,954,894	1,938,750
	<u>1,954,894</u>	<u>1,938,750</u>

Operating lease commitments payable are as follows:

Not later than one year	18,746	2,453
Later than one year but not later than two years	-	2,453
Later than two years but not later than five years	-	1,942
	<u>18,746</u>	<u>6,848</u>

The Authority is committed to minimum annual land lease rentals of \$2,160 on various leases.

**13. Contingent liabilities**

Contingent liabilities as at balance date was \$Nil (2010: \$Nil).

**14. Cash and cash equivalents/Bank Overdraft**

For the purposes of the statement of cash flows, cash includes cash on hand and cash at bank. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

	Note	2011 \$	2010 \$
Cash on hand and Cash at bank		<u>2,103,881</u>	<u>1,165,678</u>
		<u>2,103,881</u>	<u>1,165,678</u>

**National Fire Authority**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

**15. Related parties**

*Identity of related parties*

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

*Directors and executive officers*

The directors of the Authority in office during the year were and up to the date of this report are:

<b>Member</b>	<b>Appointed</b>	<b>Resigned</b>
John Low	17/05/2007	01/01/2012
Peter McPherson	31/12/2007	
Satish Badal	17/05/2007	01/01/2012
Jone Mika	17/05/2007	01/01/2012
Mosese Kama	01/04/2010	31/12/2011
Hiagi Foraete	01/04/2010	
Commander Francis Kean	01/01/2012	
Waka Vosailagi	16/01/2012	
Lesimemata Maravuakula	01/01/2012	
Chandu Umaria	01/01/2012	
John Low	17/05/2007	01/01/2012
Peter McPherson	31/12/2007	
Satish Badal	17/05/2007	01/01/2012

*Key management personnel*

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

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

*Key management personnel*

<i>Name</i>	<i>Current title</i>
Jone Koro	Chief Executive Officer
Aseri Radrodro	Acting Chief Executive Officer
Vijay Naidu	Director Corporate Services
Mileta Ting / Ashni Deo	Acting Director Corporate Services
Rajesh Lal	Director Corporate Services
Isoa Bokalaca Makutu	Divisional Fire Officer – North and Western
Moceitai Qionilau	Divisional Fire Officer – Central Eastern
Raj Durgeshwaran Pillay	Divisional Fire Officer – Western and North
Timoci Ranavue	Acting Divisional Fire Officer – West
Tupou Taliai Saubulinayau	Chief Fire Officer

**National Fire Authority**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

**15. Related parties (continued)**

*Key management personnel compensation*

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

	2011	2010
	\$	\$
Short term benefits	48,940	40,575

All transactions with related parties are made on normal commercial terms and conditions.

**16. Financial risk management**

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

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

**(a) Market risk**

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

*(i) Political climate*

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

*(ii) Interest rate risk*

At the reporting date the Authority did not have any interest-bearing financial instruments.



**National Fire Authority**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

**16. Financial risk management (continued)**

**(b) Credit risk**

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

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

	Note	Carrying amounts	
		2011 \$	2010 \$
Cash and cash equivalents / (Bank overdraft)		2,103,881	1,165,678
Trade and other receivables		1,580,521	1,373,121
		<u>3,684,402</u>	<u>2,538,799</u>

**Trade receivables**

The table below summarises the ageing of trade receivables as at 31 December based on contractual undiscounted payments:

	0 – 30 days (\$)	30 – 60 days (\$)	60 – 90 days (\$)	> 90 days (\$)
<b>31 December 2011</b>				
Trade receivables	101,105	22,329	18,648	268,066
<b>31 December 2010</b>				
Trade receivables	50,040	31,117	27,096	641,269

Refer to note 5 for movement in the allowance for impairment in respect of trade receivables.

**17. Principal activities**

The principal activities of the Authority during the course of the financial year were to coordinate the Fiji National Fire Service activities for the purpose of fire protection and other emergencies and establish courses of training to members of the fire service.

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

**National Fire Authority**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

**18. Authority details**

**Authority incorporation**

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

**Registered office**

The registered office of the Authority is located at:

Argo Street  
Walu Bay  
P O Box 207  
SUVA

**DISCLAIMER ON ADDITIONAL FINANCIAL INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2011**

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

**National Fire Authority**  
**Detailed income statement**  
**For the year ended 31 December 2011**

	<b>Year-to-date 2011</b>	<b>Year-to-date 2010</b>
<b>Income</b>		
Amortisation of deferred revenue	12,223	201,955
Commission	13,824	13,144
Commercial training	194,667	175,926
Fire levy contributions	7,000,765	6,261,037
Government grants	889,509	1,233,889
Miscellaneous	25,197	23,095
Private fire alarm rental, attendance & connection fees	140,004	215,714
Rental income – Vodafone	12,000	12,000
Special services	10,138	72,431
Structural fire safety	616,167	511,569
TPAF grant	3,750	-
Gain from sale of ASE's	83,938	89,004
Water levy contributions	581,487	302,027
	<hr/>	<hr/>
Total income	9,583,669	9,111,791
	<hr/>	<hr/>
<b>Less: Operating and Administration Expenses</b>		
Audit fees	14,034	6,055
Advertising	3,377	4,724
Bank charges	8,688	9,758
Board expenses	32,829	43,129
Commission	12,407	7,914
Communication	137,014	108,956
Community awareness	13,724	16,513
Depreciation	899,104	905,639
Doubtful Debt	6,826	-
Electricity	95,263	78,885
Entertainment	238	1,874
Fire fighting expenses	24,531	24,985
Fire station expenses	76,417	103,676
FNPF	514,474	457,343
Gratuity payment	6,640	4,000
Insurance	258,621	246,056
Interest	-	6,706
Legal expenses	6,800	4,563

**Detailed income statement (continued)**  
**For the year ended 31 December 2011**

	<b>Year-to-date 2011</b>	<b>Year-to-date 2010</b>
Loss on sale of fixed asset	28,445	-
Meeting expenses	1,328	1,926
Miscellaneous expenses	15,701	5,988
Motor vehicle - fuel	273,887	282,971
- Repairs	265,197	304,508
Natural Disaster	-	75,294
Office expenses	4,989	1,623
Postage and freight	13,181	21,130
Premises rental and rates	111,863	111,095
Printing and stationery	53,698	52,374
Professional fees	40,770	16,615
Repairs and maintenance – others	36,745	60,880
Repeater Rental	36,118	51,579
Salaries and wages	4,901,393	4,821,616
Staff amenities	5,834	4,530
Staff training	246,835	78,618
Subscriptions and donations	4,158	3,597
Subsistence allowances	26,787	25,092
Travel and accommodation	22,798	31,446
TPAF levy	56,537	50,089
Uniform	57,628	89,052
Volunteer brigade	220,702	113,193
Water	18,908	10,915
<b>Total operating and administration expenses</b>	<b>8,554,489</b>	<b>8,244,907</b>
<b>Net surplus for the year</b>	<b>1,029,180</b>	<b>866,884</b>

