



Civil Aviation Authority of Fiji

**2017
ANNUAL REPORT**



Parliamentary Paper No. 101 of 2018

Vision

To be a model
aviation regulator

Mission

To promote effective
aviation safety and
security in Fiji and
the region

Values

Strives to reflect
certain key values as
the characteristics of
the people who are
the CAAF team, and
equally for the
organisation
as a whole, in our
conduct:
Professionalism
Accountability
Commitment
Integrity

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In line with ICAO's Critical Element 7, CAAF's Captain Tuisue conducts a surveillance audit of Fiji Airways' pilots.

Letter to the Minister



ISO 9001/2015 CERTIFIED

Civil Aviation Authority of Fiji

The Honourable Aiyaz Sayed-Khaiyum

Attorney-General and Minister for Finance, Public Enterprises, Public Services and Communications
Level 7, Suvavou House
Victoria Parade

SUVA

Dear Honourable Minister,

CIVIL AVIATION AUTHORITY OF FIJI 2017 ANNUAL REPORT

On behalf of the Board of the Civil Aviation Authority of Fiji, I have much pleasure in presenting the Authority's 2017 Annual Report as required under Section 28(1) of the Civil Aviation Authority of Fiji Act, 1979 – Cap.174A.

The report is comprised of the Civil Aviation Authority of Fiji's operational achievements and the audited accounts for the year ending December 2017.

Yours sincerely,

Lailun Khan
Chairperson

The Year in Review

- More Aircraft Types introduced – Wide body, rotary wing, and float plane
- Increase in Remotely Piloted Aircraft Systems (RPAS)
- Introduction and Approval of Fast Travel Initiatives - Off Airport Check-in, Kiosk check-in
- Certification of Fiji Airways as a Ground Handling Service Provider at Nadi Airport
- Registration of helicopter landing sites
- Enforcement Improvements



Rescue and Fire Fighting Services Inspector Mosese Ratucivivi regularly audits AFL's fire team. The "Jaws of life", metal cutting equipment is critical at an international airport. CAAF, in alignment with ICAO, sets the standards for the manning levels and capability of fire trucks.

Chairperson's Report



I would like to thank the Authority and the Executive Management team for another year of success, to ensure that aviation safety and security were upheld for the aviation industry despite many challenges.

Aviation Standards

Aviation Standards are set by ICAO in consultation with the States at the global level and implemented at the local level. This means that the requirement for aviation safety and security is the same for all contracting States, however, the challenge lies in its implementation since all States are not similarly resourced.

Despite these challenges, the CAAF performed exceptionally well to meet the rapid growth in our industry, both domestically and internationally by providing the resources as required and maintaining safety in air travel.

Aviation Industry

According to the World Tourism Organisation (WTO), the tourism industry is the largest and fastest growing sector in the world in terms of income generation and employment creation. Over the last two decades, the tourism sector

has played an integral role in driving economic growth in Fiji, therefore it is incumbent on the stakeholders to provide peace of mind and confidence to air travelers. I am pleased to note that the Authority plays a key role in this initiative.

Financials

The Authority recorded a pretax profit of \$218,242.00 compared to \$374,626.00 for the previous year. The reduction was partly a result of an increase in consultancy fees paid for engagement of experts relating to flight operations matters.

New Approach to Staff Training

Civil aviation evolves continually at a rapid pace therefore recurrent training, in addition to attending international meetings and conferences to keep abreast with these changes in technology are necessary.

In view of the above, the Authority adopted the new training approach of bringing all the training that could be brought in-country, in-house compared to sending individuals abroad. This approach ensures that foreign training investments originally benefiting a few could now be shared amongst many staff as well as industry partners.

As a result of this initiative, the Authority partnered with IATA and a renowned safety consultant TACG to conduct training in-house. Discussions also began during the year with the ICAO accredited Singapore Aviation Academy (SAA) to conduct similar training in-country/in-house in 2018.

Acknowledgement

Finally, I would like to take this opportunity to thank the industry stakeholders and our customers for their partnership for the common cause.

Their opinions and feedback assist us to ensure that the Authority

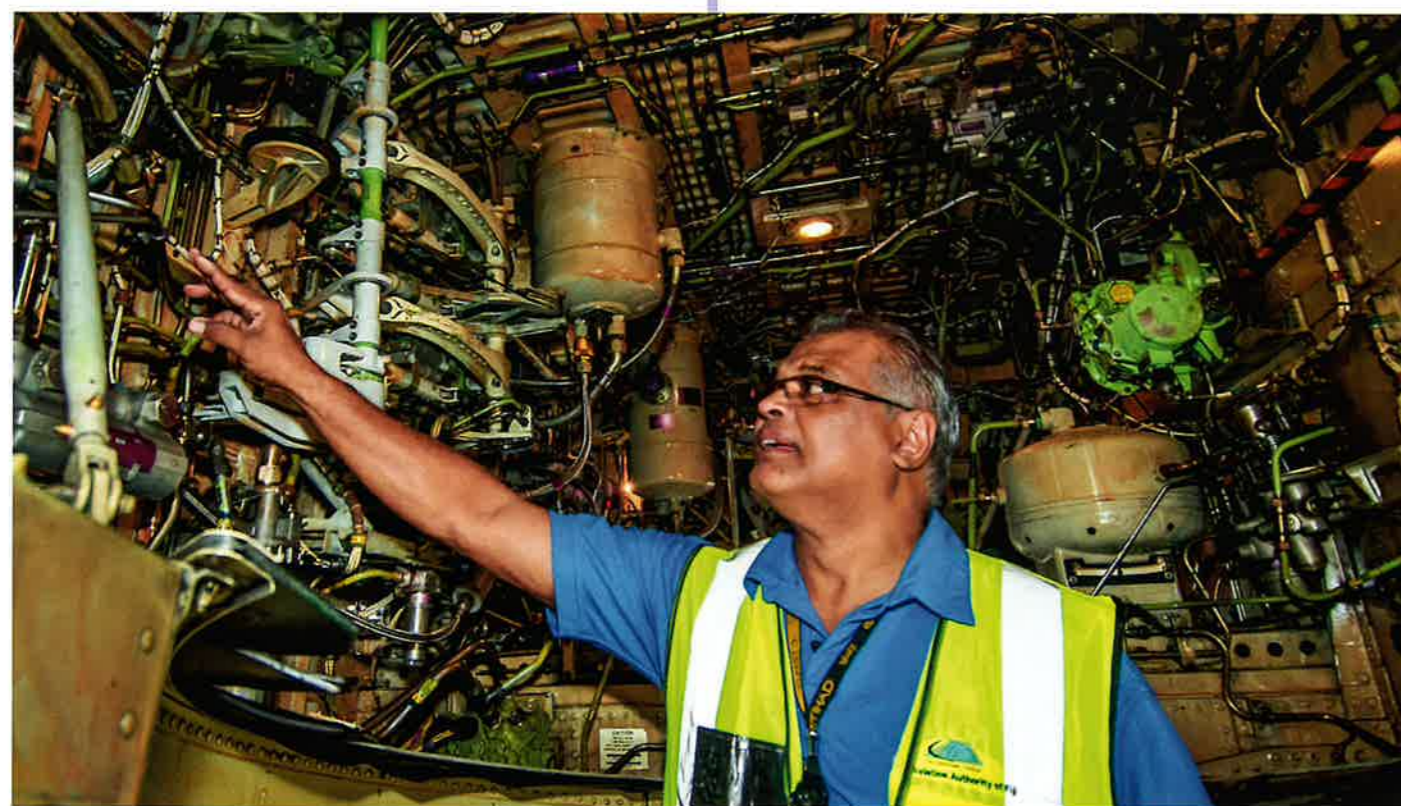
continues to provide effective regulatory oversight, legislation and policies and relevant training that meet international standards and best practices.

I also thank the Board for their on-going support and valuable business experience and advice to the organization.

My sincere thanks also go to Government and our colleagues at the Ministry responsible for Civil Aviation and I look forward to their continued support into the future.



Lailun Khan
Chairperson



4 ICAO's Critical Element 6 ensures that processes are in place so that aircraft meet international airworthiness standards. Senior Airworthiness Maintenance and Engineering Inspector, Jim Samson inside the aircraft.

Chief Executive's Report



The Asia Pacific Region is achieving unprecedented growth in commercial aviation which is generating a flow on effect on the economies of the States. There is concern however, that some States may not be able to cope with the growth in demand for resources to match such growth. In Fiji, harnessing such growth needs an effective regulatory framework and good management and harmonization of resources to support the already thriving Fiji tourism industry which is heavily dependent on air transport. The Authority continued its work on the 'Harmonisation of Air Navigation Regulations' project with a new target set by the Government to approve the new Fiji Air Navigation Regulations Parts in the first quarter of 2018. The new regulations integrate compliance and the performance based regulatory provisions which are harmonised with international standards and best practices. They would also provide clarity and certainty for stakeholders with flow on benefits to consumers and industry alike. Off airport check-ins were also approved to ease congestion at the airport to facilitate movement across border agencies and enhance the passenger flow and experience. The work on the State Safety Programme (SSP) implementation was also progressed in accordance with the ICAO Global Aviation Plan. Concurrent with the implementation

of performance based air navigation regulation, both the State oversight system and Fiji's aviation industry safety management system (SMS) were progressing steadily towards maturity. The Authority's regulatory oversight workplans are being regularly reviewed annually to integrate a performance based approach. It was noted that industry safety management systems are steadily improving, although the major stakeholders are much further ahead than others.

The ICAO global target for States to begin SSP implementation in 2017 will be fully met with implementation expected in 2020. In view of this, the task of aligning Fiji's compliance with the ICAO standards and recommended practices (SARPS) was progressed during the year. ICAO conducted an off-site validation (OSV) activity of Fiji's safety implementation status as part of the ICAO Universal Safety Oversight Audit Programme (USOAP) Continuous Monitoring Approach (CMA) On-Line Framework (OLF). The OSV improved Fiji's rating towards the ICAO SARPS Effective Implementation (EI) to 63%, above the ICAO target of 60%. There has been significant increase in the volume of work in updating Fiji's compliance information on the ICAO USOAP OLF and management and tracking of changes in the Fiji Air Navigation Regulations arising out of the ICAO Annex amendments. This new work requires amongst others additional manpower, resources, new

skill sets and competency requirements. Arising from the above, the Authority acquired the services of an ICAO Air Navigation Expert and ICAO also provided experts in AGA, LEG, ORG, OPS, PEL, AIR and AIG to assist CAAF under their NCLB initiative. The various ICAO reports identified the extent of the work needed to prepare for the Fiji In-Country Validation Mission (ICVM) scheduled for November 2018. The need for further manpower, expertise and resources have been identified and discussions have started with consultants recommended by the ICAO Regional office in Bangkok, who have successfully conducted this type of work in other States to increase their States EI. The ICAO reports also highlighted the need to address the gaps in CAAF's various systems, including organizational structure, manpower needs and skills levels. As a result, the Authority engaged Pricewaterhouse Coopers (PwC) to conduct a job evaluation exercise (JEE) which included the review of the CAAF manpower and organizational structure. The draft JEE report was finalized towards the end of the year, however, it required further work by PwC and discussions with Management before finalization. The final report will be submitted to the Board in 2018. The search for and acquisition of an integrated management database was approved by the Board in 2017. This was necessary to move CAAF further towards full automation of its regulatory and management support systems and processes. One of its key objectives of the database system is to improve the efficiency of the Authority's service delivery and e-connectivity between CAAF, ICAO and industry stakeholders respectively. In addition, the database would enable the Authority to

have an e-licensing solution to enhance the availability and capability to deliver real time analysed data online to support timely safety and security decisions. The project has 7 phases of which 5 phases were completed during the year. Finally, I acknowledge and thank the dedication of the CAAF staff and their support in achieving one of our key goals of zero fatal accidents consecutively for the past 5 years and again in 2017. On behalf of the staff and Management of CAAF, I would like to express my gratitude and appreciation to the Board and the Ministry responsible for Civil Aviation for their guidance and support of this organization during the year.



Netava Waqa
Chief Executive

Corporate Profile

The Authority's stakeholders are the CAAF Board, Government, airport operators, airlines, the tourism industry, aircraft maintenance organisations, service providers, air travelers, the general community, the Authority's own workforce and individuals associated with aviation activities.

As the aviation industry is the principal user of CAAF services, the Authority will continue to provide a climate in which the industry can serve the best interests of its customers. This will be within the requirements set by the Authority to safeguard the safety of air travelers and the public in general.

Corporate Objectives

- Establish and maintain an effective regulatory framework including strategies for enforcement.
- Ensure industry compliance with regulatory requirements,
- Discharge State's obligations to ICAO;
- Align industry to the State Safety Programme (SSP) by mandating the implementation of Safety Management System (SMS);
- Encourage high standards of aviation safety and security through education and regular consultation with industry,
- Enhance productivity by maintaining a competent and motivated workforce;
- Ensure continual improvement to CAAF's internal systems, and maintain ISO certification, and,
- Support the State as necessary on aviation matters.

Quality Assurance – Our Commitment

The prime objective of CAAF is to ensure that the highest aviation safety and security

standards are met and its products and services are provided in an efficient manner, meeting both the regulatory requirements and the needs of our customers.

CAAF's Quality Management System is specifically formulated and structured in a way that best meets the needs of the Authority and its customers. Various elements of the Quality Management System combine to assist in determining that all quality and regulatory requirements are complied with, and that consistency and uniformity in service delivery is maintained.

CAAF Quality Policy

CAAF is committed to meeting its customer satisfaction by continually improving and implementing the highest level of aviation standards.

Corporate Governance

The Authority recognises the importance leadership plays in good governance, which is a fundamental principle upheld by CAAF. As such, the CAAF Board Members are cognizant of the responsibility it has for stewardship and accountability to its shareholder, the Government of Fiji. The Board works closely with the CAAF Management to ensure that issues of transparency, disclosure, due process and probity are diligently reviewed and that the highest standards are upheld. The Authority adopts and supports the following corporate governance principles:

- a) The Board shall be independent of Management and must disclose any interests, financial, personal or cultural, which threaten its independence. The Board Members must not have any contractual or financial relationship with the Authority that puts them in a conflict of interest position.
- b) The Chairperson of the Board must be independent of Management and must facilitate timely, truthful and constructive communications between Management and the Board and amongst Board members.

- c) The Board adopts a Code of Conduct for Board Members, Management and Employees based on sound corporate governance principles including the need to create and maintain a corporate culture which encourages compliance with all relevant laws and regulations. The Code of Conduct also has a whistle-blowing procedure which protects the anonymity of the whistle-blower and the information, and which ensures that all such information is properly investigated.
- d) The Board adopts a policy of ethical and transparent disclosure of all information to the relevant stakeholders.

Board Members

The current Board took up its term of office under the chairpersonship of Ms Lailun Khan on 31 October 2016. Mr. Craig Strong continued as a Board member until October this year. A replacement has not yet been effected.

A total of 5 Board meetings were held during the year alternating between Nadi and Suva.

The CAAF Corporate team looks after the Finance, Human Resource, Information Communications Technology, QA and Legal issues.



Board Members



LAILUN KHAN
Chairperson



CRAIG STRONG
Member



DR. JOSEPH VERAMU
Member



SATISH N. PATEL
Member



PRAVISH PUNJA
Member

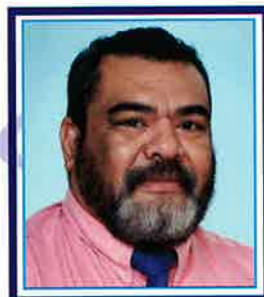
Executive Management



**CHIEF EXECUTIVE
NETAVA WAQA**



**CONTROLLER SECURITY AND FACILITATION
ETUATE RAKURO**



**CONTROLLER AIR SAFETY
GEORGE TUDREU**



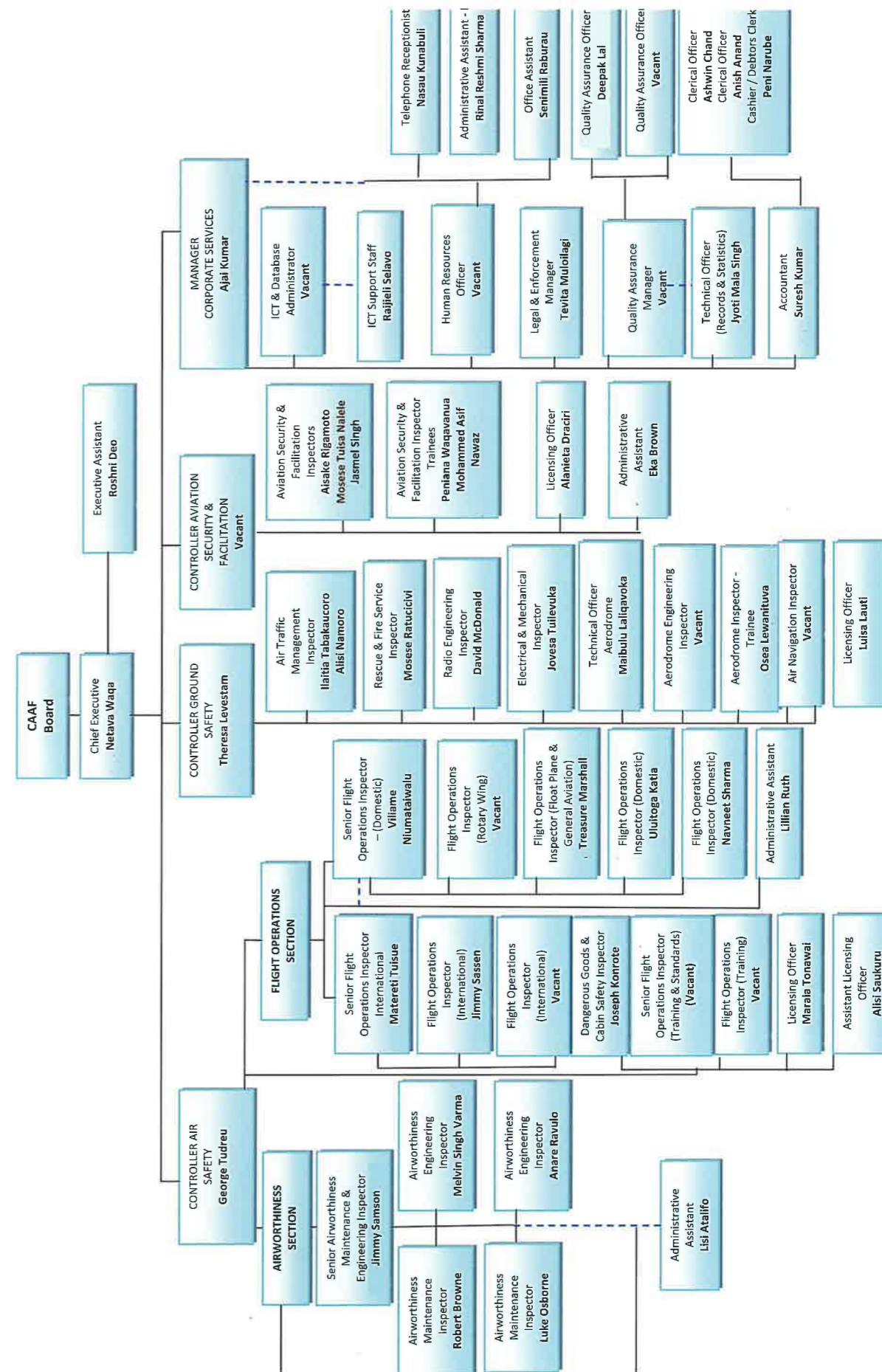
**MANAGER CORPORATE SERVICES
AJAI KUMAR**



**CONTROLLER GROUND SAFETY
THERESA LEVESTAM**

Organisational Structure

Civil Aviation Authority of Fiji
Organisation Structure



31/12/2017

ATM Inspector, Ilaitia Tabakucoro monitors the training of Air Traffic Controllers under the terms of Critical Element 4



Operational Overview

Fiji is one of 192 Contracting States of ICAO and continues to discharge its safety oversight functions through the Civil Aviation Authority of Fiji.

Critical elements of a safety oversight system encompass the whole spectrum of civil aviation activities, including areas such as aerodromes, air navigation services, personnel licensing, flight operations, airworthiness of aircraft, accident/ incident investigation, and transport of dangerous goods by air.

The effective implementation of the Critical Elements (CE) is an indication of a State's capability for safety oversight.

States are expected to implement safety oversight critical elements in a way that assumes shared responsibility of the State and the aviation community.

CRITICAL ELEMENT 1 PRIMARY AVIATION LEGISLATION

The provision of comprehensive and effective aviation laws consistent with the environment and complexity of the State's aviation activity and compliant with the requirements contained in the Convention on International Civil Aviation.

Fiji's National Aviation Law consists of a three tier or triple system regulatory system, comprising Act, Regulation and Standards Document, the purpose of which is to ensure, where deemed appropriate, continual compliance and conformance with ICAO Standards and Recommended Practices (SARPS).

This regulatory system represents Fiji's Primary Legislation System and Specific Operating Regulations to meet Critical Elements CE1 and CE2 of ICAO's Eight Critical

Element of a safety oversight system.

Fiji's primary first-tier aviation legislation is the Civil Aviation Act (1976), the Civil Aviation Authority of Fiji Act (1979), the Civil Aviation Security Act (1994) and the Civil Aviation Reform Act (1999).

CRITICAL ELEMENT 2 OPERATING REGULATIONS

The provision of adequate regulations to address, at a minimum, national requirements emanating from the primary aviation legislation and providing for standardized operational procedures, equipment and infrastructures (including safety management and training systems), in conformance with the Standards and Recommended Practices (SARPs) contained in the Annexes to the Convention on International Civil Aviation.

Note. The term "regulations" is used in a generic sense to include, but is not limited to, instructions, rules, edicts, directives, sets of laws, requirements, policies, and orders.

Fiji's National Aviation Law has the Air Navigation Regulations 1985 and the numerous Standards Documents issued by CAAF as the operating regulations for the State.

The Standards Documents (SD) is issued by the Civil Aviation Authority of Fiji under the provision of Section 14 (3) (b) of the Civil Aviation Authority Act 1979 (CAP 174A).

The SD also contains guidance information (Critical Element CE5) for standards, practices, and procedures that are acceptable to the Authority.

CAAF continued its work on the "Harmonisation" project with a new target set by the Government to approve the new Fiji Air Navigation Regulations Parts in the first quarter

of 2018.

The new regulations integrate compliance and the performance based regulatory provisions which are harmonised with international standards and best practices. They would also provide clarity and certainty for stakeholders with flow-on benefits to consumers and industry alike.

The work on the State Safety Programme (SSP) implementation is also progressing in accordance with the ICAO Global Aviation Safety Plan (GASP).

Two new SDs, SD-Instrument Flight Procedures and SD-Aeronautical Meteorology Service Provider, were developed and after industry consultation, were published in 2017.

During the year, the task of aligning Fiji's compliance with the ICAO standards and recommended practices (SARPS) was also progressed. ICAO conducted Off-Site

Validation (OSV) activity of Fiji's updated information in the ICAO Universal Safety Oversight Audit Programme (USOAP) Continuous Monitoring Approach (CMA) On-Line Framework (OLF).

The OSV improved Fiji's rating towards the ICAO SARPS Effective Implementation (EI) to 63%, above the ICAO target of 60%.

There has been significant increase in the volume of work in updating Fiji's information on the ICAO USOAP OLF and management of changes to the Fiji Air Navigation regulations arising out of the ICAO Annex amendments. This new work requires amongst others additional manpower, resources, new skills' sets and competency requirements.

CRITICAL ELEMENT 3 – STATE CIVIL AVIATION SYSTEMS AND SAFETY OVERSIGHT FUNCTIONS

This element requires establishment of a Civil Aviation Authority (CAA) and/or other relevant authorities or government agencies, headed by a Chief Executive, supported by the appropriate and adequate technical and non-technical staff and provided with adequate financial resources. The State authority must have stated safety regulatory functions, objectives and safety policies.

Note. — The term "State civil aviation system" is used in a generic sense to include all authorities with aviation safety oversight responsibility which may be established by the State as separate entities, such as: CAA, Airport Authorities, Air Traffic Service Authorities, Accident Investigation Authority, and Meteorological Authority.

Organisation Structure

The Authority meets its responsibilities through the roles and functions of its departments. This is supported by appropriately qualified technical and non-technical staff in accordance with the Authority's Structure detailed on Page 11. The Air Safety Department has four sections; International Flight Operations, Domestic Flight Operations, Airworthiness and Personnel Licensing that deal with air safety -related matters.

The Ground Safety Department has a flat structure with the division of labour and the number of positions grouped according to the volume of work related to air navigation services, aerodrome and ground aids (ANS/AGA).

The Aviation Security and Facilitation Department also has a flat structure and deals

with personnel licensing, facilitation and aviation security matters.

The Corporate Services has five sections that provide the support functions of the CAAF – Finance, Human Resources, Information Communication Technology, Quality Assurance and Legal.

Manpower

The Authority employed 47 technical and administrative staff and 8 temporary staff during the year. Staff Composition was as follows:

STAFF COMPOSITION				
DEPARTMENT	LOCALS	EXPATRIATES	VACANCIES	TOTAL
AIR SAFETY	17	0	4	21
GROUND SAFETY	9	0	2	11
SECURITY	7	0	1	8
CORPORATE SERVICES	14	0	4	18
TEMPORARY STAFF	8	0	0	8
TOTAL	55	0	11	66

There were eleven vacancies, some of which were due to staff resignations and other positions created to assist succession planning, as well as to meet the requirements of increasing deliverables.

Staff Recruitment and Retention

The recruitment and retention of technical, operational and ICT staff continues to be a challenge for the Authority. As a result, the Authority continues to extend contracts for two staff beyond the retirement age of 60 years. Four (4) resignations involved the key positions of Flight Operations Inspector (Training), Quality Assurance Manager, Flight Operations Inspector Training & Standards and

Flight Operations Inspector Rotary Wing.

A summary of staff movements during the year was as follows:

STAFF MOVEMENTS	2016	2017
NEW RECRUITS	4	5
PROMOTIONS	0	0
CONTRACT EXPIRY	4	4
RESIGNATION	2	4
RETIREMENT	0	1

Structure and Manpower Review

A manpower review project was started in 2015, with some of the vacancies immediately filled. The next phase, continued in 2016, focused on strategic manpower issues relating closely to the Authority's operational strategies and plans. A job evaluation exercise in 2017 complemented the past year's review.

Performance Management Systems

The Authority continued with its Performance Management System (PMS) in 2017. This system was first implemented in 2010 as a means of and assessing employee performance with the objective of improving organisational performance and rewarding deserving employees.

The associated reward of the PMS is part of the Authority's Human Resources strategy to attract and retain competent and qualified staff.

The Authority has embarked on a review of the PMS framework to include organisation and individual goals. The objective is to strengthen alignment between the individual, department and organisational goals.

CRITICAL ELEMENT 4 – TECHNICAL PERSONNEL QUALIFICATION AND TRAINING

The establishment of minimum knowledge and experience requirements for the technical personnel performing safety oversight functions and the provision of appropriate training to maintain and enhance their competence at the desired level. The training should include initial and recurrent (periodic) training.

The Authority acquired the services of ICAO experts under the ICAO- No Country Left Behind Initiative. Experts assisted in the review of AGA, ANS, LEG, ORG, OPS, PEL, AIR and AIG areas. The resultant reports identified the extent of the work needed to prepare for the In-Country Validation Mission scheduled to be conducted in November 2018. Further manpower and expertise is required and discussions have commenced with consultants recommended by the ICAO regional office, who have successfully conducted this type of work in other States, in preparation for ICAO audits. The reports highlighted the need to address the gaps in CAAF’s systems, structure, manpower and skills levels. CAAF also engaged Price Waterhouse Coopers (PWC) in 2017 to conduct a job evaluation exercise (JEE) which included the review of the CAAF manpower and organization structure. The draft JEE report was finalized and required further work by PWC Management. The final report will be submitted to the Board in early 2018. Civil aviation continues to change at a rapid pace and on-going recurrent training, in addition to attending meetings and

conferences to keep abreast with these changes are necessary. CAAF adopted a new training approach by bringing training that could be brought in- country, in-house. This approach ensures that foreign training investments originally benefiting only a few would now benefit more in CAAF and industry partners. In view of the above, CAAF partnered with IATA and a renowned safety consultant, The Aviation Consulting Group (TACG) to conduct training in- house. Discussions also began in 2017 with the ICAO accredited Singapore Aviation Academy to conduct certain training programmes identified in the CAAF Training Plan in-country/in-house in 2018. As part of its succession and manpower planning, the ASFD recruited two Aviation Security and Facilitation Inspector Trainees (ASFI-T) who will undergo a 3 year aviation security training programme with the Department. The following training was attended by CAAF staff.



As part of its ongoing commitment to training, CAAF partnered with the Fiji Police Force to deliver interview technique training to it’s staff

Local Training Sessions / Courses / Workshops Attended		
Course Name	Date	Venue
Debtors Recovery	23 rd to 24 th February 2017	USP, Suva
Psychometric Assessment HR : HR Strategy for Safe and Effective Recruitment	7 th March 2017	FNU, Nabua
FNPF Employer Portal User Training Workshop	16 th May 2017	FNPF
Fiji Tax Structures Training	23 rd to 24 th May 2017	USP
Fiji Law Society Annual Convention 2017	1 st to 2 nd September 2017	Shangri La Fijian Resort & Spa
Training of Trainers- (TOTS) Module I & II	11 th to 15 th September 2017	FNU
FHRI Convention 2017	27-17/10/28	Sofitel Fiji Resort & Spa

In-House Training Sessions /Courses/ Workshops Attended		
Course Name	Date	Venue
PWC Job Evaluation Briefing / Discussion	20 th January 2017	CAAF
OHS Module I & II	9 th to 11 th May 2017	CAAF
Safety Management Systems	10 th to 14 th July 2017	CAAF
Aviation Internal Auditor Training	14 th to 18 th August 2017	CAAF
Lead Auditor Training	21 st to 23 rd August 2017	CAAF
State Safety Program Training	18 th to 22 nd September 2017	CAAF
QMS for CAA'S and ANSP'S Training	2 nd to 6 th October 2017	CAAF
Aviation Security Management Training	4 th to 8 th December 2017	CAAF



CAAF Executives with the Regional Director ICAO APAC Region Mr. Arun Mishra. The visit paved the way for improvements in CAAF’s ability to meet ICAO requirements. In 2017 the task of aligning Fiji’s compliance with the ICAO standards and recommended practices (SARPS) was progressed.

CRITICAL ELEMENT 5 – TECHNICAL GUIDANCE, TOOLS AND THE PROVISION OF SAFETY-CRITICAL INFORMATION.

The provision of technical guidance (including processes and procedures), tools (including facilities and equipment) and safety-critical information, as applicable, to the technical personnel to enable them to perform their safety oversight functions in accordance with established requirements and in a standardised manner. In addition, this includes the provision of technical guidance by the oversight authority to the aviation industry on the implementation of applicable regulations and instructions.

ICAO Global Air Navigation Plan (GANP)

Fiji’s Air Navigation Services Plan for 2013 – 2028 was endorsed by CAAF in August 2017. This ANS Plan was developed by AFL’s ANS Planning group by adopting the GANP and Regional Plan requirements; ASBU modules



and timelines. The ANS/AGA group consisting of representatives from CAAF, AFL and the Fiji Meteorology Service was established in 2013. Meetings were held in 2017 to review and progress implementation and continuous monitoring of air navigation systems and services, and identify and address specific deficiencies in the air navigation and aerodrome areas.

ICAO APAC ATM Seamless Reporting Plan

ICAO requires that each State update its status pertaining to the ICAO APAC ATM Seamless Reporting plan on-line at least once per annum. Fiji's status was updated in October 2017 with the next update due before October 2018.

ICAO APAC ATM Seamless Reporting Plan

ICAO requires that each State update its status pertaining to the ICAO APAC ATM Seamless Reporting plan on-line at least once per annum. Fiji's status was updated in October 2017 with the next update due before the end of 2018.

ICAO Combined Action Team (CAT) Missions to Fiji

There were three ICAO CAT missions undertaken with the CAAF to assist in the improvement of the Effective Implementation (EI) scores for ANS, AGA, LEG, ORG, OPS, PEL and AIR:

1. ANS CAT Mission in April with Frederic Lecat,
2. AGA CAT Mission in November with Mr. Shekar, and
3. LEG, ORG, OPS, PEL and AIR CAT Mission in December with the ICAO Combined Action Team.

Safety Management Systems

Concurrent with the implementation of performance based air navigation regulations, both the State oversight system and Fiji's aviation industry safety management system are progressing steadily towards maturity. The work on the State Safety Programme (SSP) implementation is also progressing in accordance with the ICAO Global Aviation Plan. CAAF oversight work plans are being reviewed annually to integrate a performance based approach and industry safety management systems are steadily improving, although the major stakeholders are much further ahead than others. The ICAO Global target for States to begin SSP implementation in 2017 is being fully met with implementation in 2020.

Fiji Search and Rescue (SAR) Bill and Manual

CAAF has been part of the Fiji SAR Committee responsible for the drafting of the Fiji SAR Bill and the revamped Fiji SAR Manual. This project has been ongoing since 2010 and has involved several sessions of engagement with stakeholders, training and exercises to test and amend the various parts of the plan. A National SAR workshop is planned for early 2018 which will see the finalisation of the Fiji SAR Manual and agreement for onward submission to the Minister responsible for sign-off.

Aviation Security

CAAF continues to work in partnership with stakeholders to monitor the threat to aviation in Fiji, and to review the level of effective implementation (EI) of aviation security standards to promote a security culture within the aviation industry

Training for Industry

As part of its ongoing commitment to training,

CAAF provided several instructional courses for the benefit of industry. The ICAO Basic ASTP Cargo provider course for regulated agents and cargo agents, the ICAO AVSEC Quality Control course for the aviation industry, the ICAO Foundation Course for Airlines and the AVSEC training for catering service providers facilitated by the Aviation Security and Facilitation department. Other educational and awareness sessions conducted by Ground Safety Department and Air Safety Department staff during on-site audits with industry and presentations made at Town Council meetings and Stakeholder workshops.

Fast Travel Initiatives

CAAF facilitated and approved Fiji Airways' use of fast travel initiatives like the Off-Airport check-in from Denarau and the self-check-in kiosks at Nadi Airport as part of new travel initiatives aimed at improving the passenger experience and minimizing the queueing effect at the check-in counters.

ICAO Regional Meetings

To ensure CAAF staff are kept up to date on ICAO Regional plans and initiatives, several ICAO regional meetings were attended in 2017.

1. APAC SAR Working Group. During this Working Group meeting Fiji's status on the Regional SAR Matrix was updated which has resulted in the improvement of Fiji's status on the implementation dashboard.
2. PBN Implementation Coordination Group where Fiji's representative, ATMI AIS was elected as the Chairman of the PBNICG for the Asia Pacific Region.
3. AIS to AIM Implementation

Coordination Group which is driving the move to Aeronautical Information Management.

4. CNS Equipment Certification Seminar and CNS Subgroup meeting. Fiji's procedures for CNS equipment certification are now being aligned to regional best practice.
5. Surveillance Implementation Coordination Group. Following this, Fiji's ADS-B operating parameters have been finalised and an Aeronautical Information Circular issued for industry.
6. Directors' General Civil Aviation (DGCA) Conference attended by Executives. Fiji will host the next DGCA conference in 2018.
7. APANPIRG Meeting. Conclusions from



CAAF Airworthiness Inspector Anare Ravulo and Fiji Airways Engineer Israfil inspecting the pneumatic system on the B737-800.

this meeting that impact Fiji have been coordinated with ANS/AGA service providers and are being driven by the various Fiji Task Force teams.

8. CAAF was represented at Global Aviation Security Meetings by the Controller Aviation Security and Facilitation.

Database

The search for and acquisition of an integrated database was approved by the Board in 2017. This was necessary to move CAAF further towards full automation of its regulatory and management support processes. One of its key objectives is to improve the efficiency of the Authority's service delivery and E-connectivity between CAAF and the ICAO and industry respectively. In addition, the database would enable the CAAF to have an E-Licensing solution to enhance the availability and capability of having real time analysed data online to support timely safety and security decisions. The project has 7 phases and 5

phases were completed in 2017.

CAAF Service Charter

The Authority's service charter documents its commitment to timely and effective service delivery to stakeholders. The service delivery standards in this charter are based on time-frames for each process e.g. how many days CAAF will take to process a licence, certificate or exemption application etc.

The service charter is reviewed every year to ensure that all activities are captured, as well as to ensure the timelines stated are reasonable.

The measurement of the Authority's performance against the service charter is carried out at quarterly intervals and results show the percentage of targets met for each of the departments. The results help CAAF identify improvement areas.

The following graph shows the status of CAAF service delivery performance for 2017.

CAAF SERVICE CHARTER			
Department / Section	Number of Activities	Average Target (%)	Average Target Achievement
Flight Operations	13	90.9	93.5
Airworthiness	10	89	100
Personnel Licensing – Air Safety	5	91	99.5
Ground Safety	14	95.7	92
Personnel Licensing – Ground Safety	6	95	97
Aviation Security and Facilitation	15	94.2	100
Personnel Licensing – ASF	4	90	98.7
Finance / Administration	3	95	97.9
Standards	2	97.5	94.8
Human Resources	5	91	100
Safety Education	1	100	100

CRITICAL ELEMENT 6 – LICENSING, CERTIFICATION, AUTHORISATION AND APPROVAL OBLIGATIONS.

The implementation of processes and procedures to ensure that personnel and organizations performing an aviation activity meet the established requirements before they are allowed to exercise the privileges of a licence, certificate, authorisation and/or approval to conduct the relevant aviation activity.

Under the Fiji Air Navigation Regulations and other subsidiary legislation, the following licences, permits, and ratings are issued and renewed by the Authority as detailed in the

Air Safety	Ground Safety	Aviation Security and Facilitation
Private Pilot Licence (Balloons)	Air Traffic Control Trainee Permit	Aviation Security Screener
Private Pilot Licence (Aeroplanes)	Air Traffic Control Licence	Aircraft Catering Service Provider
Private Pilot Licence (Helicopters)	Flight Information Service Trainee Permit	Air Cargo Operator
Commercial Pilot Licence (Aeroplanes)	Flight Information Service Licence	Quality Control
Commercial Pilot Licence (Helicopters)	Aeronautical Station Operator's Licence	Regulated Agent
Commercial Pilot Licence (Gliders)	Air Traffic Service Examiner's Competency Certificate	Aviation Security Service Organisation
Commercial Pilot Licence (Balloons)	On the Job Training Instructors Competency Certificate	Ground Handling Service Provider
Airline Transport Pilot Licence (Aeroplanes)	Aerodrome Control rating	AVSEC Instructor
Airline Transport Pilot Licence (Helicopters)	Approach Control rating	
Flight Radiotelephony Operator (General)	Area Control rating	
Licence Flight Radiotelephony Operator (Restricted)	Local FIS rating	
Aircraft Maintenance Engineer Licence	International FIS rating	
Instrument Rating	Aerodrome FIS rating	
Night Rating	HF rating	
Flight Instructor Rating	VHF rating	
Assistant Flight Instructor Rating	VHF airside rating	
Flying Training Permit Validation Certificate	Medical Certificate	
Medical Certificate		
ANR 45 Check Approvals		

table below.

AIR SAFETY LICENSING

Although there was an overall decrease in the number of Air Safety licences issued in 2017, trendlines still indicate a healthy growth of the industry in Fiji. (See table 1 and 2). The reason for the large variation in numbers in 2016 was directly related to the increase in the number of ATPL flight tests conducted that year due to major intake of pilots by two major Fiji airlines.

Other Licences Issued by Air Safety.

The ASD also issues other licences to aviation personnel (Table 3). The increase in the number of approvals issued in 2016 again directly relates to the major intake of pilots by

two major Fiji airlines that year (2016). ANR45 relates to the conduct of 6 month, annual and biennial recency checks for pilots involved in commercial airline operations and the approvals relate to the appointment of Check and Training Captains within the airlines as CAAF Examiners.

The number of validations issued in 2017 remained relatively constant. The Authority

may, subject to such conditions and limitations and for such period as it thinks fit, issue a certificate of validation to a foreign licence holder rendering such licence valid for the purpose of flying aircraft registered in Fiji as if it had been granted under the Fiji Air Navigation Regulations.

There was a slight increase in the number of verification letters issued in 2017, indicating the

TABLE 1

AIR SAFETY DEPARTMENT – FLIGHT CREW LICENCES/MEDICALS						
LICENCE TYPE	2015		2016		2017	
	Issue	Renewal	Issue	Renewal	Issue	Renewal
APTL	20	264	42	271	16	289
CPL	42	326	42	337	36	363
PPL	7	21	4	1	15	0
FTP	43	31	87	24	42	43
Medical	85	417	121	369	72	282
TOTAL	197	1059	296	1002	181	977

TABLE 2

AIR SAFETY DEPARTMENT – AIRCRAFT ENGINEERS LICENCES						
LICENCE TYPE	2015		2016		2017	
	Issue	Renewal	Issue	Renewal	Issue	Renewal
AME	10	25	17	54	5	39
AMC	4		3		2	
Medical	42		40		35	

TABLE 3

AIR SAFETY DEPARTMENT – OTHER LICENCES ISSUED						
LICENCE TYPE	2015		2016		2017	
	Issue	Renewal	Issue	Renewal	Issue	Renewal
ANR 45 Approval	12	43	24	32	8	27
Validation Issue		41		39		37
Verification Issue		54		27		47

TABLE 4

AIR SAFETY DEPARTMENT – MEDICAL ACTIVITY			
	2015	2016	2017
Number of CAAF AMA	0	10	9
Medical Board Sitings	18	53	43
Medical Cases reviewed by Board	41	14	15
Medical reports reviewed by Medical Assessor	239	244	178
TOTAL	308	321	245

departure of pilots overseas.

Examinations

There was an overall increase in the number of flight crew examinations conducted for licence issue, consistent with the growth of the aviation training industry and trainee pilots in Fiji (see graph below). The increase in the number of airworthiness examinations conducted for licence issue, again, was consistent with the growth of the aviation industry in Fiji.

TABLE 5

AIR SAFETY DEPARTMENT – EXAMINATIONS			
	2015	2016	2017
Type Rating	76	60	65
Air Law	99	171	95
ATPL	251	280	477
CPL	238	594	508
PPL	0	2	1
FIRX	29	42	49
AME	39	46	46
AMC	88	139	116
Rating	5	20	25
TOTAL	825	1354	1382

Aviation Medicals

Approved medical authorities (AMA) are aviation qualified doctors appointed by CAAF to conduct aviation medical examinations of aviation document holders on its behalf. These are conducted in accordance with the Standards Document – Medical Standards which is based on the medical provisions of ICAO Annex 1. Where an aviation document holder does not meet the standards of the Medical Standards Document these are referred to the Medical Board (see table 4).

There were a lesser number of such cases referred to the Medical Board in 2017 as compared to 2016 however trends are showing that there is overall more cases being referred to the medical board for assessment. A Medical Assessor is also appointed by CAAF to conduct periodical quality control checks and audits on

AMA. The Medical Assessor is also a qualified aviation doctor.

The increase in the number of medical reports reviewed by the Medical Assessor was in direct proportion to the total number of aviation medicals completed in 2017.

Air Safety Pilot Licence Flight Tests

All applicants for licences, permits, and ratings issued under the ANR, are required to demonstrate their ability to perform as pilot-in-command of an aircraft within the appropriate aircraft category, stipulated procedures and manoeuvres to a degree of competency appropriate to the privileges granted to the type of licence, permit, and rating. As such, flight testing was a major component of pilot licensing activity for 2017, with the year's total of 153 flight tests being the 4th highest recorded in the last 15 years. March, August and December continues to be the busiest months for flight testing.

GROUND SAFETY LICENSING AND CERTIFICATION

The Air Navigation Services/ Aerodrome and Ground Aids (ANS/AGA) component of Fiji's civil aviation system is made up of the following services:

- Air Traffic Services (ATS) and Search and Rescue (SAR);
- Aeronautical Information Services (AIS);
- Communications, Navigation and Surveillance (CNS) Service;
- Aviation Training for ATS and Rescue Fire Service personnel;
- Aeronautical Meteorology Service (AMS), and
- Aerodrome Operator Services.

Air Navigation Services

In 2017, the following 12-month certificates were issued for the provision of ANS.

TABLE 6

GROUND SAFETY DEPARTMENT SERVICE PROVIDER CERTIFICATES ISSUED	TOTAL 2017	ISSUED TO
Air Traffic Service Provider Certificate (ANR145A)	1	AFL Air Traffic Management <ul style="list-style-type: none"> • 2 Control Towers (Nadi and Nausori), • 4 Flight Service Units (Labasa, Matei, Savusavu, Rotuma), • 1 Oceanic Control Centre (Nadi), • 1 International Flight Information Centre (Nadi), • 1 Domestic Flight Information Centre (Nadi), • 1 Rescue Coordination Centre (Nadi)
Aviation Training Institution Certificate (ANR145B)	1	AFL Aviation Academy
Aviation Maintenance Organisation Certificate - GSD (ANR145C)	1	AFL Air Navigation Engineering Services <ul style="list-style-type: none"> • Nadi and Nausori
Aeronautical Meteorology Service Provider Certificate (ANR145D)	1	Fiji Met Service <ul style="list-style-type: none"> • Aviation Section Nadi
Aeronautical Information Service Provider Certificate (ANR145E)	1	AFL Aeronautical Information Service

Aerodromes

In 2017, the following 12-month certificates/registration approvals were issued to aerodrome operators.

TABLE 7

GROUND SAFETY DEPARTMENT AERODROME LICENCES/REGISTRATION APPROVALS ISSUED	TOTAL 2017	ISSUED TO
International Aerodromes	2	Airports Fiji Limited <ul style="list-style-type: none"> • Nadi and Nausori
Domestic Aerodromes - public	13	Airports Fiji Limited <ul style="list-style-type: none"> • Certified - Labasa, Savusavu, Matei, Rotuma, Bureta, Gau, Vanuabalavu, Koro, Kadavu, Cicia, Moala and Lakeba. • Registered - Ono-i-Lau
Domestic Aerodromes - private	8	Private aerodrome operators:- <ul style="list-style-type: none"> • Laucala, Mago, Kaibu, Yasawa, Malolo, Mana, Wakaya, Nanuku
Helicopter Landing Sites	4	Private HLS operators:- <ul style="list-style-type: none"> • Vunibaka HLS, Tokoriki Island Resort HLS, Likuliku Resort HLS, PIA Denarau Pontoon HLS

Air Navigation Services Licences issued

A comparison of the licences issued/renewed from 2015 to 2017 .

TABLE 8

GROUND SAFETY DEPARTMENT – LICENCES/PERMITS ISSUED			
TYPE	2015	2016	2017
Aeronautical Facility Technicians Licence (AFTL)	22	24	29
Air Traffic Control Licence (ATCL)	33	33	37
Aeronautical Station Operators Licence (ASOL)	196	211	182
Flight Information Service Licence (FISL)	21	35	41
Aeronautical Facility Technician Trainee Permit	0	11	-
Air Traffic Control Trainee Permit	1	4	7
Flight Information Service Trainee Permit	12	3	10
TOTAL	285	321	306

There was an increase in AFTL, ATCL and FISL's from 2015 to 2017. This was a result of the successful completion of training programs being undertaken by the ANS Provider's Aeronautical Facility Technician Cadets, ATC and FIS Trainees. CAAF continues to work with the ANS Provider to ensure adequate theoretical and on-the-job training is provided to deliver competent personnel who meet the licencing requirements.

The decrease in the number of ASOLs was attributed to officers retiring and non-renewal of licences.

TABLE 9

AIRPORT AVSEC PROGRAMME RECOMMENDATIONS	
Security Airports	2
Government Domestic Airports	13
Private Domestic Airports	9

OTHER AVIATION DOCUMENTS ISSUED BY GROUND SAFETY

The GSD also issues other aviation documents as listed in the table below.

TABLE 10

GROUND SAFETY DEPARTMENT – OTHER ISSUANCES			
TYPE	2015	2016	2017
Permissions (Pyrotechnic displays, Sky lantern/balloon releases/RPAs within the Control Zone)	46	17	21
Exemptions from Standard Requirements	9	7	4
Off-Airport Development Approvals	27	123	101

AVIATION SECURITY AND FACILITATION LICENSING

The ASFD issued the following to industry in 2017.

TABLE 11

AVIATION SECURITY AND FACILITATION DEPARTMENT – CERTIFICATES ISSUED						
LICENCE TYPE	2016		TOTAL	2017		TOTAL
	Initial	Renewal		Initial	Renewal	
Aviation Security Screener Certification	76	260	336	43	290	333
Aviation Security Instructor Approval Certificate	0	4	4	0	4	4
Aviation Security Quality Control Approval Certificate	9	4	13	11	5	16

CRITICAL ELEMENT 7 – SURVEILLANCE OBLIGATIONS

The implementation of processes, such as inspections and audits, to proactively ensure that aviation licence, certificate, authorization and/or approval holders continue to meet the established requirements and function at the level of competency and safety required by the State to undertake an aviation related activity for which they have been licensed, certified, authorized and/or approved to perform. This includes the surveillance of designated personnel who perform safety oversight functions on behalf of the CAA.

Operational Stakeholders

The audits and inspections conducted by the Authority are programmed annually, on a work plan for each inspectorate staff, and covers a variety of activities for each operator under the Certification, Authorisation and Approval process that include Air Operators Certificates, Aerodrome Certificates, Air Traffic Controller licences, Engineers licences, Safety Management Systems, Route & Cabin Safety and Station facility audits, Ramp audits, Dangerous Goods and Certificate of Airworthiness inspections. The CAAF stakeholders in the above category are as follows:

TABLE 12

AIR SAFETY DEPARTMENT STAKEHOLDERS	TOTAL 2017	COMMENTS
Aircraft on Fiji Register	98	62 aircraft had valid Certificates of Airworthiness
Air Operator Certificate	25	9 certificates were foreign operators
Private Operators	8	2 were microlight aircraft operators
Aviation Training Institution Certificate	12	9 certificates were overseas based institutes
Aviation Maintenance Organisation Certificate (Air Safety)	26	12 certificates were overseas based Maintenance Organisations
Remotely Piloted Aircraft Systems	58	919 RPAs belonging to private individuals were also registered for recreational use
Skydive operators	2	1 skydive operation commenced in 2017

TABLE 13

AVIATION SECURITY AND FACILITATION DEPARTMENT STAKEHOLDERS	TOTAL 2017	COMMENTS
International Airlines	2	Fiji Airways and Fiji Link
Domestic Airlines	13	Inclusive of helicopter operators
Foreign International Airlines	9	
Regulated Agents	13	There is a growing interest in this regime
Ground Handling Service Providers	4	Fiji Airways approved as a ground handler in Nadi
Catering Service Providers	4	
Air Cargo Operators	1	ATS is the only Air Cargo operator
Aviation Security Service Organisations	4	2 new service providers certified
International Airports	2	Nadi and Nausori
Domestic Aerodromes	22	Inclusive of the 9 private aerodromes
TOTAL	74	

TABLE 14

GROUND SAFETY DEPARTMENT STAKEHOLDERS	TOTAL 2017	COMMENTS
International Aerodromes	2	Nadi and Nausori
Domestic Aerodromes - public	13	12 aerodromes are certificated and 1 aerodrome (Ono-i-Lau) is registered.
Domestic Aerodromes - private	8	Laucala, Mago, Kaibu, Yasawa, Malolo, Mana, Wakaya, Nanuku
Helicopter Landing Sites	4	Vunibaka HLS, Tokoriki Island Resort HLS, Likuliku Resort HLS, PIA Denarau Pontoon HLS
Air Traffic Service Provider Certificate	1	(ANR145A) – AFL ATM 2 towers (Nadi and Nausori), 4 Flight Service Units (Labasa, Matei, Savusavu, Rotuma), 1 Oceanic Control Centre (Nadi), 1 International Flight Information Centre (Nadi), 1 Domestic Flight Information Centre (Nadi), 1 Rescue Coordination Centre (Nadi)
Aviation Training Institution Certificate	1	(ANR145B) – The AFL Academy
Aviation Maintenance Organisation Certificate (GSD)	2	(ANR145C) – AFL ANES Nadi and Nausori
Aeronautical Meteorology Service Provider Certificate	1	(ANR145D) – Fiji Met Service – Aviation Section Nadi

**CRITICAL ELEMENT 8 –
RESOLUTION OF SAFETY CONCERNS.**

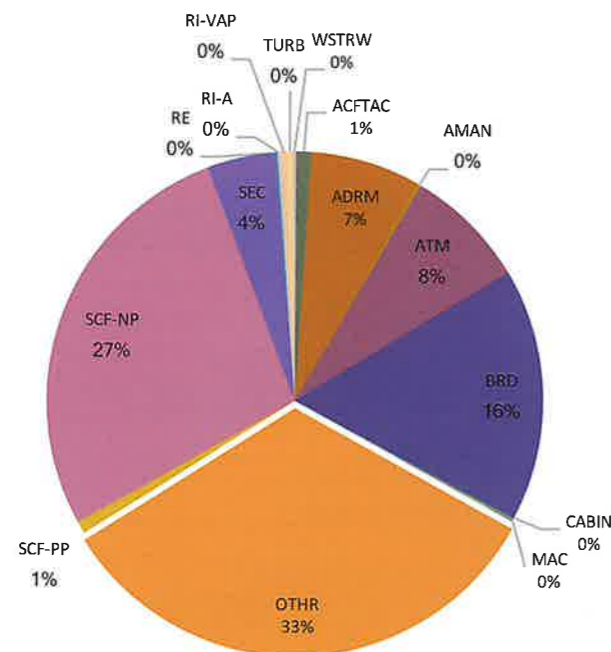
The implementation of processes and procedures to resolve identified deficiencies impacting aviation safety, which may have been residing in the aviation system and have been detected by the regulatory authority or

Mandatory Occurrence Reporting (MOR)

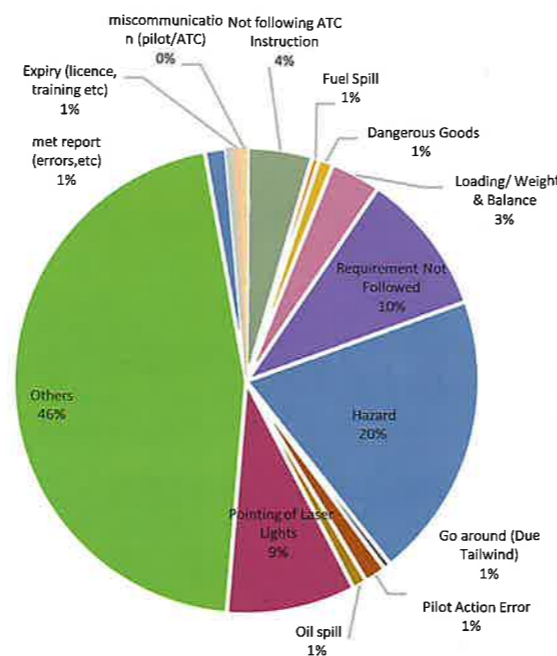
other appropriate bodies.

Note.— This would include the ability to analyse safety deficiencies, forward recommendations, support the resolution of identified deficiencies, as well as take enforcement action when appropriate.

The following pie chart shows the occurrence proportion by type over the last 12 months (DATA)



Breakdown of "OTHERS" over the 12 month period

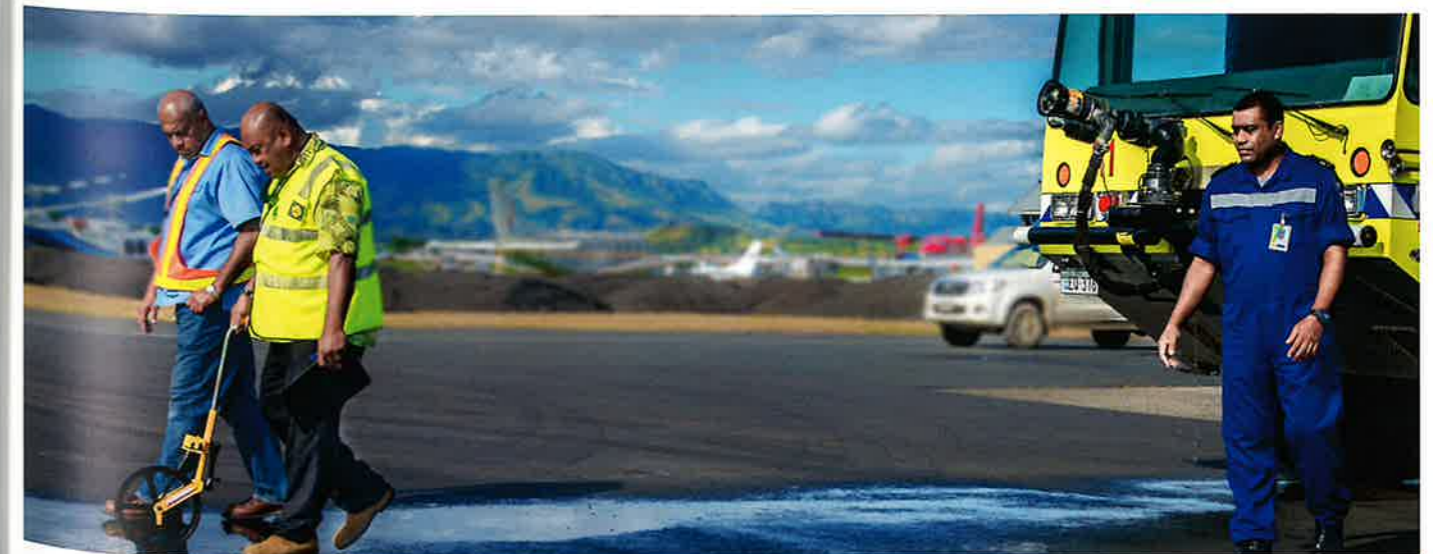


OCCURRENCE CATEGORY DEFINITIONS (ICAO COMMON TAXONOMY)	
Take-off, Landing and Ground Operations	
Ground Handling	RAMP
Ground Collision	GCOL
Loss of Control - Ground	LOC-G
Runway Excursion	RE
Runway Incursion – Vehicle, Aircraft or Person	RI-VAP
Runway Incursion – Animal	RI-A
Undershoot / Overshoot	USOS
Abnormal Runway Contact	ARC
Fire / Smoke (Post Impact)	F-POST
Evacuation	EVAC
Airborne	
Mid Air /Near Miss Collision	MAC
Controlled Flight Into / Toward Terrain	CFIT
Loss of Control – Inflight	LOC-I
Fuel Related	FUEL
Low Altitude Operations	LALT
Abrupt Manoeuvre	AMAN
Weather	
Windshear or Thunderstorm	WSTRW
Turbulence Encounter	TURB
Icing	ICE
Aircraft	
System / Component Failure or Malfunction (Power plant)	SCF-PP
System / Component Failure or Malfunction (Non- Power plant)	SCF-NP
Fire / Smoke (Non-Impact)	F-NI
Miscellaneous	
Security Related	SEC
Cabin Safety Related	CABIN
Other	OTHR
Unknown or Undetermined	UNK
Non-aircraft related	
Air Traffic Management / CNS	ATM
Aerodrome	ADRM

BREAKDOWN OF "OTHERS" INCIDENT TYPE

- 1) Landing after last light/ Landing Before Hours of Operation
- 2) Not following ATC Instruction
- 3) Vehicle collisions
- 4) Fuel Spill
- 5) Dangerous Goods
- 6) Operating without RFS Coverage
- 7) Promulgated Information Error
- 8) Pilot Position Reporting Deficiency
- 9) Miscommunication (Pilot/ ATC)
- 10) Loading/ Weight & Balance
- 11) Requirement Not Followed
- 12) Maintenance Errors
- 13) Hazard
- 14) Go around (Due Tailwind)
- 15) MET Reports (Errors, etc.)
- 16) FTL Violation
- 17) Expiry (Licence, training etc.)
- 18) Wrong parking
- 19) Pilot Action Error
- 20) Nil Revision of Estimates
- 21) Oil spill
- 22) Pointing of Laser Lights

One of the functions of the fire service vehicle is to be able to deliver extinguisher material over a specified distance. CAAF Inspectors regularly monitor this ability.



Safety Education and Public Awareness

Safety Education is part of the Authority's functions integrated into the audit programme and carried out by CAAF inspectors during certification audits.

Additionally high risk areas highlighted in the mandatory occurrence reporting scheme are addressed during inspections and via articles published in the CAAF's Aviation Safety Bulletin and with public awareness campaigns.

Cinema advertising on the use of Lasers and Remote Piloted Aircrafts as per the CAAF Public Awareness Plan was conducted. Other aspects of the plan are being pursued by CAAF. Public Notices on conditions to be adhered to when conducting fireworks displays in the vicinity of any aerodrome was published in the daily newspapers during the Diwali and Christmas festive seasons.



CAAF Air Traffic Management Inspector Alisi Namoro monitors AFL's Koresi Tuivaga at the Aurora Oceanic controller workstation.



Financial Statements

Year Ended 31 December 2017

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**CIVIL AVIATION AUTHORITY OF FIJI
DIRECTORS' REPORT
YEAR ENDED 31 DECEMBER 2017**

The Authority presents its report together with the financial statements for the year ended 31 December 2017 and the auditors' report thereon.

Directors

The directors in office during the financial year 2017 were :

Mrs Lailun Khan	Chairperson
Dr Joseph Veramu	Director
Mr Craig W. Strong	Director (up to 31 October 2017)
Mr Satish Naran Patel	Director
Mr Pravish Punja	Director

State of affairs

In the opinion of the Board of Directors, the accompanying statement of financial position gives a true and fair view of the state of affairs of the Authority as at 31 December 2017 and the accompanying statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows give a true and fair view of the results for the Authority for the year then ended.

Principal Activities

The principal activities of the Authority during the course of the financial year were as follows:

- 1) Regulating civil aviation operations in Fiji by, among other things -
 - a) Issuing certificates, licences, approvals, registrations and permits after appropriate inspection, audit and examination.
 - b) Developing and promoting appropriate, clear and concise aviation safety standards.
 - c) Developing effective enforcement strategies to secure compliance with aviation legislation and safety standards.
 - d) Assessing decisions taken by industry for their impact on aviation safety.
 - e) Conducting regular review of civil aviation systems in order to monitor the safety performance of the aviation industry, to identify safety related trends and risk factors and to promote the development and improvement of the system.
 - f) Conducting regular and timely assessment of international aviation safety developments.
 - g) Conducting regular reviews of aviation security programmes and activities.
- 2)
 - a) Any function conferred on it by or under the the Civil Aviation Authority of Fiji Act 1979 Cap 174A or the Civil Aviation Reform Act 1999.
 - b) Carrying out such obligations of the State arising from its membership of the International Civil Aviation Organisation as directed by the Minister.
- 3) Safety-related functions-
 - a) Encouraging a greater acceptance by the aviation industry of the industry's obligation to maintain high standards of aviation safety through -
 - (i) Comprehensive safety education and training programmes.
 - (ii) Accurate and timely aviation safety advice.
 - (iii) Fostering an awareness in industry management and within the community generally, of the aviation safety and compliance with relevant legislations.
 - b) Promoting full and effective consultation and communication with all interested parties on aviation safety issues.

**CIVIL AVIATION AUTHORITY OF FIJI
DIRECTORS' REPORT (CONT'D)
YEAR ENDED 31 DECEMBER 2017**

Operating results

The net loss of the Authority for the year ended 31 December 2017 was \$263,241 (2016 net loss: \$272,252) after an income tax expense of \$481,483 (2016: income tax expense of \$646,878).

Reserves

The Authority proposed that no amounts be transferred to reserves within the meaning of the Companies Act, 2015.

Dividends

The Authority recommends that no dividend be declared in respect of the year ended 31 December 2017.

Bad and doubtful debts

Prior to the completion of the financial statements, the Authority took reasonable steps to ascertain that action had been taken in relation to writing off of bad debts and the provision for doubtful debts. In the opinion of the Authority, adequate provision has been made for doubtful debts.

As at the date of this report, the Authority was not aware of any circumstances, which would render the amount written for bad debts or the provision for doubtful debts, inadequate to any substantial extent.

Non Current assets

Prior to the completion of the financial statements the Authority took reasonable steps to ascertain whether any non current assets were unlikely to be realised in the ordinary course of business compared to their values as shown in the accounting records. Where necessary, these assets have been written down or adequate provision has been made to bring the values of such assets to an amount that might be expected to realise.

As at the date of this report, the Authority was not aware of any circumstances, which would render the values attributed to non current assets in the financial statements misleading.

Unusual Transactions

Apart from the matters and other matters specifically referred to in the financial statements, in the opinion of the Authority, the results of the operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature likely, to affect substantially the results of the operations of the Authority in the current financial year, other than those reflected in the financial statements.

**CIVIL AVIATION AUTHORITY OF FIJI
DIRECTORS' REPORT (CONT'D)
YEAR ENDED 31 DECEMBER 2017**

Other Circumstances

As at the date of this report:

- a) no charge on the assets of the Authority has been given since the end of the financial year to secure the liabilities of any other person;
- b) no contingent liabilities have arisen since the end of the financial year for which the Authority could become liable; and
- c) no contingent liabilities or other liabilities of the Authority have become or are likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Authority, will or may substantially affect its ability to meet its obligations as and when they fall due.

As at the date of this report, the Authority is not aware of any circumstances that have arisen, not otherwise dealt with in this report or the financial statements, which would make adherence to the existing method of valuation of assets or liabilities misleading or inappropriate.

Directors' Benefits

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than those included in the aggregate amount of emoluments received or due and receivable by Directors shown in the financial statements or received as the fixed salary of a full-time employee of the Authority) by reason of a contract made by the Authority with the Director of a firm of which he is a member, or with a company in which he has a substantial financial interest.

Dated at Nadi this 08th day of August, 2018.

Signed in accordance with a resolution of the Board of Directors.


Chairperson


Director

OFFICE OF THE AUDITOR GENERAL

Excellence in Public Sector Auditing



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INDEPENDENT AUDITOR'S REPORT

CIVIL AVIATION AUTHORITY OF FIJI

Opinion

I have audited the financial statements of Civil Aviation Authority of Fiji, which comprise the statement of financial position as at 31 December 2017, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

Basis of Opinion

In my opinion, the accompanying financial statements present fairly the financial position of Civil Aviation Authority of Fiji as at 31 December 2017, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

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

Responsibilities of the Management and Directors for the Financial Statements

The management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS and Civil Aviation Authority of Fiji Act (Cap 174A), Civil Aviation Reform Act 1999 and Legal Notice 18 of 2006 and for such internal control as the management 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, management is responsible for assessing the Civil Aviation Authority of Fiji'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 intend to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the Civil Aviation Authority of Fiji's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my 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 or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

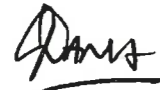
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting 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 Civil Aviation Authority of Fiji's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's and directors' use of 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 Civil Aviation Authority of Fiji's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures, are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause Civil Aviation Authority of Fiji to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the management and directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Civil Aviation Authority of Fiji Act (Cap 174A), Civil Aviation Reform Act 1999 and Legal Notice 18 of 2006, in my opinion:

- proper books of account have been kept by Civil Aviation Authority of Fiji, so far as it appears from my examination of those books;
- the financial statements are in agreement with the books of account; and
- to the best of my information and according to the explanations given to me, give the information required by the Civil Aviation Authority of Fiji Act (Cap 174A), Civil Aviation Reform Act 1999 and Legal Notice 18 of 2006, in the manner so required.


Ajay Nand
AUDITOR-GENERAL



Suva, Fiji
14 August, 2018

CIVIL AVIATION AUTHORITY OF FIJI STATEMENT OF COMPREHENSIVE INCOME YEAR ENDED 31 DECEMBER 2017

	Notes	2017 \$	Restated 2016 \$
Revenue		5,481,747	5,407,031
Other operating income	2.1	402,541	325,431
		<u>5,884,288</u>	<u>5,732,462</u>
Administrative expenses	2.2(a)	(1,372,549)	(1,278,449)
Operating expenses	2.2(b)	(1,514,496)	(1,206,654)
Personnel expenses	2.2(c)	(2,891,100)	(2,926,981)
		<u>106,143</u>	<u>320,378</u>
Net financing income	2.3	<u>112,099</u>	<u>54,248</u>
Operating profit before tax		<u>218,242</u>	<u>374,626</u>
Income tax expense	3(a)	<u>(481,483)</u>	<u>(646,878)</u>
Net loss after tax		<u>(263,241)</u>	<u>(272,252)</u>
Other comprehensive income			
Change in fair value of investments	7(c)	1,206,182	556,699
Revaluation of property, plant and equipment, net of tax		<u>1,847,543</u>	<u>-</u>
Total comprehensive income for the year		<u><u>2,790,484</u></u>	<u><u>284,447</u></u>

The statement of Comprehensive Income is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 41-58

**CIVIL AVIATION AUTHORITY OF FIJI
STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 DECEMBER 2017**

	2017 \$	Restated 2016 \$
Asset Revaluation Reserve		
Balance at the beginning of the year	2,232,507	2,232,507
Revaluation of Assets	1,847,543	-
Balance at the end of the year	<u>4,080,050</u>	<u>2,232,507</u>
Fair Value Reserve		
Balance at the beginning of the year	2,053,220	1,496,521
Revaluation of investment	1,206,182	556,699
Balance at the end of the year	<u>3,259,402</u>	<u>2,053,220</u>
Retained earnings		
Balance at the beginning of the year	12,245,078	12,517,330
Net loss	(263,241)	(272,252)
Balance at the end of the year	<u>11,981,837</u>	<u>12,245,078</u>
Total equity	<u>19,321,289</u>	<u>16,530,805</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 41-58

**CIVIL AVIATION AUTHORITY OF FIJI
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017**

	Notes	2017 \$	Restated 2016 \$
ASSETS			
Current assets			
Cash and cash equivalents	4	748,130	1,604,080
Trade receivables	5	146,248	75,777
Income tax refundable	3(c)	-	3,780
Other assets	6	1,082,546	1,026,905
Investments	7(a)	<u>3,000,000</u>	<u>2,000,000</u>
		<u>4,976,924</u>	<u>4,710,542</u>
Non-current assets			
Investments	7(b)	8,814,404	7,608,222
Property, plant and equipment	8	6,608,966	4,616,219
Intangible assets	9	352,924	210,821
Deferred income tax asset	3(b)	-	207,054
		<u>15,776,294</u>	<u>12,642,316</u>
TOTAL ASSETS		<u>20,753,218</u>	<u>17,352,858</u>
EQUITY AND LIABILITIES			
Shareholders' equity			
Reserves		7,339,452	4,285,727
Retained earnings		11,981,837	12,245,078
TOTAL EQUITY		<u>19,321,289</u>	<u>16,530,805</u>
Current liabilities			
Trade and other payables	11	738,883	702,288
Income tax payable	3(c)	4,669	-
Employee benefits	12	95,620	119,765
		<u>839,172</u>	<u>822,053</u>
Non-current liabilities			
Deferred income tax liability	3(b)	592,757	-
		<u>592,757</u>	<u>-</u>
TOTAL LIABILITIES		<u>1,431,929</u>	<u>822,053</u>
TOTAL EQUITY AND LIABILITIES		<u>20,753,218</u>	<u>17,352,858</u>

Signed on behalf of the Board of Directors.


Chairperson


Director

The statement of financial position is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 41-58

**CIVIL AVIATION AUTHORITY OF FIJI
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 \$	2016 \$
Cash flows from operating activities			
Operating activities			
Cash receipts from customers		5,457,347	6,262,772
Cash payment to employees and suppliers		(5,317,153)	(5,126,786)
Cash generated from operations		140,194	1,135,986
Income tax paid		(10,826)	(3,780)
Interest received		112,099	54,248
Dividends received		301,545	282,989
Cash flows from operating activities		543,012	1,469,443
Investing activities			
Acquisition of property, plant and equipment		(421,440)	(200,656)
Acquisition of Investment		(1,000,000)	(1,000,000)
Proceeds from sale of property, plant and equipment		22,478	82,175
Cash flows used in investing activities		(1,398,962)	(1,118,481)
Net (decrease) / increase in cash		(855,950)	350,962
Cash and cash equivalents at 1 January		1,604,080	1,253,118
Cash and cash equivalents at 31 December	4	748,130	1,604,080

The statement of cash flow is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 41-58

**CIVIL AVIATION AUTHORITY OF FIJI
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.1 Reporting entity

Civil Aviation Authority of Fiji is a statutory organisation domiciled in Fiji established under the Civil Aviation Authority of Fiji Act, 1979 Cap 174A. The Authority's registered office and the principal place of business is located at Namaka, Nadi Airport. The principal activities of the Authority during the course of the financial year included the regulatory oversight of airports and airlines and licensing of personnel.

1.2 Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis. The accounting policies have been consistently applied by the Authority and are consistent with those used in the previous year.

The financial statements were authorised for issue by the Authority on 08th August, 2018.

(c) Functional and presentation currency

The financial statements are presented in Fiji dollars.

1.3 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATED AND ASSUMPTIONS

The preparation of the Authority's financial statements requires management to make judgments, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

Judgments

In the process of applying the Authority's accounting policies, management has made the following judgement, apart from those involving estimations, which has the most significant effect of the amounts recognised in the financial statements.

Operating lease commitments

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

Estimations and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing material adjustments to the carrying amount of assets and liabilities within the next financial year are discussed below:

Deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that taxable profit will be available against which the losses can be utilised. Significant Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely and level of future taxable profits together with future tax planning strategies.

Impairment of non financial assets

The Authority assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable.

CIVIL AVIATION AUTHORITY OF FIJI
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
YEAR ENDED 31 DECEMBER 2017

1.4 Significant accounting policies

(a) Foreign currency

Transactions in foreign currencies if it may take place, are initially recorded at the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date. All differences are taken to the income statement. Non monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transaction. Non monetary items measured at fair value in a foreign currency are translated using the exchange rates when the fair value is determined.

Non monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the dates of the initial transactions. Non monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value is determined. Any goodwill arising on acquisition of foreign operation is treated as assets and liabilities of the foreign operation and translated at the closing rate.

(b) Property, plant and equipment

Recognition and measurement

Property, plant and equipment are measured at revalued amount less accumulated depreciation and impairment losses recognised after the date of revaluation. Valuations are performed with sufficient frequency to ensure that the carrying amount of a revalued asset does not differ materially from its fair value.

A revaluation surplus is recorded in OCI and credited to the asset revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit and loss. A revaluation deficit is recognised in the statement of profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation surplus.

Subsequent expenditure

The cost of replacing part of the property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Authority and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the income statement as incurred.

Depreciation

Depreciation is recognised in the income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment.

The estimated useful lives are as follows:

Administration Buildings	40 years
General administrative assets	5-20 years
Plant, furniture and office equipment	10-20 years
Vehicles	5 years

Depreciation methods, useful lives and residual values are reassessed at the reporting date.

Minor equipment and tools costing less than \$1,000 are written off in the year of purchase. Capital work-in-progress is subject to depreciation in the year of completion and is capitalised at the actual amount spent.

(c) Leases

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception or date of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Authority as a lessee

Finance leases, which transfer to the Authority substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the income statement.

CIVIL AVIATION AUTHORITY OF FIJI
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
YEAR ENDED 31 DECEMBER 2017

1.4 Significant accounting policies (continued)

(c) Leases (continued)

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Authority will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an operating expense in the income statement on a straight-line basis over the lease term.

d) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is at fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the income statement in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or infinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year end.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changed in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the income statement in the expense category consistent with the function of intangible asset.

Intangible assets with infinite useful lives are tested for impairment annually either individually or at the cash generating unit level. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit and loss when the asset is derecognised.

The Authority assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Authority estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate value model is used.

CIVIL AVIATION AUTHORITY OF FIJI
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
YEAR ENDED 31 DECEMBER 2017

1.4 Significant accounting policies (continued)

(f) Impairment of non financial assets

Impairment losses of continuing operations are recognised in profit or loss in those expense categories consistent with the function of the impaired assets, except for property previously revalued where the revaluation was taken to equity. In this case, the impairment is also recognised in equity up to the amount of any previous revaluation.

The following criteria are also applied in assessing impairment of specific assets:

For assets an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the Authority estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. The increased amount cannot exceed the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such a reversal is recognised in the income statement unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

g) Financial instruments - initial recognition and subsequent measurement

(i) Financial assets

Initial recognition and measurement

Financial assets within the scope of IAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge as appropriate. The Authority determines the classification of its financial assets on initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial year end. All regular way purchases and sales of financial assets are recognised on the trade date that the Authority commits to purchase or sell the asset. Regular way purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss includes financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Authority that do not meet the hedge accounting criteria as defined by IAS 39. Financial assets at fair value through profit and loss are carried in the statement of financial position at fair value with changes in fair value recognised in the finance income or finance costs in the income statement. The Authority has not designated any financial assets upon initial recognition as at fair value through profit or loss.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, loans and receivables are carried at amortised cost using the effective interest method (EIR), less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the income statement. The losses arising from impairment are recognised in the income statement in finance costs.

CIVIL AVIATION AUTHORITY OF FIJI
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
YEAR ENDED 31 DECEMBER 2017

1.4 Significant accounting policies (continued)

g) Financial instruments - initial recognition and subsequent measurement (continued)

(i) Financial assets (continued)

Derecognition

A financial asset (or, where a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flow from the asset have expired.
- The Authority has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Authority has transferred substantially all the risks and rewards of the asset, or (b) the Authority has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Authority has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Authority's involvement in the asset. In that case, the Authority also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Authority has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Authority could be required to pay.

(ii) Impairment of financial assets

The Authority assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

(iii) Impairment of financial assets

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Authority first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Authority determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate. If a loan has variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

CIVIL AVIATION AUTHORITY OF FIJI
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
YEAR ENDED 31 DECEMBER 2017

1.4 Significant accounting policies (continued)

g) Financial instruments - initial recognition and subsequent measurement (continued)

(iii) Impairment of financial assets (continued)

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the income statement. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income in the income statement. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred by the Authority. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a future write-off is later recovered, the recovery is credited to finance costs in the income statement.

(iv) Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives as hedging instruments in an effective hedge, as appropriate. The Authority determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs. The Authority's financial liabilities include trade and other payables, bank overdrafts and loans and borrowings.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

(v) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the income statement. Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously. The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs. For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models. An analysis of fair values of financial instruments and further details as to how they are measured are provided in Note 16.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss includes financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Authority that do not meet the hedge accounting criteria as defined IAS 39. Gains and losses on liabilities held for trading are recognised in the income statement. The Authority has not designated any financial liabilities as at fair value through profit or loss.

CIVIL AVIATION AUTHORITY OF FIJI
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
YEAR ENDED 31 DECEMBER 2017

1.4 Significant accounting policies (continued)

g) Financial instruments - initial recognition and subsequent measurement (continued)

Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the effective interest rate method (EIR) amortisation process.

(h) Inventories

Inventories are stated at the lower of costs and net realizable value. Cost includes invoice price plus associated costs into store. Costs are assigned to individual items of inventory mainly on a weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expense.

(i) Cash and cash equivalents

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

(j) Employee benefits

(i) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

(ii) Pension obligations

Contributions to the Fiji National Provident Fund are charged to the income statement in the period to which the contributions relate.

(iii) Other employee benefits

The Authority has a collective agreement to provide long service leave and retirement gratuity to its employees. The entitlement to this benefit is conditional on completion of a minimum service period and the employee remaining in service up to the retirement age. A liability for long service leave and retirement gratuity is calculated as the present value of expected future payments to be made in respect of services provided by the employees at the balance sheet date. This is adjusted for employee departure trends and appropriate inflation and discount rates. The accruals are divided into current (expected to be paid in the ensuing twelve months) and non-current portions.

(k) Trade and other payables

Liabilities for trade creditors and other amounts are carried at cost (inclusive of Value Added Tax where applicable) which is the fair value of the consideration to be paid in the future for goods and services received whether or not billed to the Authority. Amounts payable that have been denominated in foreign currencies have been translated to local currency using the rates of exchange ruling at the end of the financial year.

(l) Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the entity and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The following specific recognition criteria must also be met before revenue is recognised:

Sales

- (i) Revenue comprising rental of agricultural sites, airworthiness fees, pilots/ engineers license fees, airport licenses and inspection fees and charges, and other income are brought to account when the relevant service has been provided/ goods are sold; customers have accepted the goods; and collectability of related receivables is reasonably assured.

CIVIL AVIATION AUTHORITY OF FIJI
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
YEAR ENDED 31 DECEMBER 2017

1.4 Significant accounting policies (continued)

(l) Revenue (continued)

Other operating income

- (ii) Interest income is recognised on a time-proportion basis using the effective interest method.
- (iii) Dividend income from other investments is recognised when the right to receive payment is established.
- (iv) Movement in fair value of investments (including investment property) are recognised as income and are determined as the differences between the fair value at year end or consideration received (if sold during the year) and the fair value as at prior year end or cost (if the investment was acquired during the period).

(m) Finance income and expenses

Net financing income comprises of interest income on term deposits, interest expense on bank overdraft, borrowing and foreign currency gains or losses.

(n) Taxes

Current Income Tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date. Current income tax relating to items recognised directly in equity is recognised in equity and not in income statement.

Deferred income tax

Deferred income tax is provided, using the liability method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred income tax liability arises from goodwill amortisation or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of any unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

CIVIL AVIATION AUTHORITY OF FIJI
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
YEAR ENDED 31 DECEMBER 2017

1.4 Significant accounting policies (continued)

(n) Taxes (continued)

Deferred income tax assets and liabilities are measured at tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognised directly in equity is recognised in equity and not in the income statement.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income tax related to the same taxable entity and the same taxation authority.

Value Added Tax (VAT)

Revenue, expenses and assets are recognised net of the amount of respective sales tax except:

- where the Value Added Tax incurred on the purchase of assets or services is not recoverable from the taxation authority, in which case the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables that are stated with the amount of Value Added Tax included and payables that are stated with the amount of Value Added Tax included.

The net amount of Value Added Tax recoverable or payable to the tax authority is included as part of the receivables or payables in the statement of financial position.

(o) Provisions

A provision is recognised in the balance sheet when the Authority has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

(p) Government grants

Government grants are recognised when the grant is received. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Authority receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received.

(q) Comparative information

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

CIVIL AVIATION AUTHORITY OF FIJI
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
YEAR ENDED 31 DECEMBER 2017

	2017	2016
	\$	\$
2.1 Other operating income		
Dividends	301,545	282,989
Gain on sale of plant & equipment	-	12,071
Reversal of Accident investigation expense	29,880	-
Sundry	71,116	30,371
	<u>402,541</u>	<u>325,431</u>
2.2 Expenses		
(a) Administrative expenses		
Amortisation expenses	(25,607)	(32,505)
Auditors remuneration-current year	(9,228)	(10,000)
Board member allowance	(50,550)	(80,558)
Loss on disposal of property, plant and equipment	(23,959)	-
Dividend Tax - Transitional 1%	-	(17,420)
Depreciation	(306,209)	(324,639)
Insurance	(501,524)	(494,903)
Other administrative expenses	(455,472)	(318,424)
	<u>(1,372,549)</u>	<u>(1,278,449)</u>
(b) Operating expenses		
Consultancy	(432,688)	(138,745)
Legal fees	(65,942)	(21,513)
Travel & accommodation	(235,065)	(326,552)
Repairs & maintenance	(30,608)	(39,151)
Utilities and supplies	(750,193)	(680,693)
	<u>(1,514,496)</u>	<u>(1,206,654)</u>
(c) Personnel expenses		
Salaries	(2,219,634)	(2,250,432)
Fringe Benefit Tax	(30,137)	(40,793)
FNPF Employers Contribution	(195,929)	(213,946)
FNU Levy	(26,526)	(27,635)
Annual leave & gratuity	(275,033)	(227,617)
Performance Management System - Bonus	(143,841)	(149,209)
Sick leave bonus & leave allowance	-	(17,349)
	<u>(2,891,100)</u>	<u>(2,926,981)</u>
The average number of employees during the year	<u>55</u>	<u>51</u>
2.3 Finance income		
Interest income	<u>112,099</u>	<u>54,248</u>

CIVIL AVIATION AUTHORITY OF FIJI
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
YEAR ENDED 31 DECEMBER 2017

	2017	Restated 2016
	\$	\$
3. Income tax		
Income tax expense recognised in the income statement		
Current tax expense	5,482	51,364
Deferred tax expense	476,001	595,514
	<u>481,483</u>	<u>646,878</u>
(a) A reconciliation between tax expense and the product of accounting profit multiplied by the tax rate for the years ended 31 December 2017 and 2016 is as follows:		
Accounting profit before income tax	218,242	374,626
Fiji's statutory income tax rate 20%	43,648	74,925
Tax effect of temporary differences	(38,166)	(23,561)
Under/Over Provision from prior year	(11,213)	(7,337)
Prior year tax losses Lapsed	487,214	602,851
Income tax expense attributable to operating profit	<u>481,483</u>	<u>646,878</u>
(b) Deferred income tax at 31 December relates to the following:		
(i) Deferred tax asset (recognised at 20% tax rate)		
Provisions for employee entitlements	19,124	23,953
Tax losses	-	487,214
Balance at the end of the year	<u>19,124</u>	<u>511,167</u>
(ii) Deferred tax liability		
Accelerated depreciation for tax purposes	127,292	52,780
Capital Gain	484,589	251,333
Balance at the end of the year	<u>611,881</u>	<u>304,113</u>
Net Deferred tax assets/(liability)	<u>(592,757)</u>	<u>207,054</u>
(c) Income tax refund/(payable)		
Balance - 1 January	3,780	-
Add: Income tax paid	10,826	3,780
Current income tax payable	(18,559)	-
	<u>(3,953)</u>	<u>3,780</u>
Less: Received from income tax	716	-
Less: Income tax refund/(payable) not claimable	-	-
	<u>(4,669)</u>	<u>3,780</u>
4. Cash and cash equivalents		
Cash on hand	550	550
Cash at bank - A/C No: 3662665	213,004	158,826
Cash at bank - A/C No: 12545124	534,576	1,444,704
	<u>748,130</u>	<u>1,604,080</u>
Cash at bank earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between 6 months and 12 months, depending on the immediate requirements of the Authority, and earn interest at the respective short-term deposit rates.		
5. Trade and other receivables		
Trade receivables	146,248	75,777
Less : provision for doubtful debts	-	-
	<u>146,248</u>	<u>75,777</u>
Trade and other receivables are non-interest bearing and are generally on 30-90 day terms. As at 31 December 2017, trade receivables at nominal value of \$ zero (2016:\$ zero) were impaired.		

CIVIL AVIATION AUTHORITY OF FIJI
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
YEAR ENDED 31 DECEMBER 2017

	2017	2016
	\$	\$
5. Trade and other receivables (continued)		
Movement in the provision for impairment of receivables were as follows:		
At 1 January	-	29,374
Charge for the year	-	-
Reversal of allowance for uncollectability	-	(29,374)
31 December	-	-
At 31 December, the ageing analysis of trade receivables is as follows:		
0 - 3 months	146,248	47,440
4 - 6+ months	-	28,337
	<u>146,248</u>	<u>75,777</u>
6. Other assets		
Prepayments	208,792	233,901
Unit Trust of Fiji dividends accrued	185,566	171,649
Departure Tax	679,960	616,968
Other assets	8,228	4,387
	<u>1,082,546</u>	<u>1,026,905</u>
7. Investments		
(a) <i>Current</i>		
Interest bearing deposits	<u>3,000,000</u>	<u>2,000,000</u>
(b) <i>Non-current</i>		
Units in Unit Trust of Fiji	<u>8,814,404</u>	<u>7,608,222</u>
(c) Reconciliation of available-for-sale financial assets		
Opening balance	7,608,222	7,051,523
Revaluation gain on Unit Trust of Fiji units - transfer to fair value reserve	1,206,182	556,699
	<u>8,814,404</u>	<u>7,608,222</u>
(d) Units in Unit Trust of Fiji held by the Authority is represented by:		
1,413,636 units purchased at \$1.10 per unit	1,555,000	1,555,000
1,339,286 units purchased at \$1.12 per unit	1,500,000	1,500,000
641,026 units purchased at \$1.17 per unit	750,000	750,000
555,556 units purchased at \$ 1.35 per unit	750,001	750,001
689,656 units purchased at \$ 1.45 per unit	1,000,001	1,000,001
Revaluation on current market value	3,259,402	2,053,220
	<u>8,814,404</u>	<u>7,608,222</u>

4,639,160 units valued at repurchase price of \$1.90 per unit (2016:@ \$1.64).

CIVIL AVIATION AUTHORITY OF FIJI
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
YEAR ENDED 31 DECEMBER 2017

	2017	2016
	\$	\$
8. Property, Plant & Equipment		
<u>Freehold land</u>		
<i>Deemed cost:</i>		
At 1 January	1,500,000	1,500,000
Revaluations	1,000,000	-
At 31 December	<u>2,500,000</u>	<u>1,500,000</u>
<i>Depreciation and impairment</i>		
At 1 January	-	-
Depreciation charge for the year	-	-
At 31 December	<u>-</u>	<u>-</u>
Net book value	<u>2,500,000</u>	<u>1,500,000</u>
<u>Buildings</u>		
<i>Deemed cost:</i>		
At 1 January	2,407,938	2,399,772
Revaluations	789,502	-
Additions	26,572	8,166
Disposals	(101,515)	-
Elimination of accumulated depreciation on revaluation	(269,502)	-
At 31 December	<u>2,852,995</u>	<u>2,407,938</u>
<i>Depreciation and impairment</i>		
At 1 January	258,160	198,149
Depreciation charge for the year	67,468	60,011
Elimination of accumulated depreciation on revaluation	(269,502)	-
Disposals	(8,746)	-
At 31 December	<u>47,380</u>	<u>258,160</u>
Net book value	<u>2,805,615</u>	<u>2,149,778</u>
<u>Motor Vehicles</u>		
<i>Deemed cost:</i>		
At 1 January	532,598	699,305
Revaluations	67,950	-
Re-allocation	978	-
Disposals	(29,000)	(219,000)
Elimination of accumulated depreciation on revaluation	(192,526)	-
Additions	58,716	52,293
At 31 December	<u>438,716</u>	<u>532,598</u>
<i>Depreciation and impairment</i>		
At 1 January	183,108	225,203
Re-allocation	978	-
Depreciation charge for the year	94,981	112,788
Elimination of accumulated depreciation on revaluation	(192,526)	-
Disposals	(27,067)	(154,883)
At 31 December	<u>59,474</u>	<u>183,108</u>
Net book value	<u>379,242</u>	<u>349,490</u>

CIVIL AVIATION AUTHORITY OF FIJI
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
YEAR ENDED 31 DECEMBER 2017

	2017	2016
	\$	\$
8. Property, Plant & Equipment- (cont'd)		
<u>Furniture, fittings & equipment</u>		
<i>Deemed cost:</i>		
At 1 January	1,115,880	1,020,999
Revaluations	275,219	-
Re-allocation	3,947	-
Additions	179,305	124,212
Elimination of accumulated depreciation on revaluation	(535,903)	-
Disposals	(19,740)	(29,331)
At 31 December	1,018,708	1,115,880
<i>Depreciation and impairment</i>		
At 1 January	498,929	370,435
Re-allocation	3,947	-
Depreciation charge for the year	143,760	151,838
Elimination of accumulated depreciation on revaluation	(535,903)	-
Disposals	(16,134)	(23,344)
At 31 December	94,599	498,929
Net book value	924,109	616,951
Net book value	6,608,966	4,616,219
9. Intangible Assets		
<u>Software costs</u>		
Opening balance	337,043	321,059
Revaluations	51,759	-
Addition	5,872	15,984
Elimination of accumulated depreciation on revaluation	(102,807)	-
Disposals	(75,545)	-
Closing balance	216,322	337,043
<u>Amortisation and impairment:</u>		
Opening balance	126,222	93,716
Amortisation	25,607	32,506
Elimination of accumulated depreciation on revaluation	(102,807)	-
Disposal	(34,649)	-
Closing balance	14,373	126,222
Net book value:	201,949	210,821
<u>Work in progress</u>		
<i>Deemed cost:</i>		
At 1 January	-	-
Additions	150,975	-
At 31 December	150,975	-
Net book value:	352,924	-

CIVIL AVIATION AUTHORITY OF FIJI
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
YEAR ENDED 31 DECEMBER 2017

10. CORRECTION OF AN ERROR

Property, plant and equipment ("PPE") are measured using the Revaluation Model outlined in IFRS (IAS 16). Valuations are performed with sufficient frequency to ensure that the carrying amount of a revalued asset does not differ materially from its fair value. IFRS (IAS 12) requires that an entity which uses the Revaluation Model to measure PPE should also recognise the eventual tax implications when the PPE is disposed. The Authority has not recorded deferred tax liability arising on previous revaluation of PPE. This has been corrected in these Financial Statement.

The error has been corrected by restating each of the affected financial statement line items for the prior periods, as follows:

	Previously Reported 2016 \$	Adjustments \$	Restated 2016 \$
Statement of Financial Position			
<u>Current Assets</u>	4,710,542	-	4,710,542
<u>Non-current Assets</u>			
Other non-current Assets	12,435,262	-	12,435,262
Deferred Tax Assets	572,586	(365,532)	207,054
Total Non-current Assets	13,007,848	(365,532)	12,642,316
Total Assets	17,718,390	(365,532)	17,352,858
<u>Current Liabilities</u>	822,053	-	822,053
<u>Non-current Liabilities</u>			
Deferred Tax Liabilities	-	-	-
Total Liabilities	822,053	-	822,053
<u>Equity</u>			
Reserves	4,658,596	(372,869)	4,285,727
Retained Earnings	12,237,741	7,337	12,245,078
Total Equity	16,896,337	(365,532)	16,530,805
Total Equity and Liabilities	17,718,390	(365,532)	17,352,858

11. Trade and other payables

Trade payables	86,488	157,098
Income in advance	426,375	421,890
Other payables	226,020	123,300
	738,883	702,288

12. Employee benefits

<i>Current</i>		
Employee leave entitlements	95,620	119,765
The employee leave entitlements is calculated as the leave balances at the end of the period multiplied by the employees pay at that time.		

13. Contingent liabilities

The Authority's contingent liabilities comprise of property insurance and for aircraft accident above existing cover.

CIVIL AVIATION AUTHORITY OF FIJI
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
YEAR ENDED 31 DECEMBER 2017

	2017	2016
	\$	\$
14. Expenditure commitments		
a)(i) Capital commitments:		
New Surveillance System	118,558	70,000
Website	-	100,000
	<u>118,558</u>	<u>170,000</u>
(ii) Future commitments in respect of operating lease are as follows:		
Within one year	5,727	5,727
After one year but not more than five years	22,908	22,908
More than five years	217,626	223,353
Minimum lease payments	<u>246,261</u>	<u>251,988</u>

15. Related parties**(a) Directors**

The directors in office at the date of this report were :

Mrs Lailun Khan (Chairperson)

Dr Joseph Veramu

Mr Craig W. Strong (up to 31 October 2017)

Mr Satish Naran Patel

Mr Pravish Punja

Board member allowances are disclosed under Note 2.2 (a).

(b) Transactions with related entities and key management personnel

Key management personnel comprises of Chief Executive, Controller Air Safety, Controller Ground Safety, Controller Aviation Safety and Facilitation and Manager Corporate Services.

Transactions with key management are no more favourable than those available, or which might be reasonably be expected to be available, on similar transactions to third parties at arm's length.

Key management compensation	2017	2016
	\$	\$
Remuneration	483,768	486,801
FNPF (Employer share 2016 -10%)	33,616	36,804
	<u>517,384</u>	<u>523,605</u>

16. Financial risk management objectives and policies**Financial risk factors**

The Authority's activities expose it to a variety of financial risks: market risk (including low returns on investments), credit risk, liquidity risk and cash flow interest rate risk. The Authority's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on its financial performance.

(a) Market risk**(i) Foreign exchange risk**

The Authority is exposed to foreign exchange risk arising from overseas specialised training payable in foreign currency.

(ii) Price risk

The Authority is not exposed to commodity price risk.

(iii) Cash flow and fair value interest rate risk

The Authority exposure is to the interest bearing term deposits. The interest rates are fixed over the term of the deposits and are reviewed on maturity.

CIVIL AVIATION AUTHORITY OF FIJI
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
YEAR ENDED 31 DECEMBER 2017

16. Financial risk management objectives and policies (Cont'd)**(b) Credit risk**

The Authority has no significant concentrations of credit risk. It has policies in place to ensure that sales are made to customers with an appropriate credit history. The Authority has policies that limit the amount of global credit exposure to any customer.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying business, the Authority aims to maintain flexibility in funding by keeping committed credit lines available.

The Authority monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial investments and financial assets (e.g. accounts receivables, other financial assets) and projected cash flows from operations.

The table below summarises the maturity profile of the Authority's financial liabilities at 31 December 2017 based on contractual undiscounted payments.

Year ended 31 December 2017	On demand	Less than a yr	> 5 years	Total
		\$	\$	\$
Trade and other payables	-	738,883	-	738,883
Year ended 31 December 2016	On demand	Less than a yr	> 5 years	Total
		\$	\$	\$
Trade and other payables	-	702,288	-	702,288

Capital Management

The primary objective of the Authority's capital management is to ensure that it maintains a strong credit rating and a healthy capital ratio in order to support its business and maximise shareholder value.

The Authority manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Authority may adjust the dividend payment to shareholders. No changes were made in the objectives, policies or processes during the year 31 December 2017.

The Authority monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Authority includes within net debt, trade and other payables less cash and cash equivalents. Capital includes equity attributable to equity holders less the net unrealised gains reserve.

	2017	2016
	\$	\$
Trade and other payables	738,883	702,288
Less cash and short term deposits	<u>(748,130)</u>	<u>(1,604,080)</u>
Net debt	(9,247)	(901,792)
Equity	<u>19,321,289</u>	<u>16,530,805</u>
Total capital	19,321,289	16,530,805
Capital and net debt	<u>19,312,042</u>	<u>15,629,013</u>
Gearing ratio	-0.05%	-5.77%

CIVIL AVIATION AUTHORITY OF FIJI
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)
YEAR ENDED 31 DECEMBER 2017

17. Financial Instruments

Set out below is a comparison by category of carrying amounts and fair values of all of the Authority's financial instrument that are carried on the financial statements.

	Fair value	
<i>Financial assets</i>		
Cash and cash equivalents	748,130	1,604,080
Available-for-sale investments	8,814,404	7,608,222
Trade and other receivables	<u>146,248</u>	<u>75,777</u>
<i>Financial liabilities</i>		
Trade and other payables	<u>738,883</u>	<u>702,288</u>

Market values have been used to determine the fair value of available-for-sale financial assets. The Authority does not have any borrowings or loan notes.

18. Revaluation reserve

The Authority engaged an independent valuer Professional Valuations Limited on 13th January 2017 to value land, buildings, motor vehicles, furniture fittings and equipment. The revaluation figures have been incorporated into the financial statements for the year.

19. Registered Office

Civil Aviation Authority of Fiji is domiciled in Fiji, the registered office and principal place of operation is located at:

Civil Aviation Authority of Fiji
AFL Compound
Namaka
Nadi Airport

CIVIL AVIATION AUTHORITY OF FIJI
DETAILED STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 31 DECEMBER 2017

	2017	2016
	\$	\$
Income		
Airworthiness fees	442,904	433,150
Pilots/engineers license/airport license fees	854,162	735,287
Government grant	593,907	711,898
Departure Tax	3,589,312	3,525,234
Rental from agricultural lease	1,462	1,462
	<u>5,481,747</u>	<u>5,407,031</u>
Other operating income	514,640	379,679
Total income	5,996,387	5,786,710
Expenses		
Auditors remuneration	9,228	10,000
Amortisation of software license	25,607	32,505
Annual leave & gratuity	275,033	227,617
Board member allowances	50,550	80,558
Dividend Tax - Transitional 1%	-	17,420
Consultancy	498,630	160,258
Depreciation	306,209	324,639
Insurance	501,524	494,903
Loss on disposal of property, plant and equipment	23,959	-
Salaries and wages	2,616,067	2,699,364
Staff training	455,472	318,424
Travel	235,065	326,552
Utilities and supplies	750,193	680,693
Repairs and maintenance	30,608	39,151
	<u>5,778,145</u>	<u>5,412,084</u>
Total expenses	5,778,145	5,412,084
Profit before income tax	<u>218,242</u>	<u>374,626</u>

AAITF	Aeronautical Information Management Implementation Task Force
AFL	Airports Fiji Limited
AFTL	Aeronautical Facility Technicians Licence
AGA	Aerodromes and Ground Aids
AIC	Aeronautical Information Circular
AIM	Aeronautical Information Management
AIP	Aeronautical Information Publication
AIR	Airworthiness of Aircraft
AIS	Aeronautical Information Service
AISP	Aeronautical Information Service Provider
AMA	Approved Medical Authority
AME	Approved Medical Examiner
AMHS	Automatic Message Handling System
AMSP	Aviation Meteorology Service Provider
ANR	Air Navigation Regulations
ANS	Air Navigation Service
ANSP	Air Navigation Service Provider
AO	Airworthiness Officer
AOC	Air Operator Certificate
ODC	Air Operator's Certificate of Competency
AOC	Airline Operational Communication
AOCP	Aircraft Operator Contingency Plan
APANPIRG	Asia/Pacific Air Navigation Planning and Implementation Regional Group
APRAST	Asia Pacific Regional Aviation Safety Team
AQD	Aviation Quality database
ASA	Air Service Agreement
ASBU	Aviation System Block Upgrade
ASC	Airport Security Committee
ASD	Air Safety Department
ASFD	Aviation Security Facilitation Department
ASFI	Aviation Security Facilitation Inspector
ASIAC	Aviation Security Instructors Approval Certificate
ASO	Aeronautical Station Operator
ASOL	Aeronautical Station Operators Licence
ASP	Airline Security Programme
ASP	Airport Security Programme
ASQCAC	Aviation Security Quality Control Approval Certificate
ASSC	Aviation Security Screening Certificate
ASSO	Aviation Security Service Organisation
ASSOC	Aviation Security Service Organisation Certificate
ASSOE	Aviation Security Service Organisation Exposition
ASTP	Aviation Security Training Package
ATC	Air Traffic Control
ATCL	Air Traffic Controllers Licence
ATCO	Air Traffic Control Officer
ATIC	Aviation Training Institute Certificate
ATIS	Automatic Terminal Information Services
ATLB	Air transport Licensing Board
ATM	Air traffic Management
ATMC	Air Traffic Management Centre
ATMI	Air Traffic Management Inspector
ATN	Aeronautical Telecommunications Network
ATPL	Airline Transport Pilot
ATS	Air Traffic Services

ATSP	Air Traffic Service Provider
AVSEC	Aviation Security
CAA	Civil Aviation Authority
CAAF	Civil Aviation Authority Fiji
CAEP	Committee for the Protection of the Environment
CAP	Corrective Action Plan
CAPEX	Capital Expenditure
CAPT	Captain
CAS	Controller of Air Safety
CASA	Civil Aviation Authority of Australia
CASF	Controller Aviation Security and Facilitation
CBDR	Common But Differentiated Responsibilities
CBS	Cabin Baggage Screening
CBT	Computer-based training
CC or CCL	Compliance Checklist
CDA	Current Data Activity
CDI	Course Deviation Indicator
CDM	Clean Development Mechanism
CDP	Climb-Descend Procedure
CE	Critical Element
CE (CAAF)	Chief Executive
CFIT	Controlled Flight into Terrain
CGS	Controller Ground Safety
CLE	Continuous Legal Education
CMA	Continuous Monitoring Approach
CMO	Continuous Monitoring and Oversight Section
CMP	Crisis Management Plan
CNG	Carbon Neutral Growth
CNS/ATM	Communication Navigation Surveillance / Air Traffic Management
CONOPS	Concept of Operations
COPS	Controller Operations – AFL ATM
CORSIA	Carbon Offsetting Scheme for International Aviation
CP	Chief Pilot
CPDLC	Controller Pilot Datalink Communication
CPI	Consumer Price Index
CPL	Commercial Pilot Licence
CRA	Central Reporting Agency
CRVTF	Common Regional Virtual Private Network Task Force
CSA	Comprehensive Systems Approach
CSP	Catering Service Provider
CSPAC	Catering Service Provider Approval Certificate
CTA	Control Area
CTR	Control Zone
DD/SMM	Deputy Director of Safety Management and Monitoring
DDPG	Dispatch Deviation Planning Guide
DGAC NC	Directorate General Aviation Civile, New Caledonia
DGCA	Director Generals of Civil Aviation
DHCP	Domain Host Configuration Protocols
DME	Distance Measuring Equipment
DNS	Domain Name Server
EA	Executive Assistant
EAG	Environment Advisory Group
EAP	Environment Action Plan
e – ANP	Regional Air Navigation Plan

ECCAIRS	European Co-ordination Centre for Aviation Incident Reporting System
EFB	Electronic Flight Bag
EFIS	Electronic Flight Information System
EFOD	Electronic Filing of Differences (ICAO)
EGPWS	Enhanced Ground Proximity Warning System
EI	Effective Implementation (ICAO)
EMI	Electrical/ Mechanical Inspector
EPM	Emergency Procedures Manual
ERP	Employment Relations Promulgation
EUC	Emission Units Criteria
Exec	Executives – CE, CAS, CGS, CASF, MCS
F&R	Finding and Recommendation
FAA	Federal Aviation Administration (America)
FAFP	Fiji ATPL Flight Planning
FAHF	Fiji ATPL Human Factors
FAMT	Fiji ATPL Meteorology
FANS	Future Air Navigation Systems
FANV	Fiji ATPL Navigation
FAPA	Fiji ATPL Performance and Loading
FAS	Fiji Accounting Standards
FASA	Fiji ATPL Aerodynamics and Systems
FBEA	Fiji Business Excellence Awards
FCAIR	Fiji Confidential Aviation Incident Report
FCFA	Fiji CPL Flight Planning
FCHF	Fiji CPL Human Factors
FCMT	Fiji CPL Meteorology
FCNV	Fiji CPL Navigation
FCAS	Fiji CPL Aerodynamics and Systems
FD	Filing of Differences
FEA	Fiji Electricity Authority
FFS	Full Flight Simulator
FIR	Flight Information Region
FIS	Flight Information Service
FISO	Flight Information Service Officer
FISOL	Flight Information Service Officers Licence
FIT	FANS Interoperability Team
FMS	Flight Management System
FMS	Fiji Meteorology Service
FNPF	Fiji National Provident Fund
FNU	Fiji National University
FO	First Officer
FOD	Foreign Object Damage (or Debris)
FOI	Flight Operations Inspector
FPL	Filed Flight Plan
FSO	Flight Safety Officer
FSU	Flight Service Unit
GADSS	Global Aeronautical Distress and Safety Plan
GANP	Global Air Navigation Plan
GASPP	Global Aviation Safety Plan
GCAAT	Grant Claim Audit Team
GDP	Gross Domestic Product
GHG	Green House Gases
GASecP	Global Aviation Security Plan
GHSP	Ground Handling Service Provider
GHSPC	Ground Handling Service Provider Certificate
GHSPSP	Ground Handling Service Provider Security Programme
GLADS	Global Aviation Dialogues
GMBM	Global Market Based Measure

GNI	Gross National Income
GNSS	Global Navigation Satellite Systems
GPS	Global Positioning System
GPWS	Ground Proximity Warning System
GSD	Ground Safety Department
HBS	Hold Baggage Screening
HF	High Frequency
HHMD	Hand Held Metal Detector
HLG	High Level Group
HLM-ENV	High Level Meeting on the Environment
HLSC	High Level Safety Conference
HLSs	Helicopter Landing Sites
HQ	Headquarters
HR	Human Resources
HRO	Human Resource Officer
HSC	Higher Salaries Commission
HIS	Horizontal Situation Indicator
IASA	International Aviation Safety Assessment Program
IATA	International Air Transport Association
ICAO	International Civil Aviation Organisation
ICT	Information Communication Technology
ICVM ICAO	Coordinated Validation Mission
IFALPA	International Federation of Airline Pilots' Association
IFATCA	International Federation of Air Traffic Controllers
IFISO	International Flight Information Service Officer
IFR	Instrument Flight Rules
IFRS	International Financial Reporting Standards
IIC	Investigator In Charge
ILS	Instrument Landing System
IMC	Instrument Meteorological Conditions
IMF	International Monetary Fund
IP	Information Paper
IREX	Instrument Rating System
ISO	International Standards Organisation
ISPACG	Informal South Pacific ATS Coordinating Group
ISTARS	International Safety Trend Analysis and Reporting System
IT	Information Technology
ITP	In-Trial Procedure
JAR	Joint Aviation Requirement
JAR-FCL	Joint Aviation Requirements – Flight Crew Licensing
JAR-TSO	Joint Aviation Requirement – Technical Service Orders
JCAB	Civil Aviation Bureau Japan
KPI's	Key Performance Indicators
KRA's	Key Result Areas
KSDD	Key Service Delivery Drivers
LAME	Licensed Aircraft Maintenance Engineer
LEG	Primary Aviation Legislation and Civil Aviation Regulations
LEI	Lack of Effective Implementation
LEM	Legal Enforcement Manager
LMCC	Labour Management Consultative Committee
LO	Licensing Officer
LOC	Loss of Control
LPOC	Last Port of Call

LSA	Lower Safe Altitude	OPs	Aircraft Operations	SARPS	Standards and Recommended Practices	VSI	Vertical Speed Indicator
MATS	Manual of air Traffic Services	OPS	Manual – Operations Manual	SATCOM	Satellite Communication	VSP	Variable System Parameters
MCS	Manager Corporate Services	ORG	Civil Aviation Organisation	SCP	Singapore Cooperation Programme	WCO	World Customs Organisation
MEL	Minimum Equipment List	PABX	Private Automatic Branch Exchange	SD	Standards Documents	WP	Working Papers
MET	Meteorological Services	PANS	Procedures for Air Navigation Services	SESAR	Single European Sky ATM Research or Europe Programme of Airspace & ATM		
MFTD	Maintenance Flight Training Device	PASO	Pacific Area Safety Office	SFOI	Senior Flight Operations Inspector		
MIR	Mandatory Information Request	PBN	Performance Based Navigation	SID	Standard Instrument Departure		
MOA	Memorandum of Agreement	PBNICG	Performance Based Navigation Implementation Coordination Group	SIPS	State Implementation Programme		
MOR	Mandatory Occurrence Report	PECCAT	Ministry of Public Enterprises, Communication, Civil Aviation and Tourism	SIS	Small Island States		
MORI	Manual of Occurrence Reporting & Investigations	PEL	Personnel Licensing	SLOP	Strategic lateral-offset procedure		
MOU	Memorandum of Understanding	PIASA	Pacific Islands Air Services Agreement	SME	Subject Matter Expert		
MOWP	Method of work Plan	PIC	Pilot in Command	SMS	Safety Management Systems		
MPE & PSR	Ministry of Public Enterprise and Public Sector Reform	PICASST	Pacific Islands Civil Aviation Safety and Security Treaty	SMTP	Simple Mail Transfer Protocol		
MPL	Multi-crew Pilot Licence	PIF	Pacific Island Forum	SO	Second Officer		
MQR	Minimum Qualifications Requirements	PIRGS	Planning Implementation Regional Groups	SOTS	Station Officer Training and Standards		
MRD	Minimum Requirement Document	PKP	Passenger Kilometre Performed	SRR	Search and Rescue Region		
MRV	Monitoring Reporting Verification	PLACI	Preloading Advance Cargo Information	SSC	Significant Safety Concern		
MSA	Minimum Safe Altitude/Minimum Sector Altitude	PMS	Performance Management System	SSEC	Significant Security Concern		
MMSG	Melanesian Spearhead Group	PPAM	Personnel Policies and Administration Manual	SSP	State Safety Programme		
MTCA	Ministry of Transport and Civil Aviation	PPL	Private Pilot Licence	STAR	Standard Terminal Arrival Route		
N/A	Not applicable in relation to implementation status	PQ	Protocol Question	STP	Standardized Training Packages		
NATFC	National Air Transport and Facilitation Committee	QAM	Quality Assurance Manager	SUAS-AG	Small UAS Advisory Group		
NATFP	National Air Transport Facilitation Programme	QMS	Quality Management System	SURICG	Surveillance Implementation Coordination Centre		
NCAMP	National Civil Aviation Master Plan	RA	Resolution Advisory	SVFR	Special Visual Flight Rules		
NCASC	National Civil Aviation Security Committee	RA	Regulated Agent	SWIM	System Wide Information Management		
NCASP	National Civil Aviation Security Programme	RAC	Regulated Agent Certificate	TA	Traffic Advisory		
NCASQCP	National Civil Aviation Security Quality Control Programme	RASP	Regulated Agent Security Programme	TCAS	Traffic Collision Avoidance System		
NCASTP	National Civil Aviation Security Training Programme	RCC	Rescue Coordination Centre	TCB	Technical Cooperation Bureau		
NCLB	No Country Left Behind	RE	Runway Excursion	TCDS	Type Certificate Data Sheet		
NCMC	National Continuous Monitoring Coordinator	REI	Radio Engineering Inspector	TDDS	Terminal Data Distribution System		
NDB	Non-directional Beacon	RESA	Runway End safety Area	TF	Task Force		
NexGen	Next Generation	RI	Runway Incursion	TM	Traffic management		
NM	Nautical Mile	RFSI	Rescue Fire Service Inspector	TMU	Traffic Management Unit		
NOF	NOTAM Office	RNAV	Area Navigation	TNA	Training Needs Analysis		
Non-MBM	Non- Market Based Measure	RNO	Resumed Normal Operations	TOR	Terms of Reference		
NORDO	Non Radio Equipped	RNP	Required Navigation Performance	TORS	Technical Officer (Records and Standards)		
NOTAM	Notice to Airmen	RNP-AR	Required Navigation Performance – Approval Required	TPAF	Training and Productivity Authority of Fiji		
NPF	National Planning Framework for Air Navigation Systems	RO	Regional Office	TRIP	Traveler Identification Programme		
NTPC	National Training & Productivity Centre	ROC	RPAS Operator Certificate	TSA	Transportation Security Administration		
NZCAA	New Zealand Civil Aviation Authority	RP	Remote Pilot	TWAS	Terrain Warning Avoidance System		
NZCAR	New Zealand Civil Aviation Rules	RPA	Remotely Piloted Aircraft	UA	Unmanned Aircraft		
OAG	Office of the Auditor General of Fiji	RPAS	Remotely Piloted Aircraft System	UA	Upper Airspace		
OC	Operation Certificate	RPS	Remote Pilot Station	UAS	Unmanned Aircraft System		
OCA	Oceanic Control or Oceanic Control Area	RSC	Rescue Sub Centre	UAV	Unmanned Aerial Vehicle		
OCS	Oceanic Control System	RSOO	Regional Safety Oversight Organisation	UM	Uplink Message		
OEM	Original Equipment Manufacturer	RTF	Radio Telephony	UMSS	Unified Message Switching System		
OHS	Occupational Health and Safety	RTK	Revenue Tonnes Kilometre	UNFCCC	United Nations Framework Convention on Climate Change		
OHT	Operator Taskforce Harmonisation	RVR	Runway Visual Range	UPR	User Preferred Route		
OJT	On the Job Training	RVSM	Reduced Vertical Separation Minima	UPRT	Upset Prevention and Recovery Training		
OJTI	On the Job Training Instructor	S	Satisfactory in relation to Implementation status	US	Unsatisfactory in relation to implementation status		
OLF	On-line Framework	SAA	Singapore Aviation Academy	USAP	Universal Security Audit Programme		
OLS	Obstacle Limitation/Landing Surface	SAAQ	State Aviation Activity Questionnaire	USOAP	Universal Safety Oversight Audit Programme		
		SAO	Senior Airworthiness Officer	UTC	Universal Coordinated Time		
		SAR	Search and Rescue	UTOF	Unit Trust of Fiji		
		SAREX	Search and Rescue Exercise	VVPN	Virtual Private Network		



There are over 200 drones registered with CAAF. Operation near an aerodrome is restricted and guidelines are available from CAAF

