



**FIJIAN  
HOLDINGS  
LIMITED**

**FIJIAN HOLDINGS  
ANNUAL REPORT 2015**



## ABOUT FIJIAN HOLDINGS LIMITED

FHL shareholders include provincial councils, the iTaukei Land Trust Board, the iTaukei Affairs Board, tikina and village groups, iTaukei co-operatives, individual iTaukei's and family companies. Its investments give the iTaukei significant shareholding in major companies thus helping to achieve the national objective of bringing the iTaukei's fully into the mainstream of Fiji's economy.

Fijian Holdings has also broadened the scope of its training program wherein young iTaukei's are prepared and groomed for business utilizing the resources of its associates and subsidiary companies.

## NA FIJIAN HOLDINGS LIMITED

O ira na nai taukei ni sea ena FHL era wili kina na kabana na Matabose ni Qele Maroroi, na vei yasana, na Matabose ni Veika Vakaitaukei, na i Soqosoqo Cokovata ni Veivolli ka nodra na itaukei, Taukei yadudua kei ira na kabana taukeni vakuvuale. Na nona vakacuru i lavo kei na voli sea na Fijian Holdings Limited ena vei kabana lelevu eso, e a mai rawa kina na i naki raraba ni kena vakayaryarataki na nodra vakaitavi na iTaukei ena bula vakabisinisi kei na bula vakailavo e Viti.

E sa vakarabailevutaka tale ga na nona yavu ni veiqaravi me baleta na nodra vakavulici ka vakarautaki na gone iTaukei ena cicivaki ni bisinisi ka sa vakayagataki kina na iyau ni kabana e taukena ka cicivaka tiko na Fijian Holdings Limited.

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## HISTORY OF FIJIAN HOLDINGS LIMITED TAUYAVUTAKI NI KABANI

Fijian Holdings Limited was established in 1984 to fulfill the objectives of the Leaders of the iTaukei people of Fiji, creating an entity that meaningfully represented iTaukei in the business sector and ensured their meaningful participation in the Fijian economy.

### FHL Group Core Values

- Integrity in our dealings
- Innovative in our solutions
- Progressive in our culture
- Play together to win
- Grow our people

### FHL Group Core Purpose

“To accelerate the participation of iTaukei in the commercial sector and in doing so, enhance their socio-economic standing”

### FHL Group Vision

“To be the most innovative investment Group in the South Pacific”

### Mission Statement

The FHL Group is committed to the achievements of its mission statement as set out below:

- We will create sustainable and consistent value for our shareholders & stakeholders.
- We will strive to lead in all our chosen areas of business through creativity, innovation, passion and by putting our customers first at all times.
- We will maintain the highest standards of professional integrity, diligence, responsibility and care in carrying out all aspects of our business.
- We will actively promote the growth & development of our people to excel in business and fulfil their purpose in life.

E a tauyavu ena 1984, ena vuku ni nodra gagadre na Turaga Bale kei Viti kei ira na lewenivanua iTaukei me vakatolotaki na nodra vakaitavi ena bula raraba vakailavo ni vanua ko Viti.

### Na Uto ni Vakabauta ni Kabani

- Dina ena neitou veiqaravi
- Wali ni leqa ena vakasama ni veisau vou
- Me toso tiko ga na itovo ni neitou veiqaravi
- Cakacaka vata me da qaqa
- Me tarai cake nai vakatagedegede ni rawa ka ni neitou tamata cakacaka

### Na Yavutu ni Kabani

Me vakusakusataka na nodra vakaitavitaki na i iTaukei ena cicivaki bisinisi, vakadeitaka kina nodra bula vakavanua, vakabisinisi

### Na Rai Ki Liu Ni FHL

“Me dau vakatubu i lavo levu taudua ena Pasifika”

### Yalayala Me Vakavutukanataki

Sa tu vakarau na Kabani Cokovata me tutaka na kena laurai na vatukana ni nona yalayala e naa vola i qo e ra:

- Keitou bulia ka cakacakataka na veika keitou vakavulica ena kabani me baleti ira na i taukei ni sea kei ira era vakaitavi kina.
- Keitou na sasaga me tadolavi yani na vanua ni vakatubu bisinisi ena neitou vakaliuci ira keitou qaravi ira, ni tu vei keitou na kila ni veiqaravi, na vakasama titobu, na Loloma kei na gadrevi ni veisau.
- Keitou na maroroya ka bulataka na i tovo cecere ni veiqaravi ka kena yavu na dina, cakacaka vakadodonu kei na tuvaki, qaravi vinaka ni tavi ni veiqaravi.
- Keitou na tutaka vakaukauwa na nodra tuberi cake kei na nodra vakavulici na i Taukei me ra daunibisinisi vinaka ka tamusuki na vua ni nodra bula.

## THE YEAR IN REVIEW NA RAICI LESU NI YABAKI VAKAILAVO

This report provides our shareholders with highlights of the 2015 financial year. The year in review not only highlights our financial performance but also the market announcements made regarding significant activities that contributed to our positive results:

### August 2014

- FHL announces the appointment of Mr. Isikeli Tuituku and Mr. Viliame Cegumalua to replace Mr. Ulaiyasi Baya and Ratu Samuela Nawalowalo as representatives of B Class Shareholders.
- RB Patel Group Ltd announces a final interim dividend of 10 cents per share to be paid on 2nd September 2014. This will bring the total dividend paid for the year to 14 cents per share.
- RB Patel Group Ltd releases audited full-year financial statements for the year ended 30th June 2014.
- RB Patel Group Ltd releases their Annual Report for the 2014 financial year.
- The announcement of the date and agenda for the annual general meeting for RB Patel Group Ltd is made.
- Fiji Television Ltd releases its audited financial statements for the year ended 30th June 2014.

### September 2014

- FHL announces the resignation of Deputy Chairman, Colonel Apakuki Kurusiga from the Board.
- FHL announces its audited financial statements for the financial year ending 30th June 2014 whereby the Group consolidated income reached FJ\$272million reflecting a growth of 21% and pre-tax profit amounted \$23.60million.
- Vinod Patel becomes FHL's strategic partner with Pacific Cement Ltd (PCL) after South Pacific Cement Ltd sold their 47% shareholding to Vinod Patel group. Following this change, PCL will be owned by FHL (51%) and Vinod Patel Group (47%) with the remaining 2% to other shareholders.
- The announcement of the date and agenda for the 29th annual general meeting for Fijian Holdings Limited is made.
- FHL releases its Annual Report for the 2014 financial year.
- Fijian Holdings Limited's Group Award Night was held at the Vodafone Arena with more than 1,000 guests were from FHL subsidiary companies accompanied by their spouses.

### October 2014

- FHL announces the increase in dividend payout to FHL shareholders final interim dividend for the year ended 30th June 2014, with the total dividend declared of FJ \$3.351 million. Total annual dividend rate paid to FHL shareholders for FY14 was \$0.11 per A-Class share and \$0.11 per B-Class share respectively, with dividend paid out on 31st October 2014.
- FHL announces the Chairman's Address and resolutions passed during the Annual General Meeting.
- RB Patel Group Ltd announces the Chairman's Address and resolutions passed during Annual General Meeting.
- Fiji Television Ltd announces the appointment of Mr. Iowane Naiveli and Mr. Deepak Rathod as directors to the board.
- Fiji Television Ltd announces the Chairman's Address and resolutions passed during the Annual General Meeting.

### November 2014

- FHL announces a strategic partnership with Pernix Group Limited, a US-based company specialising in construction and power infrastructure with integrated engineering capability. FHL acquires a 25% shareholding of Pernix (Fiji) Ltd at approximately FJ\$4.5m.

### December 2014

- FHL announces the resignation of Mr. Padam Lala as a director of the FHL Board and other FHL Subsidiary Boards.

- Fiji Television Ltd announces changes to its key management positions.
- SPSE Trading remained active partly because of the execution of the second bi-annual dividend re-investment trades for FHL.

### January 2015

- RB Patel Group Ltd announces the resignation of Mr. Padam Raj Lala as Chairman and director of the Board and the appointment of Mr. Iowane Naiveli as the Chairman of the Board.
- RB Patel Group Ltd releases its financial statements for half year ended 31st December 2014 and declares an Interim Dividend of 4 cents per share to be paid on 25th February 2015.

### February 2015

- FHL announces the appointment of Kelepi Rakabikabi as company secretary to replace outgoing company secretary Elenoa Lalabalavu who has been promoted as Deputy General Manager FHL Fund Management Limited.
- FHL announces 2% growth in consolidated revenue for the first six months ending 31st December 2014, with a 117% pre-tax profit growth. Also, FHL announces the financials were subject to an audit review by auditors, KPMG. A first time for a listed company to release its half yearly financial with a review opinion.
- FHL confirms that Life Cinema Ltd, a group company, commenced operation in late December 2014.
- Fiji Television signs sale and purchase agreement with Telikom PNG Ltd for the sale of 100% of Media Nuigini Ltd for PNG Kina 27 million.

### March 2015

- FHL increases Interim Dividend to \$3.351 million as an interim dividend based on the group performance for the six months ending 31st December 2014 compared to \$3.046 million the same period last year. There were more than 1,300 shareholders of FHL who received their dividend on 30th April 2014. The dividend payment of 11 cents per share was the same for A Class shareholders as well as B Class shareholders.
- RB Patel Group Ltd confirms that there was a fire at JetPoint Complex in Martintar, Nadi.
- Fiji Television Ltd announces the appointment of Colonel Apakuki Kurusiga as Chairman of the Board.
- Fiji Television Ltd announces the resolutions passed during the Extraordinary General Meeting.

### April 2015

- FHL organises fitness program for staff to keep well and healthy.
- FHL organises a blood drive for group companies.
- Fiji Television Ltd secures the Floyd Mayweather vs. Manny Pacquiao fight.

### May 2015

- FHL Group Staff and families participate in FHL Group Sports Day held at Suva Grammar Grounds. Total attendance was approximately 2,200.
- Fiji Television Ltd announces partnership with Digicel Fiji as one of the broadcast sponsors for the 2015 Rugby World Cup.

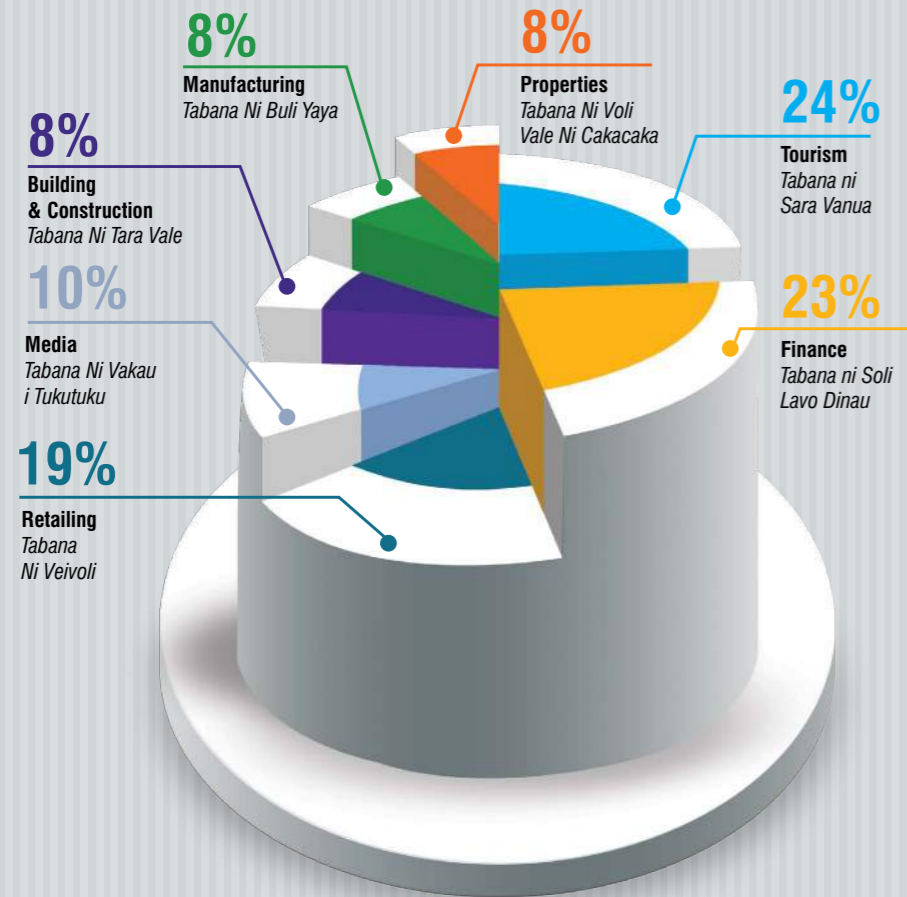
### June 2015

- Fiji Television Ltd announces that its existing television broadcast licence was extended by the Minister of Communication for a further 12 years with effect from 1st July 2015.

## FINANCIAL HIGHLIGHTS USUTU NI RAWA KA

FHL Investment Portfolio by Sector  
*Veitabana ni Vakatabuilavo nei FHL*

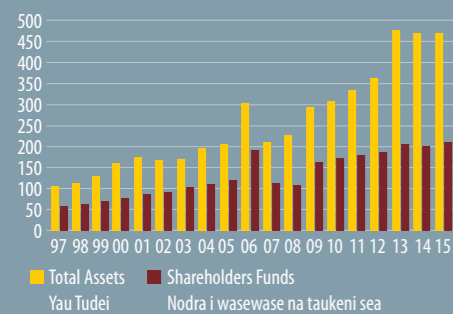
Tourism	55,500,000	24.0%
Finance	52,116,750	22.5%
Retailing	43,645,020	18.9%
Media	24,000,000	10.4%
Building & Construction	18,266,042	7.9%
Manufacturing	19,065,058	8.2%
Properties	18,651,130	8.1%
	<b>231,244,000</b>	<b>100.0%</b>



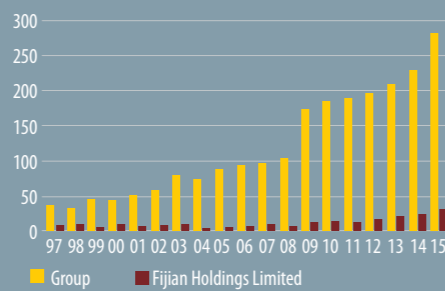
## PERFORMANCE HIGHLIGHTS USUTU NI CICIVAKI BISINISI

YEAR END 30 JUNE	HOLDING COMPANY			GROUP		
	2015	2014	Change %	2015	2014 -Restated	Change %
<b>Operating Results Na Rawa Ka ena Cicivaki Bisinisi</b>						
Operating Revenue (\$, '000)	26,465	17,646	50%	271,634	245,740	11%
EBITDA (\$, '000)	14,669	12,734	15%	35,913	31,475	14%
EBIT (\$, '000)	14,485	12,542	15%	24,126	21,776	11%
NPBT (\$, '000)	12,328	10,893	13%	20,552	18,297	12%
NPAT (\$, '000)	12,921	9,739	33%	17,449	14,398	21%
<b>Operating Ratios Dusidusi ni Cicivaki Bisinisi</b>						
EBIT / Total Revenue [%]	55%	71%	-16%	9%	9%	0.0%
EBITDA / Total Revenue [%]	55%	72%	-17%	13%	13%	0.4%
NPAT / Total Revenue [%]	49%	55%	-6%	6%	6%	0.6%
<b>Financial Position Tutu Vakailavo</b>						
Total Assets (\$, '000)	257,896	240,757	7%	459,289	458,864	0%
Total Liabilities (\$, '000)	68,143	71,122	-4%	255,155	258,734	-1%
<b>Financial Position Ratios Dusidusi ni Tutu Vakailavo</b>						
Gearing [%] (Total Liabilities / Total Assets)	26%	30%	-11%	56%	56%	-1%
Net Debt to Equity [%]	36%	42%	-14%	125%	129%	-3%
EBIT interest cover [times]	9.3	4.5	107%	3.6	3.0	22%
<b>Cash Flows Lavo Qaga</b>						
Net cash from operating (\$, '000)	13,376	16,926	-21%	14,183	37,111	-62%
Purchases of Investments (\$, '000)	3,764	7,002	-46%	3,944	7,873	-50%
<b>Shares Sea ni Kabani</b>						
Earnings per share (EPS) [CENTS]	42	32	33%	35	27	30%
Dividends per share [CENTS]	22	21	5%	22	21	5%
<b>Key Measures Dusidusi Namaki</b>						
Return on Net Assets [%]	6.8%	5.7%	1%	8.5%	7.2%	1%

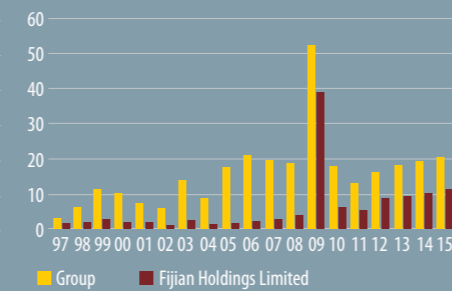
Total Group Assets and Shareholders Funds (\$M)  
*Yau Tudei kei na Nodra i Wasewase na Taukeni Sea (\$Milioni)*



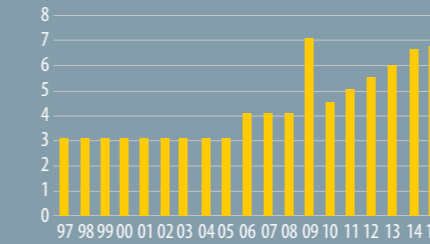
Operating Revenue Lavo e rawa ena volivolitaki (\$M)



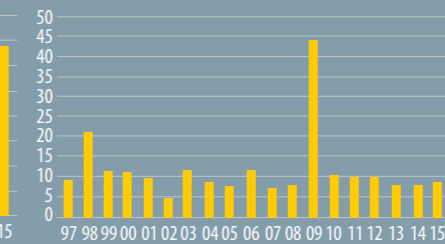
Profit Before Tax (\$M)  
*Tubu ni kabani ni sebera ni musuki nai vakacavacava kei na veika sega ni namaki*



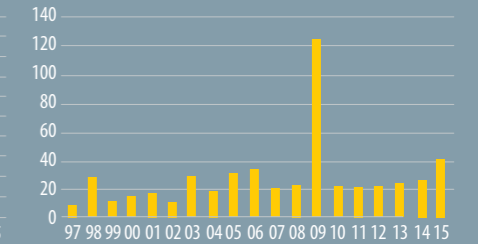
Dividend Payments Tubu ni lavo e wasei (\$M)



FHL Return on Investment Tubu ni lavo e rawa (% - at cost)



FHL Earnings per Share (cents)



**FIJIAN HOLDINGS LIMITED TOP 30 SHAREHOLDERS**  
**NAI MATAI NI 30 NI TAUKEI**  
**NI SEA LEVU TAUDUA**

Top 30 Shareholders Report 30 June 2015

Security: FHL FIJIAN HOLDINGS LIMITED		
Share Class: "B" Class Ordinary Shares		
Shareholder Name	No. Of Shares Total	% Holdings
I TAUKEI TRUST FUND BOARD	10,000,000	50.00
I TAUKEI AFFAIRS BOARD	10,000,000	50.00
TOTAL	20,000,000	100.00

Security: FHL FIJIAN HOLDINGS LIMITED		
Share Class: "A" Class Ordinary Shares		
Shareholder Name	No. Of Shares Total	% Holdings
ITAUKEI LAND TRUST BOARD	859,666	8.21
ITAUKEI AFFAIRS BOARD	760,977	7.27
CICIA PLANTATION CO-OPERATIVE SOCIETY LTD	400,000	3.82
CAKAUDROVE PROVINCIAL HOLDINGS COMPANY LIMITED	400,000	3.82
RATU SIR K MARA EDUCATION TRUST FUND	300,000	2.87
TAILEVU DAIRY FARMERS CO-OP	300,000	2.87
MACUATA PROVINCIAL COUNCIL	203,614	1.95
MAVANA INVESTMENT LTD	200,000	1.91
MUALEVU TIKINA HOLDINGS LTD	200,000	1.91
VANUA KO LOVONI INVESTMENT LTD	179,805	1.72
DUAVATA HOLDINGS LTD	141,000	1.35
BUA PROVINCIAL COUNCIL	137,102	1.31
MUALEVU KORO INVESTMENT LTD	108,754	1.04
MOALA TIKINA COUNCIL	101,005	0.97
SAKIUSA & ANASEINI RAIVOCE	100,000	0.96
NABUKEBUKE HOLDINGS LTD	100,000	0.96
MUNIA HOLDINGS LTD	100,000	0.96
KIRI VEREWALE RICHMOND	100,000	0.96
LOMATI VILLAGE INVESTMENT LTD	100,000	0.96
NAQARANI HOLDINGS LTD	100,000	0.96
DOGOTUKI TIKINA COUNCIL	100,000	0.96
NASOQAO FARMING ENTERPRISES LTD	100,000	0.96
VATULELE ISLAND HOLDINGS LTD	97,990	0.94
SERUA PROVINCIAL COUNCIL	97,102	0.93
REWA PROVINCIAL COUNCIL	93,601	0.89
VUKICEA INVESTMENTS LTD	90,000	0.86
KADAVU PROVINCIAL COUNCIL	85,126	0.81
MATAQALI NATABUTALE	84,743	0.81
<b>TOTAL</b>	<b>5,640,485</b>	<b>53.90</b>

**CORPORATE GOVERNANCE STATEMENT**  
**TUKUTUKU NI KENA CICIVAKI NA KABANI**



Fijian Holdings Limited supports the Reserve Bank of Fiji's Corporate Governance Code for Capital Markets. We are committed to delivering best practice in corporate governance and transparency in reporting. During the reporting period, Fijian Holdings Limited has been compliant with all RBF guidelines.

**Principle 1**

**Establish clear Responsibilities for Board Oversight**

*Board of Directors*

The FHL Board is responsible for the overall corporate governance of the Company. The Board Charter sets out the following objectives of the Board:

- To provide strategic guidance for the Company and effective oversight of management.
- To optimise Company performance and shareholder value within a framework of appropriate risk assessment and management.
- To recognise the Company's legal and other obligations to all legitimate stakeholders.
- The Board Charter specifies the Board's responsibilities towards the achievement of these objectives as being:
- Oversight of the Company, including its control and accountability systems.
- Appointment and removal of the Group Chief Executive in line with Company Articles and Memorandum of Association and approving his/her terms of engagement.
- Ratifying the appointment of members of FHL's Senior Management Team, approving their terms of engagement.
- Providing input into the final approval of the corporate strategy and performance objectives, and monitoring performance against those plans.
- Reviewing, ratifying and monitoring systems of risk management and internal control, codes of conduct and legal compliances.
- Protecting the Company's financial position and its ability to meet debts and other obligations as they fall due.
- Ensuring that the Company's accounts comply with the relevant accounting standards and present a true and fair view.

The Board has delegated the responsibility of operating and administering to the Group Chief Executive, who is accountable to the Board for the performance of these duties.

**Principle 2**

**Constitute an Effective Board**

FHL's Memorandum and Articles specifies the number of Directors may be not less than the number required by the Corporations Act (currently three), nor more than nine (or such number within the range as the Board may determine from time to time). The Board currently comprises of eight Directors.

Iowane Naiveli	Appointed, Chairman 2011
Sakiusa Raivoce	Appointed 2013
Isikeli Tuituku	Appointed 2014
Ulai Taoi	Appointed 2014
Viliame Cegumalua	Appointed 2014
Viliame Naupoto	Appointed 2015
Ratu Aisea Waka Vosailagi	Appointed 2015
John O'Connor	Appointed 2015

**Director's Independence**

As required under the Board Charter, the Board comprises of a majority of independent non-executive Directors. As per the Company's Article 78, six of the nine board directors are appointed by the Minister of iTaukei Affairs in consultation with the Prime Minister.

According to the Charter, a non-executive Director is independent as he or she is not a member of management and is free of any business or other relationship that could materially interfere with the independent exercise of their judgment. All Directors are independent Directors with no substantial interest in the shares or Group business.

## Board Sub-Committees

The Board carries out a number of its duties and responsibilities through specific Board Sub-Committees:

- Audit and Risk Committee inclusive of Compliance
- People and Leadership Committee
- Investment and Strategy Committee
- Board Nomination and Remuneration Committee.

The Charter of each Board Committee sets out the respective duties and responsibilities of that particular Committee. Each Committee is entitled to the resources and information it requires, including direct access to employees and advisers. All FHL Directors are informed of the Board Sub-Committee meetings and deliberation through the Committee reports at FHL board meetings.

## Independent Advice

The Board, an individual Director or a Committee, may engage an independent external adviser in relation to any Board matter, at the expense of the Company. Before the external advice is sought, consent needs to be obtained from the Chairperson of the Board.

## Directors' Training

Director Induction is a formal process whereby the Group Chief Executive and the management team present a comprehensive corporate profile of the organisation. It is necessary for all incoming directors to attend the induction programme. In addition, as and when required, workshops are organised with external consultants.

## Principle 3

### Appointment of a Group Chief Executive

Directors are expected to exercise due diligence in appointing the Group Chief Executive or the officer-in-charge. This role is vested in the office of the Board of Fijian Holdings Ltd. The qualification and criteria of the Group Chief Executive shall be at the discretion of the HR Committee in consultation with the Board. Total remuneration package for the Group Chief Executive should be the final decision of the Board. The remuneration has been structured to reward corporate and individual performances.

## Principle 4

### Board and Company Secretary

FHL, as a public listed company, has appointed a suitably qualified and competent board secretary. The Company Secretary is the administrative link between the Board and the Management and is responsible for ensuring compliance to Company activities. In this capacity, he/she ensures that the statutory requirements, board policy and procedures are followed and co-ordinates the timely completion and dispatch of board agenda and briefing material. The secretary is responsible for ensuring the board has proper and detailed minutes where records on major decisions of the Board are made. All directors must have direct access to the company secretary. The company secretary is accountable to the board, through the chair, on all governance issues. The appointment and removal of the company secretary should be a matter for decision by

the board as a whole. At present, the Company Secretary for FHL is Mr Kelepi Rakabikabi.

## Principle 5

### Timely and Balanced Disclosure

Fijian Holdings complies with its disclosure obligations under the SPSE Listing Rules and the Companies Act, and has in place well-developed procedures for dealing with compliance. Fijian Holdings has a Disclosure Policy that sets out the procedures and requirements expected of all employees of the Company, including Directors, executive officers and senior executives.

## Principle 6

### Promote Ethical and Responsible Decision Making

#### Code of Conduct

Fijian Holdings Ltd recognises that its reputation is one of its valuable assets, and is founded largely on the ethical behaviour of the people who represent the Group. The Board has approved a Code of Conduct that sets out the principles for ethical behaviour by all Group personnel. This ethical framework provides the foundation for maintaining and enhancing FHL's reputation.

FHL's Code of Conduct therefore commits its Directors, employees, contractors and consultants to not only comply with the law, but to conduct business in accordance with the highest ethical conduct, so we:

- Conduct business with integrity, honesty, and fairness;
- Value and respect diversity in a workplace in which no one is discriminated against on the basis of gender, age, race, religion, sexual orientation or marital status; and,
- Exercise high ethical conduct in observing the spirit and letter of our legal obligations.

Any breach of the Code of Conduct is a serious matter that may give rise to disciplinary action, including dismissal and legal action.

In accordance with FHL's Whistle-blower Policy, employees who are aware of any matter or behaviour that may contravene with the Code of Conduct, FHL's policies or the law are encouraged to:

- Take the matter up with their immediate supervisor or manager;
- Report the matter to their Human Resources Manager, a more senior manager or the Company Secretary

The Whistle-blower Policy provides that all reports will be thoroughly investigated, and that, where applicable, feedback on the outcome of the investigation will be provided to the person making the report. Any person making the report will not be discriminated against or disadvantaged in their employment with the Group simply for making the report.

### Business Dealings with the Company and conflicts of interest

The Company has procedures in place for the reporting of any matter which may give rise to a conflict of interest whether it be a Director or an

employee of the Company. Employees are required annually to disclose arrangements where a potential conflict of interest may arise. A register of interest so declared is maintained by the Company Secretary. When a potential conflict of interest arises, employees must advise the Company Secretary and their immediate supervisor. A decision is then made as to whether the reported activities may continue. When the Board is considering a matter in which a director has a material personal interest, that Director may not be present during the Board or Board Committee discussions nor vote on the matter unless permitted under specific circumstances in accordance with the Corporations Act.

## Political donations

Fijian Holdings also has in place a policy prohibiting donations, whether in cash or kind, to any political party or organisation, politician or candidate for public office in any country in which it operates.

## External directorships

Key executives are permitted to hold one non-executive directorship of an external public company, depending on the particular circumstances, but only on the recommendation of the Group Chief Executive for approval by the Board. The Group CEO is permitted to hold one non-executive directorship of an external public Company with the approval of the Board. Such a public Company must not be a competitor, supplier or customer of the Group, nor can the directorship create an actual or potential conflict of interest with the Group's business activities.

## Corporate sustainability

Fijian Holdings adopts an integrated approach to corporate sustainability. The Group is committed to continuously improving its business practices to maximise positive and minimise negative social, environmental and economic impacts. This enhances employee engagement and retention, supports corporate reputation, manages risk and protects the social license to operate.

## Principle 7

### Register of Interest

The Board has ensured that all conflicts of interest are disclosed and formally recorded. Conflicts of interest arise in a related party transaction, which is a transfer of resources or obligations between related parties, regardless of whether a price is charged. Parties are considered to be related if one party has the ability to exercise significant influence over the other party in making financial or operating decisions.

In declaring a conflict of interest, the Director should abstain from voting or participating in the decision-making on that matter. In addition to Directors, members of the senior management team are required to declare all conflicts of interest.

## Principle 8

### Respect the rights of the Shareholder

The Shareholder Communication Policy of the Company encourages and promotes effective communication with shareholders and effective participation at General Meetings. Fijian Holdings frequently examines how best to take advantage of technology to enhance shareholders

communications and how to use General Meetings to enhance two way communication. Fijian Holdings maintains an up-to-date website to compliment the official release of information to the market.

The external auditor attends the Annual General Meeting and is available to answer shareholders questions about:

- The conduct of Audit;
- The preparation and content of the auditor's report;
- The accounting policies adopted by the Company in relation to the preparation of the financial statements; and,
- The independence of the auditor in relation to the conduct of the audit. FHL also conducts a half-day training session for all shareholders on the day of the Annual General Meeting. This training programme is conducted by internal and external experts on various business topics; including the performance of all FHL subsidiaries and related investments.

## Principle 9

### Accountability and Audit

#### Audit Committee

The Audit Committee consists entirely of independent non-executive Directors. The Committee meets as required, normally at least four times per year. The Chairman of FHL is not a member of the Audit Committee. The Committee's role is to assist the Board to independently verify and safeguard the integrity of the Company's financial reporting and internal control processes. The Committee's primary responsibilities are to:

- Assess whether the Company's external reporting is legally compliant, consistent with Committee members information and knowledge, and suitable for shareholder needs;
- Assess the management processes and internal control systems supporting external reporting;
- Liaise with the external auditors and ensure the annual statutory audit and half year review are conducted in an effective manner;
- Make recommendations for the appointment or removal of the external and the internal auditors;
- On an annual basis, assess the performance and independence of the external and internal auditors; and,
- Monitor the co-ordination of the internal and external audits.

The lead external audit partner is required to rotate off the audit after a maximum of five years. The internal audit function shall not be performed by the external auditors of the company. The Audit Committee has unlimited access to both internal and external auditors.

## Principle 10

### Recognise and Manage Risk

#### Risk Management Process

The Board has approved a Risk and Assurance Framework and supporting processes to oversee and manage risk. Fijian Holdings Risk and Assurance Framework is founded on a clear risk management philosophy and accountabilities driven by governance and operation. The Framework describes FHL's risk and assurance systems and the supporting management disciplines in place to bring this system to life.

It explains the philosophy and structure required to recognise business improvement opportunities through the management of risk.

The Framework is action-oriented and requires people to focus on the right things, prepare active action plans and to be held accountable for their actions. The Framework acknowledges that all employees have a role in managing risk and in particular, they are encouraged to report incidents, hazards and risk without fear. At FHL, the management of risk is not treated as an integrated ingredient in the way employees work.

#### Internal control

Internal audit monitors the internal control framework Group wide. The Audit Committee approves the annual internal audit plan with respect to operational aspects, reviews reports and agreed actions, and ensures planned audit activities are aligned to business risks.

#### Principle 11

##### Evaluation of Board Performance

Evaluation on Board Performance ensures that individual directors and the Board as a whole work efficiently and effectively in achieving their functions. Each year, the Board undertakes the following reviews:

- The Chairperson meets non-executive directors separately to discuss individual performance and ideas for improvement.
- The performance of the Chairperson is reviewed and assessed each year by the other Directors.
- The board as a whole will discuss and analyse its own performance during the year including suggestions for change or improvement in achieving a better balance between monitoring past performance and debating the future directions of the business.

#### Principle 12

##### Securities Trading Policy

The Company has established a policy that imposes certain restrictions on directors, senior management and other employee trading in the Company's securities. The policy has been adopted to prevent trading in breach of the insider trading rules in particular, when Company personnel are in possession of price-sensitive information.

Directors and Senior Officers are not permitted to take advantage of any information that is not available to shareholders and the market. There is no constraining time limit for the purchase of shares. All share dealings by these officers are to be advised to the Company Secretary.

#### Principle 13

##### Insolvency- Directors Duties

Generally, Director's primary duty is to the shareholders. However, if the Company is insolvent, or there is a real risk of insolvency, Directors duties expand to include creditors (including employees with outstanding entitlements) such as:

- the duty to exercise powers and duties with the care and diligence that a reasonable person would have which includes taking steps to ensure the financial position of the Company is properly informed and ensuring the Company doesn't trade if it is insolvent;
- the duty to exercise powers and duties in good faith in the best interests of the Company and for a proper purpose; and,
- The duty not to improperly use position to gain a personal advantage, or to cause detriment to the Company.



“THE FHL GROUP TURNED IN ANOTHER YEAR OF STRONG FINANCIAL PERFORMANCE WITH CONSOLIDATED PROFIT AFTER TAX BEFORE DISCONTINUED OPERATIONS FOR THE YEAR SURGING 33% TO REACH \$15.13 MILLION.”



**Fijian Holdings Limited (FHL) integrates corporate social responsibility (CSR) into all its business activities with the belief that success is measured by more than financial results: it is also measured by customer satisfaction and employee engagement, strong governance practices and support for shareholders and communities the company serves.**

Corporate social responsibility (CSR) is an important part of Fijian Holdings Ltd's cultural identity, customer relationships and strategic decisions.

This year, FHL contributed in a number of events that add to the enhancement of the community within the FHL Group.

**Communication with Shareholders**

We believe that creating shareholder value through disclosing of fair, transparent and appropriate information has been one of the factors contributing to the Company success. FHL is committed to continue to do so to further strengthen and enhance this long-term relationship building process with shareholders, customers, government, the community and employees to ensure that our shareholders continuously make sound investment decisions.

**Shareholders Workshop**

As FHL aims to build the shareholder's confidence and expectations of their investment, our team is dedicated to improving our relations with our shareholders.

Since the past eight years, FHL has been holding interactive half day workshop for shareholders which has now become a well-known annual gathering for the shareholders to learn more about their investments, legal requirements for business, understanding the economy and updates on subsidiaries performances.

**Information Disclosure**

As a listed company, FHL is guided by the disclosure requirements of the South Pacific Stock Exchange which allows us to release information that promotes better shareholder understanding of our management policies and business activities.

**Community Involvement**

FHL is committed to strengthening the communities in which we operate and we continuously aim to make our country a better place to live and work. Our approach mainly involves advocating academic excellence in iTaukei schools, supporting non-profitable organisations such as the Fiji Red Cross Society and other projects which are not limited to charitable work only.

**National Blood Drive**

Fijian Holdings Limited and Group of companies staff members responded to the blood drive hosted by FHL at level 7 Ra Marama building earlier this year as the blood bank's had reached a critical level of blood shortage. FHL is always keen to host the blood drive donation every year as it is seen as an important way to support a lifesaving course and to ensure that our employees, family and friends have access to it when and where it is needed most.

**Environmental Sustainability**

Fiji Industries Limited (FIL) as it was formerly known, has been renamed to Pacific Cement Limited, a subsidiary of Fijian Holdings Limited, consistently takes a strong, proactive approach towards resource conservation, waste reduction and environmental protection:

- Pacific Cement Ltd formerly called FIL has been reassessed by TELARC SAI Ltd in July 2013 in accordance with the Environment Management System: ISO 14001 standards and has retained its certificate for another two years.
- Pacific Cement Ltd, has strongly addressed the minimising of dust levels with internationally-recognised systems in place.
- Plans are also in place to improve the liquid waste discharge using advanced technological systems to ensure compliance with national standards.
  - Pacific Cement Ltd has done general housekeeping, sold all iron steel and non-use items (rubbish) to Waste Recycles Ltd.
  - Pacific Cement has changed paper bags to eliminate dust and cleaned up at the stores and yard for biosecurity export containers.

**Employee Involvement**

Fijian Holdings Group is an employer to more than 1,500 permanent employees. Our employees are our most valuable asset. We actively support and reward their efforts to pursue their passions in the workplace, at home, and in the community. We know that each person's ideas, personal and professional well-being, and enthusiastic involvement are essential to the sustained success of the FHL Group.

**Training and Development**

FHL also takes priority in investing in training and development for our staff. We are of the firm belief that upgrading essential skills and knowledge of staff produces gains in competitive recruitment, careers and productivity overall. FHL is renowned for its young and dynamic team with an average age of 30 years. More than 10% of Group staff are graduates from the University of the South Pacific, whilst 14 hold

post-graduate qualifications. Currently, a number of our Executive Managers are in the process of completing their Masters of Business Administration (MBA). During the year, workshops and internal trainings were continuously organised for staff.

**Employee Survey**

A snapshot of the Employees Initiative for the year, shows that there are still more males than females in the FHL Group. This is mainly due to the core businesses of its key subsidiaries. As part of the initiative to promote and retain within, more females are being promoted to critical positions within the Group. Staff development is continuing to enhance and equip our staff which have seen a low staff turnover in the Group.

**Health and Wellness**

The health and well-being of our employees is essential to achieving the desired productivity that FHL requires. As such, all staff were encouraged to take advantage of a free full medical check-up to ensure they continue to remain physically compatible with their daily tasks. During the year FHL organised staff power walk along Nasese after work and participated in the Fun Run held in Suva.

**Social Activities**

Every year, FHL Group hosts an annual sports day event, with the main objective of promoting team work and creating a fun-filled day of sports enjoyed by staff and family.

This is followed by an Awards night, which recognises the achievements made by the FHL Group during the year and outstanding staff are rewarded for their valuable contribution towards the year's results. In conclusion, our corporate social responsibility programmes play a major role in the nurturing of the positive environment we are building for our shareholders, stakeholders, employees and the community at large.



**PEOPLE & LEADERSHIP SUB-COMMITTEE REPORT**  
**TUKUTUKU NI KOMITI**  
**KA QARAVA NA TAMATA CAKACAKA**

The role of the Committee is to advise remuneration and issues relevant to remuneration policies and practices so as to assist the Board to independently ensure that the Company/Group establishes appropriate Human Resources strategies and policies consistent with best practices and business requirements and adopts and complies with remuneration policies that:

- Establishes and implements a human resource strategy to ensure that appropriately talented and trained people are available to achieve our business strategies;
- Ensures that proper policies are in place to protect the health and safety of the employees;
- Attract, retain and motivate high calibre Executives, Management and staff, so as to encourage enhanced performance of the Company;
- Are consistent with the Human Resources needs of the Company;
- Motivate management to pursue the long term growth and success of the Company within an appropriate control framework;
- Demonstrate a clear relationship between executive performance and remuneration; and,
- Ensures that the Company undertake the appropriate performance management, succession planning and development activities and program.

The committee consists of a minimum of two Directors and the Group Chief Executive with the Chairman of the Committee selected by the FHL Sub Committee for Board Nomination & Remuneration. The current members of the committee as appointed by the Board are: Mr Sakiusa Raivoce and Mr. Isikeli Tuituku.

The meeting of the committee are held at least twice per annum and the committee met three times in the year under review. Representatives of management and other employed personnel may be invited to attend meetings, or specific parts of meetings, at the discretion of the Committee.

During the year, the Committee deliberated on the following issues which were further recommended to the main Board for approval:

- The FHL Performance Review Policy
- The staff transfers within the FHL Group
- The FHL OHS Policy
- Other related Human Resources issues.

**APPOINTMENTS & RESIGNATIONS OF COMMITTEE MEMBERS**

Name	Capacity	Status	No. of Meetings held/Entitled	No. of Meetings attended
Sakiusa Raivoce	Chairman	Appointed	4	4
Isikeli Tuituku	Director	Appointed	4	3

**INVESTMENT & STRATEGY SUB-COMMITTEE REPORT**  
**TUKUTUKU NI KOMITI KA QARAVA**  
**NA VAKATUBUILAVO**

The Investment and Strategy committee is responsible for assisting the Board in fulfilling its oversight responsibility for the investment and strategic goals of the Company. It is also responsible for formulating the overall investment policies, and establishing investment guidelines in furtherance of those policies. The Committee monitors the management of the portfolio for compliance with the investment policies and guidelines and for meeting performance objectives over time.

The members of the Investment and Strategy Committee are appointed by the Board of Directors from amongst the Directors of the Company and consist of three board members of which all are newly-appointed committee members and are Non-Executive Directors. In addition to these members, Group CEO and members of Senior Management Team attend the committee meetings.

Meeting of the Investment and Strategy Committee are held at such times when the Committee meets at least once a year. In the year under review, the committee met twice.

During the year, the committee approved 2 new investments by the Group. A number of investments were declined as they were outside the company's investment parameters. Few investment opportunities are still being monitored.

As part of fulfilling their duties, the Investment and Strategy Committee received reports and held discussions with Management on the proposed and current investments. The Committee has also reviewed proposals parallel to its investment policy guidelines and strategic framework. These included:

- Current investment projects
- Long term investment projects
- Declined projects
- Proposed acquisitions
- Discussion on the strategic way forward for the Group in terms of acquisitions, divestment and mergers.

**APPOINTMENTS & RESIGNATIONS OF COMMITTEE MEMBERS**

Name	Capacity	Status	No of Meetings Held	No of Meetings Attended
Mr. Iowane Naiveli	Chairman	Existing	2	2
Mr Isikeli Tuituku	Director	Appointed	2	2
Mr. Viliame Cegemalua	Director	Appointed	1	1

**AUDIT & RISK SUB-COMMITTEE REPORT**  
**TUKUTUKU NI KOMITI**  
**KA QARAVA NA RIRIKO**

The Board Audit and Risk Committee is a committee of the Fijian Holdings Ltd Board (FHL Board) that is responsible for ensuring the company's internal controls are properly functioning as well as managing the external audit process of the company. The Audit Committee bases most of its work on the internal audit reports issued by the Internal Audit Department of FHL and management letters (client service report) issued by the External Auditors.

The members of the Audit Committee are appointed by the FHL Board of Directors from amongst the Directors of the Company and consist of two board members of which all are existing committee members and are Non-Executive Directors. In addition to these members, the Group CEO and members of the Senior Management Team, attend the committee meetings to ensure group companies are maintaining proper control and managing risk appropriately.

in control were presented to the committee and management has been advised to seriously look into the issues highlighted. They have been reminded as well that they should look into controls and take ownership rather than it being highlighted to them. While a number of lapses of controls were discussed, no case of fraud has been identified.

Meetings of the Audit Committee are held once every quarter, however, frequent meetings may be called if necessary. During the 2015, financial year, the audit committee met four times. During the year, a number of key issues of breaches

The internal audit team has also been advised to be more vigilant in their audit process as well as review and follow up should be 6 monthly to check and report implementation recommendation.

**APPOINTMENT & RESIGNATION OF COMMITTEE MEMBERS**

Name	Status	No. of Meetings Held/Entitled	No. of Meetings Attended
Mr. Ulaiasi Taoi	Existing	4	4
Mr. Viliame Cegumalua	Existing	4	4

**BOARD NOMINATION & REMUNERATION COMMITTEE**  
**TUKUTUKU NI KOMITI KA QARAVA**  
**NA VEIDIGITAKI KEI NAI SAU NI DAIREKITA**

The Nomination & Remuneration Committee is a committee of the Fijian Holdings Ltd Board ('FHL Board'). The role of the committee is to assist the board in fulfilling its duties by providing independent and objective review, advice and assistance to the Board and the CEO (as appropriate), on matters concerning Board Nomination and Remuneration related issues within the FHL Group.

The primary function of the Nomination and Remuneration Committee is to advise the Board on matters regarding:

- a) The composition and nomination of the FHL Board and FHL Group Subsidiary Board;
- b) The remuneration of the FHL Board and FHL Group Subsidiary Board;
- c) Assessment of the necessary and desirable competency of Board members; and,
- d) Recommendations for the appointment and evaluation of Directors.

Board Nomination & Remuneration Sub-Committee meets at least twice a year and more frequently as required. In the year under review, the committee met four times.

During the year, the committee is delegated to review all nomination matters of the FHL Board and Board appointments within the FHL Group for example:

- a) Process for the nomination and selection of non-executive directors to the FHL Subsidiary Board;
- b) Succession plans for FHL Group non-executive and independent directors;
- c) Induction programs for FHL Group non-executive and independent directors;
- d) Assess the requirement for non-executive and independent directors and set a transparent process to review whether they are meeting those requirements;
- e) Establish and monitor strategies on gender diversity for the FHL Board;
- f) Achievement against gender diversity objectives including representation of women at the FHL Board and Group subsidiary companies;
- g) Assess and approve the Directors Remuneration including directors fee, sitting allowance and other related benefits/allowance to the FHL Group non-executive and independent directors; and,
- h) Other relevant matters identified from time to time, or requested by the FHL Board

**APPOINTMENTS OF COMMITTEE MEMBERS**

Name	Capacity	Status	No of Meetings Held	No of Meetings Attended
Mr. Emitai Boladuadua	Chairman	Appointed	4	4
Mr. Iowane Naiveli	Member	Appointed	4	4

**BOARD OF DIRECTORS  
LEWE NI MATABOSE**



1

**ISIKELI TUITUKU**  
Director

Is a businessman by profession and holds a Bachelor of Civil Engineering. He has more than 20 years' experience in executive management in two multi-national companies BP and ANZ and has worked in Australia, New Zealand and Pacific for the last 35 years. He is currently the Chairman for Merchant Finance Limited and serves as a Director in Fiji Television Limited and FHL Sub Committee on Investment & Strategy and Sub Committee on People & Leadership. Mr. Tuituku is also a board member of Telecom Fiji Limited.

2

**RATU AISEA WAKA  
VOSILAGI**  
Director

Is a former Naval Officer and holds a Bachelor of Engineering (Maritime & Naval Architecture). He is the Company Secretary and Chief Executive Officer of Na Hina Limited. He holds directorship positions for Fiji Resorts Limited (owners of Yanuca Island Limited, T/A Shangri-La's Fijian Resort & Spa), National Fire Authority and Fiji Rugby Union. He is the current Chairman of the Nadroga/Navosa Provincial Council.

3

**JOHN O'CONNOR**  
Director

Is the Chief Executive Officer for National Fire Authority. Previously, he was the General Manager - Human Resources with Fiji Electricity and had held various senior roles in the Authority. He holds a Masters of Business Administration and a Masters of Arts in Governance and Leadership both from the University of the South Pacific. He has also received an Order of Merit from the Australian Institute of Company Directors and is a member of the institute. He also serves as a director on the Fiji Rugby Union Board.

4

**COLONEL SAKIUSA RAIVOCE  
MSD (RETD)**  
Director

Is a Security Consultant and a former Senior Military Officer having served in Headquarters, RFMF as a Staff Officer and Government House as Military Assistance/ADC to the President of the Republic of Fiji. Colonel Raivoce served on UN Peace Keeping Duties in the Middle East, (Lebanon, Sinai Desert, Syria, Kuwait and Iraq). He also served as Field Security Adviser in East Timor from September 1999 to Dec 2000. He served as Director for the British Security Firm Global Risks International as its Representative in Fiji from 2003 to 2012. He is currently the Chairman for Pacific Cement Limited and FHL Properties Limited. He is the Chairman of FHL People & Leadership Sub Committee and Director Merchant Finance, Human Resources Sub Committee.

5

**IOWANE NAIVELI**  
Chairman

Is a Chartered Accountant and a business consultant by profession. He is the sole partner of I.Naiveli & Company. He holds a Bachelor of Arts Degree in Accounting and was previously the president of Fiji Institute of Accountants. Mr. Naiveli is also the Chairman for South Sea Cruises Ltd, Media Niugini Ltd, and a Board member for the Reserve Bank of Fiji, RB Patel Group Ltd, Basic Industries Ltd, Pasifika Holdings Ltd, and FHL Retailing Ltd. He is a member of the Australian Institute of Directors. He is a Financial Advisor to the iTaukei Affairs Board and is a Trustee for the Unit Trust of Fiji. He is a member of the USP Council and Chairman of its Audit & Risk Committee. He is a former Chairman and member of the External Audit Committee of the International Monetary Fund (IMF), Washington DC.

6

**VILIAME CEGUMALUA**  
Director

Is a businessman by profession and holds a Bachelors Degree in Applied Science, Rural Technology and a Masters of Business Administration. He is currently the Chairman of FHL Stockbrokers Limited and serves as a Director in Pacific Cement Limited and FHL Sub Committee on Audit & Risk. He also serves as a Chairman on the Board of Cakaudrove Provincial Holding Company Limited and Fiji National Dairy Council. Other Directorships include Fiji National Crop & Livestock Council and Fiji Cooperative Dairy Company Limited.

7

**ULAIASI TAOI**  
Director

Is a businessman by profession and holds a Bachelor of Arts Degree in Management and Political Science. He is the Managing Director and owner for UTech Systems (Fiji) Limited. Currently he is the Chairman for FHL Fund Management Limited and by appointment is also a Board member of FHL Properties Limited and FHL Sub Committee on Audit & Risk. He also serves as a Director on the Fiji Indigenous Business Council and is a member of Australian Institute of Company Directors.

8

**COMMODORE VILIAME  
NAUPOTO**  
Deputy Chairman

Is a military officer by profession. He is currently the Chief of Staff for RFMF. He served in Government from 2007 to 2014 as Director Immigration, Permanent Secretary for Fisheries and Forests and as Minister for Youth and Sports. He also served previously as Chairman of FTIB (now Investment Fiji), Chairman of Fiji Pine Group and board member for Film Fiji.

**FHL GROUP MANAGEMENT TEAM**  
**MANIDIA LIU NI**  
**KABANI COKOVATA E FHL**



**NOUZAB FAREED**  
**GROUP CEO**

Nouzab Fareed joined FHL in 2004 and is a Chartered Accountant, Chartered Certified Accountant (UK), Chartered Management Accountant (UK), Chartered Marketer (UK) and a Fellow of CPA (Australia). He has an MBA in Banking & Marketing and a Masters of Arts in International Economics. He is a Licensed Investment Advisor (Fiji) and a Certified Fraud Examiner of USA. He is a fellow of Financial Services Association of Australasia (FINSIA) and also a Graduate of Australian Institute of Company Directors (GAICD).

Fareed is a Board Director for all FHL Group companies. In addition, he is also a Board Director for Marsh Insurance Ltd, Golden Manufacturing Ltd, Goodman

Fielder International Ltd and South Pacific Stock Exchange.

Prior to joining FHL, he was the Director Business Development with Mercantile Merchant Bank Ltd in Sri Lanka and was also a Board Director for FedEx, NIIT and Western Union in Sri Lanka. He has more than 24 years of Corporate Finance and Investment Banking experience.

He is the founding President of Australia Institute of Company Directors - Fiji Chapter and also the current President of Fiji - PNG Business Council. He is the President of Fiji Institute of Accountants (FIA) as well as the Vice President of Suva Chamber of Commerce and industry. He

is a council member for CPA Fiji Branch and Fiji Export Council. In addition, he sits on MBA Advisory Committee of University of the South Pacific.

Fareed has received Executive Training from Harvard Business School, Australian Graduate School of Management (AGSM), Graduate Business School of Auckland, Asian Productivity Organization (APO) and Association of Overseas Technical Scholarship of Japan. Fareed is the only Distinguished Toastmaster (DTM) in South Pacific.



**NAPOLIONI BATIMALA**  
 General Manager  
 Merchant Finance & Investment  
 Company Limited



**GEOFFREY SMITH**  
 Chief Executive Officer  
 Fiji Television Limited



**PETER DUNCAN**  
 Chief Executive Officer  
 South Sea Cruises Limited



**MOSESE VOLAVOLA**  
 General Manager  
 Basic Industries Limited



**BHANU SUD**  
 Chief Executive Officer  
 Media Niugini Limited



**SOWANI TUIDROLA**  
 General Manager  
 Pacific Cement Limited



**ROWENA FONG**  
 General Manager  
 FHL Properties Limited



**ELENOA LALABALAVU**  
 General Manager  
 FHL Fund Management Limited



**DEEPAK RATHOD**  
 Chief Operating Officer  
 RB Patel Group Limited



**HAMISH MCGUIRE**  
 General Manager  
 Life Cinema Limited

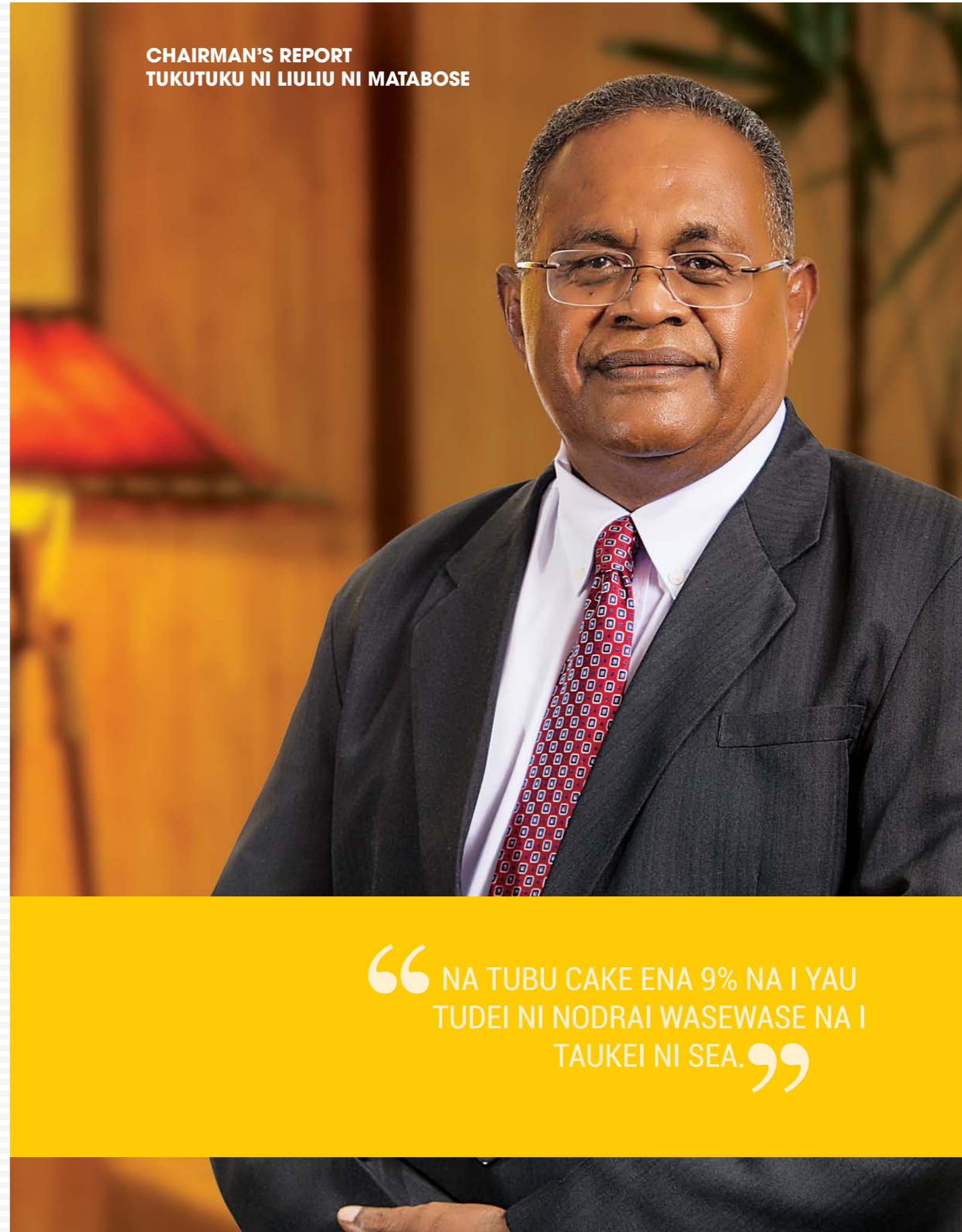


**JOSEFA CANIOGO**  
 General Manager  
 Basic Industries (PNG) Limited

**MANAGEMENT TEAM**  
**MANIDIA**  
**VEILIUTAKI E FHL**



**CHAIRMAN'S REPORT**  
**TUKUTUKU NI LIULIU NI MATABOSE**



“ NA TUBU CAKE ENA 9% NA I YAU  
TUDEI NI NODRAI WASEWASE NA I  
TAUKEI NI SEA. ”

## DEAR SHAREHOLDERS,

We have now completed another successful and challenging year of operation. I am delighted on behalf of the Board to present once again to you our annual report for the year ended 30th June 2015.

We trust that my report will provide you with an in-depth understanding of the group's stakeholder-centric strategies and actions which are based on the principles of compliance, risk assessment and good governance. Three decades of our existence have laid solid foundations to withstand the challenges of a fast changing business environment. However, we still work towards growing our immediate business needs whilst always keeping the long term perspective in view. That's how we have built a legacy of values that remain as relevant to contemporary iTaukei today as they were 30 years ago.

As of today, FHL Group is a significant player in a number of key economic sectors that contribute to the country's socio-economic progress and a flagship story of success on how the iTaukei can succeed in business.

Our group companies are market leaders in their respective fields with proven track records of innovation, service and excellence that is well-positioned for growth and continues to improve the quality of lives of Fijians every day.

With this, we are confident that over those years of constant change and growing competition, our corporate agility, resilience and business adaptability have driven the successful diversification of our industry portfolio and the dynamism of our strategies.

## FIJIAN ECONOMY

With the fragile global economic conditions due to the depreciation of the Chinese currency, the country noted weak trading performances from its partners with the exception of the United States where the economic growth is on a rebound.

In contrast, the Fijian Economy had an actual growth in 2014 of 5.3% and is projected to grow further in 2015. Strong sectoral outcomes and favorable demands are in line with the growth projections. There is increase in tourism demand and robust wholesale and retail trade activity. The increase in VAT collections, Pay As You Earn (PAYE) Tax and new consumption lending data is evidence of high consumer confidence and activity. Buoyant investment activity so far this year provides further stimulus to Fiji's current growth outlook.

## GROUP PERFORMANCE

The FHL Group consolidated net profit before tax at 30th June 2015 was \$20.5 million, reflecting a 12% increase from the previous year. Consolidated revenue was recorded at \$276 million reflecting a 9% growth compared to the previous year. The result of a growing economy was shown in strong performances from RB Patel Group, South Sea Cruises, and Basic Industries. They continue to be our biggest revenue contributors. Merchant Finance continued on its trend in being the highest pre-tax profit contributor to the Group. The increase in equity attributed to the shareholders by 9% continues to represent the solidarity of the investments made over the years and the many more to come in the near future.

## VEI KEMUNI NA I TAUKEI NI SEA,

Eda sa vakaotia tale qo edua na yabaki vinaka ka veibolei talega ni veiqaravi. Au marau, ena vukudra na lewe ni Matabose, meu solia vei kemuni na noda i tukutuku ni bese vakayabaki me baleta na yabaki ka mai cava ena 30 ni Jiune 2015.

Keitou vakabauta ni noqu itukutuku ena solia vei kemuni na kila titobu ni ituvatuva ni kabani cokovata kei na kena cicivaki ka vakayavutaki ena ivakarau ni veiqaravi, lewai matau ni ririko kei na veiliutaki vinaka. Na tolusagavulu na yabaki ni neitou cici tiko mai, sa vakaraitaka na yavu dei sa koto ka dabe toka kina me rawa ni taura na bolebole kei na veisau totolo ni vakarau ni vakaduri bisinisi. Ia keitou se toso tiko yani ena kena raici na tubu kei na gagadre ni neitou bisinisi ena gauna qo ka nanumi tale tikoga na neitou veiqaravi ena veigauna mai muri. A va mai oya na neitou maroroya tiko mai na bibi ni lavo, ka dei tiko mai na rai oya ka sa tarai ira talega na iTaukei ni kua kei ira era bula ena 30 na yabaki sa oti.

Sa vakaitavi vakalevu na Kabani Cokovata ena vuqa na tabana vakailavo ka vukea na noda vanua ena bula vakailavo ka tutaka na italoa ni veika era rawata na iTaukei ena bisinisi.

O ira na neitou kabani lalai ni Kabani Cokovata era liu ena nodra dui tabana ena veisau e vakayagataki, ena cakacaka vinaka ka ra tomana tiko me vakavinakataki ni nodra bula na iTaukei.

Keitou nuidei ni veisau kei na veiqati, na cakacakavata, na kila kei na qaravi bisinisi ena vukea na toso ki liu ni Kabani Cokovata.

## BULA VAKAILAVO NEI VITI

Ena i tuvaki malumalumu ni bula vakailavo ena veiyasai vuravura vakavu mai na lutu ni kaukauwa ni lavo nei Jaina, sa vakila na matanitu na malumalumu ni veivoli kei ira na matanitu era veivoli vata qai vakavo ga o Amerika ni tubu na nona bula vakailavo.

Ni rau dikevi vata, o Viti na nona tubu vakailavo ena 2014 e 5.3% ka nanumi ni na tubu tale ena 2015. Nuitaki ni na uasivi na tubu mai na veitabana tale eso ni bisinisi. Toso vinaka na tabana ni saravanua kei na veivoli raraba. Na tubu cake ni kumuni ni vakacavacava na VAT, Pay As You Earn (PAYE), kei na i tutu vinaka ni dinau sa ivakaraitaki ni nuidei ni dauvolivoli. Bula ni cakacaka ni vakatubuilavo e totoka ena yabaki qo ka nanumi ni na uasivi na bula vakailavo nei Viti.

## VEIQARAVI NI KABANI COKOVATA

Na tubu ni lavo ni Kabani Cokovata ni bera ni musu na ivakacavacava ena 30 ni Jiune 2015 e \$20.5milioni, vakaraitaka ni tubu ena 12% mai na yabaki yani e liu. Ni lavo bula maroroi e rawa e \$276 milioni, vakaraitaka na tubu e 9% ni raici vata kei na yabaki yani e liu. Na macala ni tubu ni lavo raraba e vakaraitaka na rawa tubu vinaka mai vei RB Patel Group, South Sea Cruises, kei na Basic Industries. Eratou tomana tiko ni ratou levu taudua na ilavo eratou solia kina FHL. Tomana tikoga na Merchant Finance na nona itutu ni o koya e levu taudua na tubu, se bera ni musu na kena i vakacavacava, e dau solia kina Kabani Cokovata. Na tubu cake ena 9% na i yau tudei ni nodrai wasewase na i taukei ni sea.

## OPERATING HIGHLIGHTS

As Board Directors, our duty is to ensure FHL delivers its strategic objectives and remains in its mission to be the most innovative investment Group in the Pacific and at the same time increase our shareholders' wealth.

During the year, we conducted a thorough review of our business and took on challenges that affected the Group in an even stronger and more decisive manner. Key issues faced during the operating year included:

- The acquisition of a 21% stake in Pernix (Fiji) Ltd, a US-based company specialising in construction and power infrastructure with integrated design and engineering capability. This acquisition shows FHL penetration into the energy sector of the economy and strengthens its reach in the construction and engineering sector.
- The completion of the development of the land acquired in PNG for Basic Industries (PNG) Ltd. Also, a rigorous restructuring of the company human resource, infrastructure, and brand name were undertaken to provide the company with the necessary tools to complement the growing business in Papua New Guinea.
- The divestment of Media Niugini Ltd (MNL), a subsidiary of Fiji Television Ltd, to overcome upcoming challenges in the media industry in PNG. We also reassure our commitment to the shareholders that the Board is currently in discussion with different interested parties regarding the Divestment of MNL since the initial deal with Telikom PNG Ltd was not able to conclude due to a sporting rights issue that could not be resolved with the rights owner.
- In December 2014, we commenced Life Cinema Ltd, with a four cinema complex located in Martintar, Nadi. This marked our entry into the entertainment industry and we continue to look for more locations and partners within the local market to ensure our cinemas are available to many Fijians across the nation.
- Conducting of group strategic planning sessions with all subsidiaries to align our group companies to the mission and vision of FHL. The final 2016 – 2020 strategic plan will be launched in the new financial year.

## INCREASE IN DIVIDENDS

The Board continues to be mindful of their obligation to the shareholders and will continue to ensure that a sustainable return is paid out in dividends based on the Group's performance.

This year, the Board reviewed and approved an increase in dividends from 21cents to 22cents per share to A Class and B Class shareholders respectively. This increase in dividend attest the commitment of the Board to the shareholders of the company.

## SHARE PRICE

Capital return was also accrued by FHL shareholders as the company share price appreciated during the year. Share prices are a reflection of the stock market supply and demand. During the year, the FHL share price fluctuated between \$3.33 and \$3.90. Subsequent to balance date and at the date of this report the share price has reached \$4.01.

## GOVERNANCE

In anticipation of the introduction of the new Companies Act 2015, the Board is aware that the primary objective of good governance is to maintain an organisation focussed on creating value for all stakeholders within a framework of sustainable development

## NA VEIQARAVI

Me vaka ni keitou Daireketa ni Matabose, sa neitou itavi me keitou raica ni solia na FHL na veika bibi e nuitaki kina me solia, oya me dau ni vakatubuilavo levu taudua ena Pasifika ka toroya cake talega na nodra bula vakailavo na itaukei ni sea.

Ena loma ni yabaki, keitou a vakayacora e dua na vakadikevi vakavoleka ni neitou bisinisi ka raica na veibolei eso ka tara na Kabani Cokovata. Veitiki bibi ka sotavi ena loma ni yabaki e wili kina:

- Na tauri ni 21% ni yau ni Pernix (Fiji) Ltd, dua na kabana mai US ka dau ni tara vale, kei na idini ni livaliva kei na cakacaka vakaidinia. Na tauri mai ni bisinisi qo e vakaraitaka na nona curubasikata na FHL na bisinisi ni livaliva ka vakaukauwataka na nona tatara kina tabana ni taravale kei na idinia.
- Na vakaotivi ni veivakatorocaketaki ena qele a tauri mai PNG baleta na Basic Industries (PNG) Ltd. Okati talega na veitaba ni cakacaka ni kabani, na yaca me veivoli kina kei na veika taucoko me vukea na kabani mai Papua New Guinea.
- Na vukei ni Media Niugini Ltd (MNL) na taba ni Fiji Television Ltd me vukea na dredre e sotava mai PNG. Keitou vakadeitaka na neitou veitokoni vei ira na taukeni sea, ka sa qarava tiko na matabose na kena veivosaki ena gauna qo kei ira na via cakacavata kei na MNL baleta na veivosaki e liu kei na Telikom PNG a sega ni mana ena vuku ni "sporting right" e sega ni ratou solia na kena i taukei.
- Ena Tiseba ni 2014, keitou tekivu taka na Life Cinema Ltd kei na va na vale ni yaloyaloi mai Martintar, Nadi. Qo e vakaraitaka na neitou curu kina bisinisi ni veivakamarautaki ka keitou tosoya tiko na vaqagara vanua kei ira me keitou cakacaka vata e Viti me rawa ni tete na bisinisi qo kina veiyasa iViti.
- Na vakayacori ni vuli baleta na tuvai ni vakarau ni cakacaka ni Kabani Cokovata kei ira taucoko na veitabana lalai me keimami vakavatukanataka me mana na rai ni kabani na FHL. Na iotioti ni tuvatuva ni cakacaka 2016 – 2020 me na tavo na kena waqa ena yabaki vou vakailavo.

## TOSO CAKE NI TUBU ME WASEI

Sa kila tiko na matabose na nona i tavi vei ira na itaukei ni sea ena vakadeitaki tiko ni na dua na tubu levu ena saumi ena tubu me wasei ka yavutaki ena veiqaravi ni kabani.

Ena yabaki qo sa raica Iesu ka vakadonuya na Matabose na tubu ni tubu ni lavo me wasei mai na 21 na sede kina 22 na sede dua na sea ena A Class kei na B Class talega. Na tubu qo e vakaraitaka na veiqaravi dina ni kabana vei ira na itaukei ni sea.

## SAU NI SEA

Na tubu ni sau ni sea ni FHL e toso cake kina levu ni nomuni yau na itaukei ni kabani ena loma ni yabaki qo. Na i sau ni sea sa i vakatakilakila ena makete ni volitaki sea, na kena gadrevi vakalevu se vakalailai mai vei ira na dau voli sea. Na isau ni sea ena FHL e voli tiko kina ena loma ni yabaki e veitubuyaki ena maliwa ni \$3.33 kei na \$3.90. Ena gauna qo sa tiko na isau ni sea \$4.01.

## NA LAWA VAKABISINISI

Ena noda sa qaqaarauni tiko ena kena tekivutaki na Companies Act vou ni 2015, sa kila vinaka tiko na Matabose ni ka bibi taudua ni lawa ni veiliutaki oya me dei tiko na rai ni kena vinakati me rawa na tubu me baleti ira taucoko era dodonu me ra qaravi.

Governance structure rely on a structured review at Business Sector, Board levels, Committees and subsidiary companies on a monthly basis which ensures that areas for concern are quickly identified and appropriate responses are implemented within a short time frame.

During the year, the directors attended various workshops including Fiji Directors Course facilitated by Australian Institute of Company Directors (AICD). This has enabled board members to continue to improve its governance practice, become aware of their duties as directors, assess business risks in order to build the organisation to achieve results while maintaining a strategic oversight role. This also included the continuous review of the Board meetings through evaluations based on content, timeliness, effectiveness and achievement of its purpose.

Moreover, I am pleased to announce that FHL was the first listed company to release first half year results with an audited opinion. Also, FHL became the first listed company to advertise for independent directors for its board and subsidiary boards. This move has been welcomed by the regulators as we continue to set the pace as leaders in good governance practices for listed companies.

I am also pleased to report that during the year, FHL has fully conformed to the SPSE listing rules in terms of timely and adequate disclosure.

#### FUTURE OUTLOOK

The growth of FHL and its subsidiaries continues to challenge the Board and Management in cost management, human capacity and exploration of new business opportunities. However, the Board continues to ensure that it aligns the FHL Group of companies with its mission statement, vision, core values and core purpose. Currently, the Board is looking to break ground into the agricultural sector as reported in our previous Annual Report.

I am also happy to report that through continuous dialogue with the government, Fiji Television Ltd's existing television broadcast licence was extended for 12 years with effect from 1st July 2015. With such positive economic growth being projected for Fiji, FHL will certainly be looking for opportunities to join forces with reputable international businesses, who are interested in investing in Fiji. Also, FHL will look at enhancing its business activity within the Melanesian Spearhead Group Trading Block.

#### ACKNOWLEDGEMENT

In conclusion, I commend my fellow directors through their valuable contributions, leadership, and dedication in steering the company through the challenges and ensuring that satisfactory growth is achieved. Also, I wish to convey my sincere gratitude to the Group CEO, Head of Subsidiaries, Functional Heads, Managers, and staff members for the hard work, perseverance, commitment and support in achieving the current results.

Finally, I wish to acknowledge our shareholders whose support holds us in good stead to remain on course in what is set to be an iconic journey of sustainable value creation.

Vinaka vakalevu



**Iowane Naiveli**  
Chairman  
15th September, 2015

E vakararavi na gacagaca ni veiliutaki kina raici lesu ni dua na bisinisi matabose, Komiti kei na kabani lalai ena veivula me raica na vanua e leqa tiko me dikevi ka vukei vakatotolo.

Ena loma ni yabaki, era a tiko ena dua na vuli na daireketa me baleta na vuli ni Fiji Directors Course ka veitauri kina na Australian Institute of Company Directors (AICD). Qo e vukei ira na lewe ni Board mera tomana mera vakavinakataka nodra veiliutaki mera kila nodra itavi vaka directors, raica na ririko ni bisinisi me rawa ni rawata na nona itavi e okati talega eke na raici lesu vakawasoma na bose ni matabose, raici na veika e veivosakitaki na kena yaga kei na kena tawa yaga kei na veika e rawa mai kina

Au marau meu vakaraitaka ni FHL na imatai ni Kabani e kacivaki ena stock exchange me vakaraitaka eliu na veika a rawata ena veimama ni yabaki kei na ripote ni daunifika. Na FHL talega e yaco me dua na kabani tabaki ena Stock Exchange me kacivaka nona vinakata na daireketa tu vakaikoya baleta nona matabose kei na matabose lalai. Na tikina qo e marautaki mai vei ira na kena dau ka keitou tomana me vukei ira nai liuliu mai muri ena cicivaki vinaka ni kabani.

Au marau talega meu vakaraitaka ni loma ni yabaki qo e vakamura vakavinaka na FHL na lawa ni SPSE ena kena gauna dodonu kei na kena sogo.

#### GAUNA MAI MURI

Na tubu ni FHL kei na kena veitabana e tomana tiko na nona bolea na Board kei na veiliutaki na lewai ni saumi ni lavo, na levu ni tamata kei na vaqarai ni veibisinisi vou. Ia na Matabose sa tomana tiko na nona vakamura tiko na rai ki liu kei na vakavatukenakataki ni naki ni kabani. Sa raica na Board ena gauna qo me gole kina tabana ni teitei me vaka tukuni ena i Tukutuku Vakayabaki ni 2014.

Au marau talega ni vakaraitaka, mai na veitalanoa wasoma kei na matanitu, sa toso na laiseni ni Fiji Television me 12 tale na yabaki me tekivu mai 1st Jiulai 2015. Ena vinaka ni tubu vakailavo sa raici tiko baleti Viti, sa na rai ki liu na FHL me cakacakavata kei na bisinisi mai vanua tani era via vakatubuilavo e Viti. Ena rai tale tikoga na FHL ena vakaukawataki ni nona bisinisi ena loma ni Melanesian Spearhead Group Trading Block.

#### VAKAVINAVINAKA

Niu mai cava, au vakavinavinakataki ira na noqu daireketa ena nodra cau,veiliutaki kei na nodra dina ena sokotaki ni waqa ni kabani ena wasawasa ni bolebole kei na vakadeitaki tiko ni tubu e vinakati. Au via vakaraitaka talega na noqu vakavinavina levu vua na Manidia ni Kabani Cokovata, Liuliu ni veitabana, Manidia kei na veiqaravi e vale ni volavola ena vuku ni cakacaka dina, sega ni guce ka dina ena cakacakataki ni veika eda sa rawata vata.

Meu tinia, au via vakavinavinakataki ira na noda era iTaukei ni sea ena nodra veitokoni e tauri keda vata tu me donu tiko kina na noda i lakolako ni cakacakataki tubu evei gauna.

## GROUP CEO'S REPORT TUKUTUKU NI KABANI COKOVATA



“REVIEW AND REFINEMENT ARE KEY ELEMENTS OF GROWTH, AND DURING THE PAST YEAR, OUR COMPANY HAS DONE BOTH, REVIEWED THE AREAS IN WHICH WE OPERATE AND REFINED OUR FOCUS TO THOSE IN WHICH WE CAN BE THE MOST EFFECTIVE, AND DO THE BEST.”

It is a pleasure to report on the progress Fijian Holdings Group has made during the financial year ending 30th June 2015. As ever, it has been a busy year as we strive to better serve our customers and partners across our many businesses and deliver value to our shareholders.

The year started with a hard look at our strategy, where we wanted to be as a Group by 2020 and how we could deliver the required growth. As we analysed our strengths and capabilities, we quickly came to recognise the importance of focusing on our core competencies in different sectors.

Review and refinement are key elements of growth, and during the past year, your company has done both, reviewed the areas in which we operate and refined our focus to those in which we can be the most effective, and do the best.

In keeping this report concise and pertinent to the year under review, whilst being comprehensive and detailed, we have ensured the commentaries are of a helicopter view of the events and progress within the year.

## GROUP PERFORMANCE

Despite challenging industry landscapes in several of the Group's key business lines, the diversity of its operations enabled the Group to demonstrate stability in its earnings profile.

The FHL Group turned in another year of strong financial performance with consolidated profit after tax before discontinued operations for the year surging 33% to reach \$15.13 million. The Group's consolidated revenue grew by 9.2% to record \$ 276 million during the financial year. Growth was broad-based with all sectors recording top line growth. As per accounting standards, operations of PNG-based Media Niugini Ltd (MNL) was considered discontinued operations for the financial year ending 30th June 2015.

The key contributors to the Group's revenue during the year were RB Patel Group Ltd (33.7%), Basic Industries Ltd (16.0%) and South Sea Cruises Ltd (14.2%). The Group's revenue streams are well diversified with the contribution of an individual sector not exceeding 20% of consolidated revenue except for retail sector. Export-oriented business interests have also enabled the Group to be geographically diversified with revenue streams originating from multiple countries in the Pacific region.

Group operating profit before tax increased by 10.8% to \$24.1 million during the financial year supported by revenue expansion, whereas growth in other income was marginal. While staff costs increased by \$1.51 million, other operating expenses decreased by \$2.1 million. Primary contributors to the Consolidated Profit were Merchant Finance Ltd with 23% followed by RB Patel Ltd and South Sea Cruises Ltd with 15% each.

During the financial year, FHL Group, excluding Merchant Finance Ltd, paid a total of \$6.17 million as finance cost. In addition, an impairment loss on goodwill was recorded at \$6.1 million arising out of South Sea Cruises acquisition. In addition, at holding Company level too, a provision to the value of \$8.9 million was made in terms of diminution value of investments. Total group assets reached \$459 million during the year, as the Group continued to strengthen its market positions and geographical reach through acquisitions and organic growth. Total

Sa ka ni marau meu vakaraitaka vei kemuni na veika a vakayacora na Fijian Holdings Group (Kabani Cokovata) ena loma ni yabaki vakailavo a mai cava ena Jiune 2015. Sa dua na yabaki osooso ni keitou sasaga me keitou qaravi kemuni vakavinaka kei ira eda cakacaka vata vakabisinisi me keimami solia na tubu vei ira na I taukei ni sea.

A tekivu na yabaki kei na neimami raica vakavinaka na i vakarau ni neitou veiqaravi ena neitou vinakata me keitou kabani, ena 2020, ka solia na tubu e gadrevi. Ena neitou vakadeuca na neitou kaukauwa kei na kila, keitou qai raica na bibi ni kila ni kaukauwa vakacakacaka e tu veikaitou baleta na veitabana tale eso.

Na rai lesu kei na vakamatailalaitaki e rau dau kilai kina na tubu, ia ena yabaki sa oti a vakayacora na kabani na ka ruarua oqori; raica lesu tale na veiqaravi keitou sa tara oti ka dikevi vakamatata na neitou lewa, se mataqali veiqaravi vakaevai me vakayacori.

Sa lekaleka na itukutuku ka nanumi me sota ga kei na veika a vakayacori tiko mo ni kila.

## NA VEIQARAVI NI KABANI COKOVATA

Dina ni bole ni kabani e na vanua dredre ni qaravi bisinisi, na nona veibuyaka na nona veitabana sa rawa kina Kabani Cokovata me dei ka mana na nona veiqaravi.

A rawata na Kabani Cokovata na FHL edua tale na yabaki kaukauwa ni rawa tubu vakailavo ka rawata na tubu cokovata ni musu oti na ivakacavacava ni bera ni mai cegu na cakacaka baleta na yabaki ka tubu ena 33% me yacova na \$15.13 milioni. Na ilavo bula curu mai na Kabani Cokovata e tubu ena 9.2% me rawata e \$276 milioni ena loma ni yabaki vakailavo. Era rawa tubu taucoko vakatautauvata na veikabani. E vakaraitaka na daunilavo ni cakacaka ni PNG based Media Niugini Ltd(MNL) me sa tarovi nona cakacaka ena yabaki ka mai cava ena 30 ni Jiune 2015.

O ratou na kabani ka ra liu ena nodra cau vakailavo kina Kabani Cokovata ena loma ni yabaki o RB Patel Group Ltd(33%), Basic Industries Ltd (16.0%) kei na South Sea Cruises Ltd(14.2%). Nai lavo bula curu mai ni Kabani Cokovata era vakayagataki vinaka ia na ilavo era cau mai kina na veikabani e sega ni sivia na 20% ni lavo bula curu mai ka qai vakavo ga na tabana ni volivolitaki. Na bisinisi era dau vakau iyaya ki vanua tani era vukeya na Kabani Cokovata me rawa i lavo bula mai na dui tabana era tu ena Pasifika.

Na tubu ni lavo ka veiqaravi kina na Kabani Cokovata ni bera ni musu na ivakacavacava e tubu ena 10.8% kina \$24.1milioni ena loma ni yabaki vakailavo ka vukeya na l lavo bula, ia na l lavo bula curu mai ena so tale na tabana e lailai. E tubu na isau ni tamata cakacaka, e tubu cake ena \$1.51milioni so tale na ilavo ni veiqaravi e lutu sobu ena \$2.1 milioni. O ira na cau kina tubu ni lavo cokovata ni kabani o Merchant Finance Ltd e 23% tarava o RB Patel Ltd kei na South Sea Cruise Ltd e rau ya 15%.

Ena loma ni yabaki vakailavo, a sauma kina na Kabani Cokovata ni FHL, sega ni wili kina na Merchant Finance Ltd, na ilavo e \$6.17milioni me baleta na tauri ni South Sea Cruises. Kena ikuri, a lutu na isau ni vakatubuilavo ena \$8.9milioni ena Kabani. Na levu taucoko ni sau ni yaubula taukeni ni kabani e yacova na \$459milioni ena loma ni yabaki, ena gauna sa tomana tiko kina na nona itutu ni makete ena veivanua me rawa kina na tubu. Na levu taucoko ni lusi ni Kabani Cokovata e tu ena \$255milioni, e lutu ena 1.4% ni raici vata kei na yabaki yani e liu.

group liabilities stands at \$255 million, a 1.4% decrease compared to the previous year.

## PERFORMANCE OF GROUP COMPANIES

Each of these companies have strong macro drivers and are well positioned for growth going forward.

Fijian Holdings Ltd as a holding company recorded a 38% growth in revenue leading to a 32% increase in after tax profits for the financial year. FHL has achieved an average annual revenue growth of more than 15% for past 4 years. Total investment portfolio at holding company level grew by 9% to reach \$231 million.

Merchant Finance Ltd (MFL) recorded a pre-tax profit of \$10.0 million for the year based on a revenue of \$19.7 million. MFL derived a total interest income of \$18.9 million from a lending portfolio of \$101 million while contributing the largest dividend payment to the holding company during the year. With a branch network of 7, the company has been in preparation mode for a public listing. With a solid business model which is largely based on asset financing, MFL would be an attractive proposition for investing in the coming years.

Notwithstanding challenging operating environment in the Licensed Finance Institution industry, Merchant Finance recorded a strong performance aided by growth across all businesses with both deposit and credit growth trending above industry average. The company is in the planning stages of new products in line with our innovative business strategies.

The turnaround of Basic Industries Ltd after several years of poor performance was a key achievement reflecting the spirit of the FHL Group. From a moderate 11% revenue contribution to the group in 2013 to 16% of contribution to increased group revenue in 2015 is a remarkable achievement. This is on the backdrop of improved demand for aggregates, concrete, cement blocks and other concrete products. A 27% growth in the annual revenue indicates the potential of the sector and will become a contender for the group's highest revenue contributor in the years to come. The re-engineering process is not yet completed but will continue until such time, when we achieve optimum results. We will emerge stronger with a sharp focus on innovation to deliver higher value additions.

Pacific Cement Ltd (PCL) experienced the first full year under competition, which otherwise used to be a monopoly business in the country. While we welcome competition, we are contained with the level of customer service provided by the company in order to ensure PCL delivers a superior product with excellent customer service. A recent management change coupled with shareholder change has led to a new direction in terms of investment in modern machinery. The same will improve efficiency in production in the coming years.

While RB Patel continues to be the most consistent company in the group in terms of performance, any significant growth in the retail arena would require major investment outlay. We do recognise the fact that the only way to improve the revenue contribution from the retail chain would be to increase the number of stores. Potential acquisition of a chain with few stores or stand-alone stores are possible in the coming years.

## NODRA VEIQARAVI NA VEIKABANI NI KABANI COKOVATA

E tu vei ira na veikabani taucoko qo na sasaga mera rawa tubu ka toso ki liu.

Na Fijian Holdings Ltd na ulu ni vekabani kece a rawata na tubu e 38% ena ilavo curu mai ka tubu kina 32% ni sa musu oti na ivakacavacava me baleta na yabaki vakailavo. A rawata na FHL e dua na tubu ni lavo e sivia e 15% ena loma ni va na yabaki veitaravi. E tubu nai sau ni vakatubuilavo ena kabani levu ena 9% me yaco kina \$231milioni.

A rawata na Merchant Finance Ltd (MFL) e dua na tubu ni bera ni musu na ivakacavacava e \$10.0 milioni baleta na yabaki e vakayavu mai ena dua nai lavo bula curu mai e \$19.7 milioni. Rawata mai na MFL na levu taucoko ni tubu ni lavo bula maroroi e \$18.9 milioni mai na dua na tabana ni soli dinau e \$101 milioni ena gauna vata e solia kina na tubu levu taudua me wasei kina Kabani Cokovata ena loma ni yabaki. Ena tabana ni cakacaka vata e 7, sa vakarautaka tiko na Kabani me ra sa tabaki kina Stock Exchange. Ena vuku ni tuvaki kaukauwa ni vakabisinisi ni vakailavotaki ni yaubula taukeni sa na uasivi kina MFL me vakatubuilavo ena veiyabaki mai qo. Dina ni veibolei na vanua ni cicivaki ni Tabana vakalaiseni ni lavo, a rawata na Merchant Finance edua na cakacaka vinaka kei na tubu ena vakacuru ilavo kei na soli ni dinau ena kena ivakatagedegede e cake. Sa tuvatuva ka tiko na tabana ena so na ivoli vou me salavata kei na neitou ituvatuva vou ni caka bisinisi.

Na saumaki mai ni Basic Industries Ltd ni oti e vica na yabaki ni cava ni veiqaravi sa dua na cakacaka ka vakaraitaka na yalo e tiko ena FHL Group. Mai na 11% ni lavo bula nona cau kina Kabani Cokovata ena 2013 kina 16% na cau kina toroi cake ni lavo ni kabani ena 2015 sa dua na cau levu. Qo e vakavu mai na vinakati vakalevu ni qereqere qaqi, simede, buloko simede kei na so na ivoli buli ena simede. Na tubu e 27% ena loma ni yabaki e vakaraitaka na veika e rawa ena tabana qo ka yaco me tu me dau solia na ilavo taudua kina kabani ena veiyabaki ka tu mai liu. E sa bera ni oti na sasaga, ena toso tikoga me yacova ni rawa na ka keitou gadreva. Keitou na kaukauwa ni keitou vakanamata kina veisau me levu n aka ena rawa.

Sa vakila ena imatai ni yabaki na Pacific Cement Ltd (PCL) na veiqati vakabisinisi ka ni a dau tu taudua ena bisinisi qo e Viti. Dina ni da ciqoma na veiqati, keitou sinai tu ena yalo ni veiqaravi ka solia na kabani me rawa kina PCL me volitaka na i yau vinaka mai ve ira na nona dauveiqaravi. Dua na veisau ni veilitaki sa vakayacori kei na veisau ni taukeni sea sa mua kina ilakolako vou na voli ni misini vovou. Qo ena vakavinakata na buli simede ena veiyabaki ka tu mai.

Ena nona tomana tiko o RB Patel na nona itutu ni kabani uasivi nona veiqaravi, na veisau levu dau yaco ena tabana ni volivolitaki ena vinakati kina edua na vakatubuilavo levu. Eda ciqoma na vakasama ni sala taudua e rawa ni tubu cake kina e dua na nona cau vakailavo mai na volivolitaki oya me vakalevutaka na iwiliwili ni nona sitoa. Na tauri mai ni vica na sitoa ra kabani vata se na kena e tu taudua ena rawa ena veiyabaki ka tu mai liu.

E vakilai na vinaka ni kena tauri mai na South Sea Cruises ena rawa ni tubu veitaravi e 20% ni lavo bula curu mai, dina ni a vakacaca na Cagilaba o Evan. A rawata na SSC na tubu e \$6.6 milioni ni bera ni musu na i vakacavacava ena i lavo bula curu mai e\$45 milioni. Na vakavinakataki ni Fiji Princess kei na tauri tale mai ni waqa vou. Cougar



Acquisition of South Sea Cruises Ltd now proves to be a success with a cumulative growth of 20% in revenue despite the impact of Tropical Cyclone Evan. SSC has recorded a pre-tax profit of \$6.6 million on a revenue of \$45 million. Refurbishment of Fiji Princess and acquisition of the new vessel, Cougar II have paved the way to enhance the shareholder value in the coming year. SSC chartered one vessels owned by Blue Lagoon Cruises Ltd and will be planning a major refurbishment for Mystique Princess within the next 18 months.

## CHALLENGES

Fiji Television Ltd (FTV) was the most challenging subsidiary during the year. Challenges are much more than finance and continue to involve international negotiations. Extensive discussion with World Rugby and Government of Fiji lead to sub-licensing of Rugby Sevens series while exit of senior management attracted unwarranted attention. This was followed by signing of a Sale and Purchase agreement with the proposed divestment of 100% stake in PNG-based Media Niugini Ltd (MNL). After seven months of hard work, the transaction failed to eventuate as at early September 2015. Management changes coupled with organisational restructuring has improved revenue base for the company while ensuring survival without dividends from MNL.

Problems continue with BIL PNG Ltd, the PNG-based wholly-owned subsidiary of FHL which operates a concrete batching plant. For the Financial Year 2015, BIL PNG made a loss of \$2.3 million leading a 3-year cumulative loss of \$5.3 million. During the year, BIL PNG relocated and commenced operations from a large area with brand new machinery and a fleet of new ready-mix trucks. Extensive search is on to find a strategic partner for BIL PNG.

## ACQUISITIONS AND DIVESTMENT

Over the years, the Group has pursued diversification through focusing on Fiji's key growth industries and has successfully built a resilient model for value creation cutting across manufacturing, agriculture and service sectors. Group strategy during the year was aligned to respond to the opportunities in the local market.

During the year, FHL invested in Pernix (Fiji) Ltd, a subsidiary of a US group specialising in secured construction and operators of large power plants. The investment will provide an enhanced opportunity for FHL to enter into a growth-potential renewable energy business in the future.

FHL also invested in a green field project of Life Cinema Ltd, a company that operates a 620 seat cinema complex in Nadi. Our investments in the cinema industry has shown promising growth with the company performing above expectations. As at this stage, we are planning to invest in least five more Cinemas around the country within the next 18 months. We will continue to make investments in the entertainment industry in the coming years in order to derive optimum value from the industry.

While there are several investment projects in the horizon, we are mindful of potential to grow at medium risk mode. Within this sphere, FHL may enter into at least two new industries in the coming year. Our long run focus continues to be controlled diversification. As such FHL reduces its exposure to a given sector not more than 20%. Currently our exposure to Financial Services and Tourism exceeds this benchmark.

11 sa vukea na veika era na wasea na itaukei ni sea ena yabaki ka tu mai. A lisitaka na SSC e dua na waqa ka taukena na Blue Lagoon Cruises Ltd ka nanuma tiko me vakavinakataka na Mystique Princess ena loma ni 18 na vula mai qo.

## NA BOLEBOLE

A bolele vakalevu na Fiji Television Ltd (FTV) ena loma ni yabaki. Na bolebole e sega walega ni baleta nai lavo ka ni tara sara talega na veidinadinati. Vuqa na veivosaki kei na World Rugby kei na matanitu o Viti ka tara na soli vakatikina ni laiseni ni Rugby Sevens ka vakavuna na vakasukai vakatawa dodonu ni kena ivakalesilesi liu. Muria qo na sainitaki ni veidinadinati ni volitaki kei na ivoli ka tara na vakatutu baleta na kau tani mai e 100% sea kina PNG based Media Niugini Ltd (MNL). Ni oti e vitu na yabaki ni cakacaka kaukauwa a sega ni mana na veidinadinati ena Sepiteba 2015. Na veisautaki ni veiliutaki kei na veisautaki ni tuvatuva sa vakavinakataka na itutu ni lavo bula curu mai kina kabani me vakadeitaka na bula ka se bera mada na tubu me wasei mai na MNL.

Vakilai tikoga na leqa ena BIL PNG Ltd, na kabani ka taukena vakatabakidua na FHL e qarava tiko na qaqi simede. A lusi vakailavo na BILPNG ena \$2.3 milioni ena 2015, ka tolu tale na yabaki veitaravi ni lusi ka kena levu taucoko e \$5.3 milioni. Sa toki tani na BIL PNG ena loma ni yabaki ka veiqaravi mai na dua na loma ni bai levu kei na misini vovou ni cakacaka kei na vuqa na lori ni usa simede qaqi oti. Sa vakasaqarai e dua na kabani me rau cakacaka vata kei na BIL PNG.

## VAKASAQARAI NI CAKACAKAVATA

Sa qarava ena veiyabaki yani eliu na Kabani Cokovata me sema yani kina veikabani ni cakacaka ka kune tubu vakalevu ka sa bulia rawa edua na ivakarau me curuma yani na tabana ni buli yaya, ni teitei kei na cakacaka tale eso. Sa mua ena yabaki qo na Kabani Cokovata kina veika e tu me baleta na makete eke.

Ena loma ni yabaki, sa vakatubuilavo na FHL kina Pernix Fiji Ltd edua na tabana ni kabani mai USA ka qarava na buli yaya kei na qaravi ni veimisini lelevu vakalivaliva. Na vakatubuilavo ena solia na sala kina FHL me curu kina vanua ni rawa tubu ena bisinisi ni qaqi ni yaya palasitika ena gauna mai muri.

Sa vakatubuilavo talega na FHL kina Life Cinema Ltd, edua na kabani ni yaloyalo yavala ka dabe kina e 620 na tamata mai Nadi. Na neitou vakatubuilavo ena tabana ni vale ni yaloyalo e rawa mai kina na tubu levu ka taleitaki talega vakalevu. Keitou sa nanuma tiko ena gauna qo me keitou vakatubuilavo tale ena lima na vale ni yaloyalo me tara ena veiyasai Viti ena loma ni 18 na vula mai qo. Ena tomani tiko na tara vale ni veivakamarautaki ena veiyabaki mai qo me rawa mai kina vakalevu na tubu.

Me vaka ni levu tiko na cakacaka ni vakatubuilavo ena gauna qo, keitou nanuma me keitou toso tiko vakamalua kei na ririko. Ena tikina qo, ena rairai curu na FHL ena rua se sivia na tabana ni cakacaka vou ena yabaki mai qo. Keitou nauma me qarauni tiko na neitou veiwaseyaka na neitou vakaduri bisinisi. Ni sa va oya sa tosoya sobu na FHL na nona vakaitavi ena dua na cakacaka me kua ni sivia e 20%. Ena gauna qo na neitou vakaitavi ena cakacaka vakailavo kei na saravanua e sivia na iyalayala qo.

## PEOPLE CAPITAL

People are our business - the thousands of people who trust in us to deliver the best choices, the best solutions and the best partnerships that bring win-win results for everyone. Both locally and internationally, we believe we can offer new and exciting ways for people to keep enhancing their quality of life

The success of our Group has been built around our loyal and committed employees and I wish to pay tribute to them for their contribution to what has been a successful year. Over the years, we have attracted the best and the brightest from the entire pool of available talent to build a strong workforce that reflects the diversity of the customers we serve. We continue to engage and encourage our employees to perform to the best of their talents through a performance-oriented culture founded on ethical and transparent behaviour which in turn promotes sustainable and profitable growth.

We rely on a team of over 2,000 employees for delivering our corporate goals. Empowerment of this team has been the key to unleashing their potential enabling a continuous improvement in our performance. Within the years, most of our senior members have successfully completed Fiji Directors Course while 7 senior managers have completed their MBA programme. Several of them have attended training programmes in USA, Malaysia and Singapore.

We have also launched key initiatives to enhance our leadership development programmes and have made innovation an important component of every thought process.

FHL creates value for its employees primarily by providing a great place to work as part of highly-motivated teams alongside people who are inspired to excel. Governance structures, policy frameworks, systems and processes have been put in place to support employee productivity goals and how the Group creates value for employees

## STAKEHOLDERS

Engaging with our key stakeholders on a consistent basis is an important aspect of our strategy formulation process, as it allows us to aptly recognise the requirements of different stakeholder categories.

We're committed to sustainable business - operations that take into account the many factors that go towards a truly environmentally-friendly and community-conscious business model. Shareholders, employees, business partners, Reserve Bank of Fiji, South Pacific Stock Exchange, Government and the public at large form our sphere of stakeholders.

FHL is committed to doing what is right in its business and places equal emphasis on the quality and the quantity of its profits.

## FUTURE OUTLOOK

We are proud of our heritage and have built foundations to support our ambitious plans for growth in our diverse areas of expertise. We see our future growth trajectory clearly. Investments and acquisitions will strengthen and add value to our businesses, ensuring that your company continues to grow, delivering excellence, and setting the standard, in every sphere in which we operate.

## BIBI NA TAMATA

Neitou bisinisi na tamata – udolu na tamata era vakabauti keitou ka ra solia veikeitou na digidigi, na iwali vinaka, o cei talega me keitou cakacaka vata ka na kauta mai na wini ena yasana ruarua. Keitou vakabauta ni keitou na solia na marau me vinaka cake kina na nodra I vakarau ni bula eke, mai vanua tani talega.

Na tubu ni noda kabani e vakavu mai na nodra dina kei na duavata ni tamata cakacaka, kau vinakata meu vakavinavinakataka ira ena nodra cau kina yabaki vinaka qo. Ena veiyabaki sa oti yani keitou a tauri ira mai na tamata vinaka ka vuku mai na tamata vuli vinaka era tu me buli cake kina na I lala dina me veiqaravi vei ira era qaravi. Keitou tomana na nodra vakayaloqataki na tamata cakacaka me ra veiqaravi ena yalo dina me rawa na tubu e vei gauna.

Keimami vakararavi ena timi lewe 2,000 mera cakacakataka na tubu ni kabani cokovata. Na vakaukauwataki ni timi qo sa yavu ni nodra solia na nodra kaukauwa ni nodra veiqaravi ka rawa kina me mana na veiqaravi. Vuqa vei ira na neimami vakalesilesi liu era sa vakaotia na Fiji Directors Course, ka 7 vei ira na manidia liu ra sa vakaotia na koroi na MBA. Vuqa vei ira era sa laki vuli ki USA, Malaysia kei Singapore.

Keitou sa tekivutaka eso na ivakarau me vakaukauwataka na itutu ni veiliutaki. E dokai ira na nona tamata cakacaka na FHL ena nona solia na vanua vinaka me ra cakacaka kina me rawa ni ra solia na nodra I gu. Na I tuvatuva ni veiliutaki, lawa ni cakacaka era virikotori me ra vukei kina na tamata cakacaka ena nodra kila na nodra I tavi kina kabani kei na itavi ni kabani vei ira.

## KILA VATA

Noda cakacaka vata kei ira eda kila vata ka duavata na ka eda taleitaka ena veigauna sa dua na tikina bibi ni rawa kina meda navuca na veika era gadreva na dui tamata eda via vukei ira.

Keimami duavata ka taleitaka vata na bula balavu ni vakatubu bisinisi kei na duidui ni veika mera kila baleta na bisinisi. Taukeni sea, tamata cakacaka, bisinisi vata, Reserve Bank of Fiji, Vanua ni volitaki sea, matanitu kei na lewe ni vanua era kila vata taucoko ena bisinisi.

Sasaga na FHL me vakayacora na ka e dodonu ena nona bisinisi kei na vakabibitaki ni vinaka kei na levu ni nona tubu vakailavo.

## RAI KI LIU

Keitou doka na ka keitou taukena mai ena gauna so oti ka buli talega na yavu dei me dabe kina na neitou ituvatuva ni caka tubu ena duidui tabana keitou kila. Keitou sa raica na matata ni neitou tubu vakailavo ena gauna mai muri. Na vakatubuilavo kei na tauri mai vakaveidinadinati edua na iyau sa na vakaukauwataka na rawa tubu ena neitou bisinisi, ena vakadeitaka ni na bula tiko vakailavo na nomuni kabani, solia tiko na tubu vinaka, vakaraitaka na ivakarau dodonu ena veivanua keitou veiqaravi kina.

Mai na veibiuyaki ni vakatubuilavo, e bibi me vakayacori na vakatubuilavo ena bisinisi e rawa tubu me rawa mai kina na ka e vinakati ena gauna qo kei na veigauna mai muri. Ni sa va oya, keitou raica na veika ena rawa mai na teitei, kei na loba sucu, qaqi ni palasitika, volivolitaki kei na saraiyaloyalo e vakabauti ni na tubu ka ni lailai na vanua se tatara yani

From a portfolio diversification perspective, the investment in key growth industries are essential to reap benefits in the medium to long term. As such, we see the prospects for agriculture and dairy, renewable energy, retail and entertainment in particular are promising given the significant under penetration of the same in comparison to other comparative markets. In reality, right strategic partner coupled with the right investment would be critical success factors in reaching our goals within a given industry.

We are confident that investments which we are making today in pursuing a sustainable long term future will result in improved returns on our capital employed in the medium to long term.

Reinforcing our position as a well-established regional holding company, we will continue to explore investment and partnership opportunities across the South Pacific, growing our presence, expanding our reach and delivering increasing value to every stakeholder we serve.

#### APPRECIATION

I salute my team including the management and all employees for a stellar performance and thank them for their hard work and dedication. Going forward, I count on your continued support as we look to raise the bar we have set for ourselves. It will be challenging but I am pleased, I can count on you. Our strategic partners, customers and suppliers have been with us for many years and I thank them for the confidence placed in us to drive mutual growth.

I extend my sincere appreciation to the FHL and subsidiary company directors for their contribution enriching the rigour of reviews and deliberation of matters set before the Boards. My sincere appreciation also goes out to the insightful support and direction of the Group Chairman and other independent directors.

Vinaka vakalevu



**Nouzab Fareed**  
Group Chief Executive Officer

15th September, 2015

kina. Bibi ga oya me dua na kabani vinaka kei na vakatubuilavo veiganiti, sa na rawa me mana na ka e gadrevi ena loma ni dua na kabani

Keitou nuidei ni vakatubuilavo eda sa vakayacora tiko ni kua ena vakavotukana ena tubu vinaka ena noda yavu ena gauna qo kei na veigauna mai muri.

Vakaukauwataki na noda itutu ni da kabani cici vakavinaka, eda na tomana tikoga na noda vakasaqara vakatubuilavo kei na kabani meda cakacaka vata ena pasifika, tubu na noda kilai, ka toso yani na noda solia na tubu vei ira na itaukei ni sea eda qaravi ira.

#### VAKAVINAVINAKA

Au dokai ira ka vakavinavakataki ira na noqu timi bau kina na veiliutaki kei ira taucoko na tamata cakacaka ena veiqaravi totoka kei na yalo dina. Ni da toso ki liu, au na vakanuinui ena nomuni veitokoni me da laveta na isausau eda sa biuta tu ena bole keda, ia au marau niu vakararavi veikemuni. Era tu vata kei keda o ira na noda kabani, o ira eda qaravi ira, o ira na dau volitaki yaya veikeda ka da tu vata ena veigauna sa sivi, au vakavinavakataki ira ena veivakabauti era solia veikeda meda tubu vakatautauvata.

Au vakaraitaka na noqu marau kina FHL kei ira na daireketa ni veikabani cokovata ena nodra cau e vakabulabulataka na Matabose ena kedra veivosakitaki. E gole talega na vakavinavakataki ena veitokoni kei na veidusimaki vua na iLiuliu ni Matabose ni Kabani Cokovata kei ira na daireketa tu vakataki ira.

## OPERATIONAL REPORT OF SUBSIDIARY COMPANIES TUKUTUKU MAI VEI IRA NA VEIKABANI COKOVATA



#### RB PATEL GROUP LIMITED

Fijian Holding's Shareholding: 50.75 %

The company's total revenue including other income this year increased to almost \$107 million. This is an increase of just over 3.6% and reflects the improving consumption spending in the local economy.

Operating profit for the year before tax was \$6.6 million compared to \$5.9 million last year – an increase of 11.2% over the previous year. Profit after tax however remained almost the same. The construction works for the Cinema multiplex at our JetPoint complex was completed in June 2015 although the Cinemas have been operating since December 2014. The Cinemas have had a significant impact on the traffic at the complex and this is reflected in the increased activity at our JetPoint supermarket.

The Board is considering further developments of our current properties at JetPoint, HarbourPoint and the residential property in Suva, and will be finalising plans for these soon. We continue to search for new sites for stores keeping in mind that these should add value for our shareholders. The Board proposed a final interim dividend of 10 cents per share bringing the total dividend declared and paid for the year to 14 cents per share. This is the eighth consecutive year that the company has paid dividends at 14 cents per share. The company's recent share price of just over \$3.00 continues to reflect shareholder confidence: share price in June 2014 was \$2.70 which is an increase of just over 11% during the year.



#### RB PATEL GROUP LIMITED

Wase Ni Sea Ena Kabani Qo Ka Taukena Na FHL: 50.75 %

Na levu taucoko ni lavo ni kabani bau kina na ilavo curu mai ena yabaki qo e toso cake kina \$107 milioni. Qo edua walega na tubu e 3.6% ka vakaraitaka na toso cake ni volivoli ena rara ni veivoli.

Na tubu ni veivoli me baleta na yabaki ni bera ni musuki na ivakacavacava e \$6.6milioni ni raici vata kei na \$5.9milioni ena yabaki sa oti --- edua na tubu e 11.2% ena loma ni yabaki yani e liu. Na tubu ni sa musuki na ivakacavacava e voleka ni tautauvata tikoga. Na tara ni vale baleta na vale ni yaloyalo ena JetPoint mai Nadi a oti na kena cakacaka ena Jiune 2015 dina ga ni a sa cici tiko mai na vale ni yaloyalo mai na Diseba 2014. E vukea sara na vale ni yaloyalo na levu ni volivoli ena neitou JetPoint supermarket.

Sa nanuma tiko na Matabose (Board) me so tale na veivakatorocaketaki me vakayacori ena JetPoint, HarbourPoint kei na vanua ni veivakavaletaki e Suva, sa na qaravi oti na kena i tuvatuva ena dua na gauna ga qo. Keitou na tomana na vaqarai ni vanua vou baleta na sitoa me baleti ira na neitou itaukei ni sea. Sa vakatura na Board me saumi na iotioti ni tubu me saumi e 10 na sede dua na sea ka me kauta cake na levu taucoko ni tubu me saumi baleta na yabaki vakailavo kina 14 na sede dua na sea. Na isau ni sea ni kabana ena gauna qo e sivia toka ga na \$3.00 e vakaraitaka tiko na nodra veivakabauti na taukeni sea: sau ni sea ena Jiune 2014 e a \$2.70m a tubu ena 11% ena loma ni yabaki.



#### FHL STOCKBROKERS LIMITED

Fijian Holdings Shareholding: 100%

FHL Stockbrokers Limited, a wholly-owned subsidiary and the broking arm of Fijian Holdings Limited, maintained a positive result for the financial year ended 30th June 2015 with a NBPT of \$2611.

During the year, the Company went through a restructure in light of the slow market activities and dense competition, but it endured its positive performance nonetheless.

The new financial year is expected to bring fresh challenges, however, FHLS is optimistic in maintaining positive results through other revenue streams such as support services to complement its main revenue driver. Simultaneously, the outlook remains progressive for trading market and increased investor participation through FHLS as broker of choice



#### FHL STOCKBROKERS LIMITED

Wase Ni Sea Ena Kabani Qo Ka Taukena Na FHL: 100%

Na FHL Stockbrokers Limited edua na kabani taukena vakatabakidua na FHL ka qarava na volitaki ni sea ena stock exchange, e rawata tiko na tubu ena yabaki vakailavo ka cava ena Jiune 2015 kei na NBPT e \$2611.

E sotava na kabani ena loma ni yabaki edua na veisau me baleta na lulu ni veivoli ena makete kei na veiqati kaukauwa, ia e rawata ga na tubu e vinakakata.

E nanumi na yabaki vou vakailavo ni na kauta mai eso na veisau dredre, ia e nuidei na FHLS ni na rawata tikoga na tubu ena so tale na sala ni rawa i lavo me vaka na cakacaka ni veivuke me tokona na sala ni nona rawa ilavo. E raici ni dei tiko na veivoli ena makete kei na nodra vakaitavi vakalevu na dauvolitaki sea kina FHLS na kabani era digitaka.

**MERCHANT FINANCE & INVESTMENT COMPANY LTD**

Fijian Holding's Shareholding: 80.00 %

Merchant Finance has successfully ended Financial Year 2015 on yet another high note. Challenging conditions have continued with high liquidity, increased competition and subdued credit demand. These market conditions challenged all financial institutions on utilising surplus funds and getting a return on them.

Despite challenging conditions Merchant Finance recorded a pre-tax profit of \$10.02 million for the year, compared to \$9.8 million last year; a record up to that time. The company continued to meet prudential requirements set by the Reserve Bank of Fiji for licensed credit institutions and is well capitalised with a strong liquidity position.

Apart from delivering a record profit, Merchant Finance increased its human resource capacity building by providing staff members with the best training and education to carry out the roles they serve within the company. Managers were encouraged to undertake Company Director Courses (facilitated Australian Institute of Company Directors) and staff members were also encouraged to pursue advanced academic qualifications to complement/develop their skills. Succession planning initiatives are in place to ensure the business thrives together with the proficiency of staff.

Being a good corporate citizen, the company contributed to providing employment to the large pool of University graduates who are looking for employment. Graduate trainees and attachés now contribute to the services offered by the company Fiji wide. In addition, as part of our Corporate Social Responsibility, we raise awareness of community needs as well. Merchant Finance participated in Financial Inclusion initiatives by the Reserve Bank of Fiji, Asco Motors Trade Shows, visited the children at St. Christopher Home, facilitated a street Blind Appeal and hosted a breakfast for the Fiji Society for the Blind.

With new entrants intensifying competition in the Lending market, Merchant Finance has revised its Strategic Plan to continue offering exceptional service to customers. The company is looking forward to roll out new initiatives that will improve its competitive edge and satisfy evolving financial demands of customers.

**MERCHANT FINANCE & INVESTMENT COMPANY LTD**

Wase Ni Sea Ena Kabani Qo Ka Taukena Na FHL: 80.00 %

E baci mai cava na Yabaki Vakailavo 2014 ni Merchant Finance ena dua na l tutu cecere ni rawa tubu. Bolei tiko vakalevu na ituvaki ni lavo e tu ka sega ni vakayagataki, levu na veiqati ka lailai na dinautaki ni lavo. Na ituvaki ni makete va qo e bolei ira na veimakete ni lavo ena vuku ni levu ni ilavo sega tu ni vakayagataki me rawa mai kina na tubu.

Dina ni bolei na lewa vakacacaka, a rawata na Merchant Finance na tubu ni bera ni musuki nai vakacavacava e \$10.02 na milioni me baleta na yabaki ni vakatauvatani kei na \$9.8milioni ena yabaki sa oti; edua na yabaki ni cavu isausau me yacova na gauna oya.

E tomana tiko na kabani na nona vakamura vinaka na veika e virikotora na Reserve Bank of Fiji baleti ira na tabana ni soli dinau vakalaiseni ka tu vinaka tu ena i lavo me dau dinautaki. Mai na nona rawata na tubu vakaitamera a vakalevutaka talega na Merchant Finance na i wiliwili ni nona tamata cakacaka ka vakavulici ira ena vuli me ra qarava kina na nodra l tavi ena kabani. Era vakauqeti na veimanidia me ra vulica na Company Director Courses (vakarautaka na Australian Institute of Company Directors) ka ra vakauqeti talega na cakacaka e rukudkra me ra taura na vulica na vuli torocake me vakalevutaka na nodra kila. Sa tiko talega na vuli baleta na ituvatuva ni veisosomitaki me rawa kina kabani me cici vinaka mai veiira era vuli vinaka ena veiqaravi.

Ni dau veiqaravi vinaka, sa vakaitavitaki koya na kabani me vakacacakakataki ira edua na ilala levu era vakoro ni vuku mai na University ni Ceva ni Pasifika ka ra vaqara cakacaka tiko. Era vakaitavi tiko ena gauna qo o ira na vakoro vuli cakacaka kei ira ka veiqaravi ena veicacacaka ka solia na kabani e Viti raraba. Me kena ikuri keitou dau qarava, me tiki ni neitou itavi, na vakaraitaki raraba ni veika era gadreva na lewenivanua. E vakaitavi na Merchant Finance ena veika eso vakailavo e vakaraitaka mai na Reserve Bank of Fiji, Asco Motors trade Shows, sikovi ni gone ena St. Christopher's Home, cakacakataka na nodra kere i lavo na mata boko e gaunisala, kei na nona qarava edua na katalau baleti ira na iSoqosoqo ni Mataboko.

Ena kena sa levu na taba ni soli lavo vakadinou ena kedra makete, sa tosoya cake na Merchant Finance na nona ituvatuva me rawa ni na uasivi na nona veiqaravi vei ira e qaravi ira. Sa vakanamata tu na kabani me solia tale eso na veika vovou me sotava na nodra gagadre o ira ka qaravi ira ena veika vakailavo.

**FHL PROPERTIES LIMITED**

Fijian Holdings Shareholding: 100%

The 2015 financial year was indeed very challenging for the team, however, the Company recorded a notable net profit after tax of \$639,839 (2014: \$684,616). During the year, the Company did not declare any dividends compared to the previous year of \$500,000.

The performance of the company was mainly due to the finalisation of outstanding leasing agreements and increase in rental income compared to the previous year. The FHLP portfolio also undertook some major renovation works which has resulted in key tenants rolling over leasing agreements and improved occupancy. FHLP continues to find the increasing maintenance costs a challenge in this line of business.

During the year, FHLP managed to maintain an acceptable level of occupancy throughout all its property portfolio, however, the key challenge continues to be maintaining cost effective strategies to maintain the buildings whilst providing the highest standard of services to our valued tenants without impacting the return to shareholders.

The 2016 financial year is expected to be another challenging one as we will commence with a number of significant upgrading projects for all the buildings. We, however, remain positive with the projected economic outlook and with the progress of our new project, the new FHL Tower located at Gordon Street opposite Ra Marama. We anticipate it to be an exciting year for the company.

**FHL PROPERTIES LIMITED**

Wase Ni Sea Ena Kabani Qo Ka Taukena Na FHL: 100%

Sa veivakayaloqataki dina veiira na timi na yabaki vakailavo ni 2015. A rawata na kabani na tubu ni sa musuki oti nai vakacavacava e \$639,839 (2014: \$684,616). Ena loma ni yabaki a sega ni kacivaka edua na tubu me wasei na kabani me vaka na yabaki yani ki liu e \$500,000.

Na vinaka ni veika a rawata na kabani a vu vakalevu mai na kena vakaotivi na veidinadinati ni lisi se bera ni saumi kei na tosoi cake ni lavo bula curu mai ena rede ni raici vata kei na yabaki yani eliu. Na kabani na FHLP a qarava talega eso na cakacaka ni vakavinakataki vale ka mai vakavuna nodra bera ni sauma eso era rede na lisi kei na tawa vinaka ni vale. Tomana na FHLP na sotavi ni tubu ni sau ena vakavinakataki ni vale, ka vakila ni dua qo na bolebole ena bisinisi va qo.

Ena loma ni yabaki, a rawata na FHLP me ciqoma tiko na itutu ni tawani ni vale, ia na bolebole e tiko ga, oya, me vakalailai na i sau ni ripea ka vakadeitaki tiko na i tuvaki ni vale me kauti ira mai o ira e rawa ni ra sauma na rede ena i sau vinaka, ka na maleka veiira era itaukeinisea.

Sa namaki ni yabaki vakailavo 2016 sa na dua na yabaki ni bolebole ni keitou na qarava na vakavinakataki ni neitou veivale taucoko. Keitou nuidei ni vinaka tu na ituvaki ni bula vakailavo kei na toso vinaka ni neitou cakacaka, na neitou FHLP Tower ka tiko e Gordon Street veibasai kei na Ra Marama, sa na dua na yabaki vinaka kina kabani.

**PACIFIC CEMENT LIMITED**

Fijian Holding's Shareholding: 50.10%

During the financial year 2015, Pacific Cement Limited (PCL), formerly known as Fiji Industries Limited, underwent a company restructure. The company recorded total revenue of \$31,576,161 million, a reduction of 8% compared to FY14 as direct consequences of low sales through local activity and export volumes. The PBT was \$1.49 million, which is a significant decrease representing a reduction of 8% compared to FY14. FY15 total cement sold was 126,457 MT compared to a budget of 135,000 tons, a reduction of 6%.

Moving forward, PCL will continue cost controls, be innovative in the production of cement and aggressively grow its business in the export market. PCL is a world class cement producer in the Pacific region and has geared up with a strong strategic plan to compete with the new competitor in the market, Tengy Cement.

**PACIFIC CEMENT LIMITED**

Wase Ni Sea Ena Kabani Ka Taukena Na FHL 50.10%

E na loma ni yabaki vakailavo 2015, Pacific Cement Limited (PCL) ka kilai eliu ena Fiji Industries Limited a vakayacora ena kabani edua na veisau levu. A rawata kina ni vakacuruma mai kina kabanai nai lavo e \$31,576,161m a lutu ena 8% ni raici vata kei na FY14 ena vuku ni lutui ni volivolitaki eke kei na lailai ni volivolitaki ki vanua tani. A PBT a rawa e \$1.49 a lutu ena 8% ni raici vata kei na FY14 Na levu ni simede a volitaki ena FY15 e \$126,457 MT ni raici vata kei na levu ni kena a nanumi me rawa e135,000 tani, qo e lutu ena 6%.

E sasaga tiko na PCL me tomana me lewa vinaka na nona vakayagataki lavo ka levu cake talega na simede me buli me vakalevutaka na nona volivolitaki ki vanua tani. Dua na kalasi naba dua e vuruvura na simede e bulia na PCL ka sa nanamaki me veiqati vakavinaka kei na Tengy Cement.

06



### BASIC INDUSTRIES LIMITED

Fijian Holding's Shareholding: 51.10 %

BIL recorded back-to-back growth performances for the financial years FY14 and FY15 following a negative result in FY13. This rebound in performance was brought about by recovery strategies put in place by the Board and Management, and by the significant improvement in the local construction industry.

In the past few years, a significant number of new competitors have entered the market increasing competition and diluting BIL's market share. A number of these new entrants are overseas companies that operate on a totally different business strategy and cost structure to local companies and are also aligned to overseas construction companies and contractors that currently operate in Fiji. Despite this change in the market landscape, BIL continues to maintain its long-term strategy of focusing on its core business (i.e. quarrying, ready-mix concrete and concrete products) and strengthening it through high quality products, efficient operations and processes, good people and excellent customer service. Continuous business growth is maintained through increasing market share and expanding into new market areas, particularly in exports.

The buoyant local construction market has had a positive impact on the BIL's current business activities and forecasted growth for the next few years. Government's significant capital investment into roads and infrastructure has been the main driver for the increased local construction activity, which in turn has initiated many private and commercial building and construction projects. In order to capitalise on these favorable market conditions, BIL has embarked on a major capital investment program to increase production capacity and improve plant capability. Some of these investments include a new Pipe Making Machine for Suva, a Block Plant for Labasa, a Crushing Plant for Nadi, a fleet of brand new Concrete Mixer Trucks, a Concrete Boom Pump, a 50 tonne Crane and a number of loaders and excavators.

The Board, Management and Staff is focused on this target and are all fully aware that there has never been a better time and opportunity for the business to reach this milestone.

06



### BASIC INDUSTRIES LIMITED

Wase Ni Sea ena Kabani qo ka taukena na FHL: 51.10 %

E rawata ena rua na yabaki veitaravi FY14 kei na FY15 na BIL na tubu vakailavo dina ga ni a leqa ena FY13. Na saumaki lesu ni veika a rawa e vakavu mai na nodratou lewa matau na matabose, na veiliutaki kei na uasivi ni tabana ni tara vale.

Ena vica na yabaki sa oti e vuqa na bisinisi vou era tauyavu ka curu ena makete ni veisisivi ka vakaleqa na sea nei BIL ena makete. E vuqa veaira na curu vou mai qo era kabani mai vanua tani ka ra cicivaki ena dua na ivalavala vou ni qaravi bisinisi. Dina ni so na veisau ena makete ,e tomana tikoga o BIL ena nona l tuvatuva ni vakayaco bisinisi (na qaqi vatu, simede qaqi rawa, kei na iyaya buli ena simede ) ka vakadeitaki qori ena uasivi ni veika e bulia, totoka ni veiqaravi, kara dau veiqaravi uasivi talega. Tomani tikoga na tubu ni bisinisi kei na uasivi ni sea ena makete kei na vakarabailevutaki ni so na makete vou ivanua tani.

Na cici vinaka ni makete ni tara vale e solia edua na l yaloyalo vinaka ni nona veiqaravi na BIL ka raica ni na uasivi na veika e na rawata ene vica na yabaki mai qo. Na vinaka ni qaravi ni gaunisala mai na matanitu sa vakavinakataka na cakacaka ni tara vale, ka ra tara rawa kina na veivale lelevu eso. Me rawa ni vakayagataki na ituvaki ni makete, sa nanuma na BIL me sa vakaitavi ena dua na cakacaka levu ni vakatubuilavo me levu cake kina na veika era buli kei na misini me vakavinakataka. So veira na vakatubuilavo qo e okati kina na misini ni buli paipo baleti Suva, misini ni buli buloko baleti Labasa, dua na misini ni qaqi vatu mai Nadi kei na vuqa na misini ni qaqi simede kei na kena lori, edua na Boom Pump ni simede, e 50 tonne crane kei na vuqa na loaders kei na excavators.

E ratou sa vakanamata tiko na Board, na veiliutaki kei na vakailalesilesi ena takete qo ka ratou sa kila tu ni a sega ni se bau dua na gauna vinaka kina bisinisi me yacova ni rawa na isausau qo.

07



### LIFE CINEMA LTD

Fijian Holdings Shareholding: 60%

Life Cinema opened to the public in December 2014 and was welcomed by the Western community. Over this initial summer period we have had great success with the release of numerous blockbuster Hollywood and Bollywood films. We are the first cinema in Fiji to have installed Dolby Atmos sound system and are one of only select few to have it available in the South Pacific. The cinema is also bristling with the latest in digital cinema technology to ensure the best picture and sound experience for our audiences.

The loss for the year ended 30th June 2015 reflects the high one-off operational set up costs involved together with consultancies required when venturing into a new business.

We have seen continued growth in admissions as more and more people visit and experience the cinemas. Introduction of initiatives like Cheap Mondays & Tuesdays, Boys Night Out together with the introduction of a bar and food service for mainstream and VIP customers are all ensuring a level of service never experienced by the people in the West. We are currently improving the local knowledge to keep on increasing our admissions monthly. With more exciting titles being released in the coming months, we are looking forward to lifting our performance to greater levels.

We are proud to add another dimension in entertainment for visiting tourists and the local community. With our commitment to excellence in picture & sound quality and customer service, we are looking forward to a very successful year ahead.

07



### LIFE CINEMA LTD

Wase Ni Sea Ena Kabani Qo Ka Taukena Na FHL: 60%

A dolavi na Life Cinema kina lewenivanua ena Tiseba 2014 ka ra ciqoma ena nodra taleitaka na lewenivanua mai na yasayasa vakara. Ena loma ni gauna ni vulai katakata qo keitou a cici vinaka sara ena vakaraitaki ni so na iyaloyalo mai Hollywood kei Bollywood. Keitou nai matai ni vale ni yaloyalo e Viti ka keitou vakadabera edua na misini ni gusu ni vosa na Dolby Atmos ka dua ga na mataqali va qo e tiko ena Pasifika. Na kena mataqali qo e maqa e Viti na i tuvaki ni kena i yaloyalo kei na rorogo ni veivosaki.

Na lusi vakailavo baleta na yabaki ka mai cava ena 30 Jiune 2015 e vakaraitaka na levu ni lavo e vakayagataki me vakadaberi kina na bisinisi vou qo. Keitou vakadikeva tiko na levu ni tamata era curu mera vakila na vale ni yaloyalo qo. Tekivutaki edua nai vukivuki me sau lailai na Moniti kei na Tusiti, Bogi ni gonetagane kei na tekivu ni dola edua na bar kei na volitaki kakana baleti ira na vakailavo me ra raica mai na yasayasa Vaka Ra edua na ka vou. Keitou vakavinakataka na nodra kila o ira na na lewenivanua me levu kina ni toso cake na tamata mera sarasara. Na levu ni yaloyalo vivinaka era yaco mai sa na vukea na veika keitou rawata vakailavo.

Keitou dokadokataka ni keitou vakuria na veika era na taleitaka na saravanua kei keda eke. Ena neitou sasaga me uasivi na i yaloyalo, na kena vosa kei na veiqaravi vinaka, keitou sa vakanamata kina dua na yabaki vinaka mai qo.

08



### BASIC INDUSTRIES (PNG) LTD

Fijian Holding's Shareholding: 100%

The financial year 2015 provided many challenges for Basic Industries (PNG) Limited, formerly known as Pasifika Holdings Limited. During the year, management completed the relocation of its operations and the construction of a new fully-automated batching plant on the Baruni Land which was acquired in the previous financial year. This plant possesses a state of the art computerised control system to produce quality mixes for the market and environmentally friendly with minimum waste products and dust emissions. The plant was commissioned on June 25th 2015.

Through this, management are optimistic of repositioning themselves to generate more revenue in the next financial year due to the upcoming development in Port Moresby and surrounding areas. Going forward, management continue to look for a strategic partner to improve its market penetration in line with its business growth strategies as well as further development of the 13 acre Baruni Land to boost its revenue stream and overall operations in PNG.

08



### BASIC INDUSTRIES (PNG) LTD

Wase Ni Sea Ena Kabani Qo Ka Taukena Na FHL: 100%

Na yabaki vakailavo 2015 e solia e vuqa na bolebole kina Basic Industries (PNG) Limited ka kilai e liu ena yaca Pasifika Holdings Limited. Ena loma ni yabaki a vakacavara na veiliutaki na kena biu tale ena dua na vanua vou na nona itikitiki ni veiqaravi kei na kena tara edua na vale ni buli simede caka ena livaliva ena gele mai Baruni ka a se tauri ena yabaki vakailavo yani e liu. Na misini qo ecakacaka ena livaliva me bulia na simede Maqa e Viti; Tiko ga mai PNG. A tekivu cakacaka na misini qo ena 25th Jiune 2015.

Sa vakanuinui vinaka na veiliutaki ni ratou sa tu me ratou rawa ilavo ena yabaki vakailavo ka tarava me sota kei na veivakatorocaketaki ka vakarau vakayacori e Port Moresby kei na veivanua volekata. Ni toso ki liu, sa tomana na veiliutaki me vakasaqara edua me rau cakacaka vata vakavinaka me vukea na nona botea yani na ilati ni vakatubu bisinisi me rawa na tubu ka qaravi talega na 13 na eka Baruni Land me vukea na vueti cake ni nona ilavo bula curu mai kei na veiqaravi raraba e PNG.

**SOUTH SEA CRUISES LTD**

Fijian Holding's Shareholding: 100%

Financial Year 2015 produced strong growth in passenger numbers for our South Sea Cruises branded resort connection services & day cruise products operated throughout the Mamanuca group of Islands. Resort partner occupancies were mostly stronger than the prior year & we benefited from consistent product delivery throughout the year due to there not being any major resort closures or major weather events disrupting trading.

The new Sheraton Tokoriki Resort & Spa opened in June 2014 & is now trading with very good occupancy which is reflected in encouraging volumes of resort guest transfers. Our new vessel Cougar II which we took delivery of in September 2014 to enhance our Resort connection services has been operating to a high standard & has been well received by passengers & other stakeholders. Our Awesome Adventures Independent traveller & Backpacker market products operated throughout the Yasawa Islands traded slightly below prior year passenger numbers & this market remains challenging. Yields for the Blue Lagoon Cruises products operated aboard Fiji Princess have increased considerably during 2014/15 whilst also showing a slight occupancy improvement. The refurbishment of Fiji Princess in April 2014 & itinerary changes made have been well received by the travel trade & passengers. Global marketing efforts for these products are beginning to produce good results with forward bookings being well above what was being achieved a year ago.

South Sea Cruises and Blue Lagoon Cruises achieved a combined total sales of \$45.2m (\$39.3m in 2014) for the year ended 30th June 2015 resulting in a net profit after tax of \$5.3m (\$1.6m in 2014). The outlook for the new financial year is very positive and without any adverse weather events, the company anticipates making a record profit.

**SOUTH SEA CRUISES LTD**

Wase Ni Sea Ena Kabani Qo Ka Taukena Na FHL: 100%

Na yabaki 2014/15 a vakaraitaki kina na levu ni pasidia era vodo ena South Sea Cruises ka kilai ena yaca ni veiusa ena veisiga kina veitikitiko ni saravanua ena yatu Mamanuca. E toso cake na levu ni kena tawa na waqa ni raici vata kei na yabaki yani e liu. Keitou kalougata ena veika keitou rawata ena loma ni yabaki ni sega ni sogo eso na itikitiko ni saravanua, se na draki ca me vakaleqa na neitou veivoli.

A dola na neitou otela vou na Sheraton Tokoriki Resort & Spa ena Jiune 2014 ka sa cici tiko vakavinaka na veivoli ena tawa ni waqa ni vulagi era vodo yani kina. Na neitou waqa vou na Cougar11 ka keitou volia ena Sepiteba 2014 me vakaukawataka na neitou soko kina veitikitiko sa veiqaravi tiko ena kena i vakatagedegede e cake ka ra taleitaka vakalevu na pasidia kei ira era taukena. Na neitou Awesome Adventures independent traveller kei na makete ni Backpackers e cici vinaka tiko ka qarava tiko na yatu Yasawa e sega ni cici vinaka tiko ka vaka me veibolei tiko na makete qo. Na veika e rawa mai na veika volitaki e loma ni Blue Lagoon Cruises ka cicivaka na Fiji Princess e toso cake vakalevu ena loma ni 2014/15, uasivi talega na tawani ni waqa. Na vakavinakataki ni Fiji Princess ena Epereli 2014 kei na veisau eso ni tuvatuva ni soko ni waqa e taleitaki mai vei ira na pasidia kei ira na itini ni saravanua. Na sasaga ni volivolitaki ena veiyasai vuravura e vuavuwai vinaka baleta na ivoli qo ka sa taleitaki na vatukana.

Rau a rawata ruarua na South Sea Cruises kei na Blue Lagoon Cruises ena volivolitaki na ilavo e \$45.2m (\$39.3m ena 2014 ) baleta na yabaki a mai cava ena 30 Jiune 2015 ka rawa kina na tubu ni sa musuki oti na I vakacavacava e\$5.3m (\$1.6m ena 2014). Na vakanananu ni yabaki vakailavo ka tarava ni na vinaka cake na tubu ena rawa kevaka e sega ni dua na cagilaba.

**FHL FUND MANAGEMENT LIMITED.**

Fijian Holdings Shareholdings: 100%

FHL Fund Management Limited, the Fund Manager for Fijian Holdings Unit Trust, recorded a total revenue of \$2.11m, as compared to \$1.49m for FY 2014. Concurrently FHL FML recorded a NBPT of \$1.02m, an increase of 89%, the significant increase was due to an increase in positive sales by 67% as compared to the previous year. Moving forward, FFML as the Fund Manager for Fijian Holdings Unit Trust (FHUT), will continue to explore viable investment opportunities for the Fund in the new financial year and is optimistic that the strategies that have been put in place will maximise competitive returns to our unitholders. In terms of accessibility, FFML is committed to ensuring that the FHUT product is accessible throughout the country as it continues to strengthen our marketing activities in the various divisions including the Northern and Western part of Fiji.

**FHL FUND MANAGEMENT LIMITED.**

Wase Ni Sea Ena Kabani Qo Ka Taukena Na FHL: 100%

Na FHL Fund Management Limited na Manidia ni Fund ena Fijian Holdings Unit Trust a rawata edua na ilavo levu e \$2.11m, me vakatauvatani kei na \$1.49m me baleta na yabaki vakailavo 2014. E rau rawata vata na FHL FML edua na NBPT e \$1.02m e tubu cake ena89%, na tubu levu a vakavu mai ena vinaka ni volivolitaki ena 67% ni vakatauvatani kei na yabaki yani e liu. Ni toso ki liu, ena tomana tiko na FFML na Manidia ni Fund baleta na Fijian Holdings Unit Trust(FHUT), me vakasaqara eso tale na sala ni vakatubuilavo vinaka me baleta na Fund ena yabaki vou vakailavo ka nuitaka ni tuvatuva sa vakayagataki ena rawata mai vakalevu na tubu me baleti ira na itaukei ni iuniti. Me baleta na kena vakatetei sa tu na FFML me vakadeitaka na FHUT na kena vakauti raraba na kena itukutuku ena kena tomani tiko vakaukauwa na cakacaka ni kena maketetaki yani na kena cakacaka ena veiyasai Viti taucoko bau kina na Vualiku kei na Yasayasavakara.

**FIJI TELEVISION LIMITED**

Fijian Holdings Shareholding– 61.60%

Fiji Television Limited commenced the financial year with major changes to its Sky Pacific Channel Line-up which came into effect in August 2014 with increase number of television channels to 24 channels for Sky Pacific viewers. These changes and additional benefit to Sky Pacific Subscribers were not well received which drew the attention of Consumer Council to negotiate and settle the concerns of our viewers. As a result, Fiji TV was forced to bring back some of the Channels offered by FOX International Channels (FIC) and the BBC Channel that were dropped from Sky Pacific's bouquet of channels.

On a positive note, Fiji One News broke new grounds during the 2014 general election as we were able to provide live coverage from almost all key polling centers. This was after an investment of (FJD65,000) to purchase two live-view kits that was used extensively to cover news stories and enabled our reporters to speak to voters all across the country. The election coverage was about 6 hours daily in the week before polling and until the results were announced. This was an added value opportunity for the Elections Office and political parties who used our platforms to engage with the voters. Our hardworking team was able to keep the viewers informed and at the same time maintaining its regulatory requirement and media ethics under the Media Industry Development Decree. In late August, Fiji TV saw some changes in its Board of Directors when it announced the resignation of two of Fiji TV's Board members, Ulaiyasi Baya and Aseri Radrodoro and the appointment of Isikeli Tuituku as a casual vacancy appointee. In early October, Mr Iowane Naiveli and Mr Deepak Rathod were appointed as casual vacancy appointees. October 2014 was the most challenging and unpredictable month for Fiji TV when it couldn't maximise its revenue due to the HSBC Sevens Series being one of the shared event under the Television Cross Carriage Decree 2014. At the same time, Fiji TV signed a Memorandum of Undertaking with Telikom PNG with regards to the possible divestment of Media Niugini Ltd, the PNG subsidiary of FTV. The 20th AGM was also held in October which confirmed its resolutions which were passed without objections.

December 2014 saw Fiji TV Board Member and Chairman, Padam Lala resigned and changes to key Management positions took place. Mr Geoffrey Smith was appointed Chief Executive Officer (Acting). Mr Deepak Rathod was confirmed as an Independent Director in January 2015. The sale and purchase agreement was signed with Telikom PNG Ltd for the sale of 100% of Media Niugini Ltd for PNG Kina 27 million. An Extraordinary General Meeting of FTV shareholders was held in March 2015 in which the resolutions were passed. March also saw the appointment of Mr Apakuki Kurusiga as Chairman of the Board.

April 2015 stole the crown when Fiji TV secured the Floyd Mayweather v Manny Pacquiao Fight, Scheduled 12 Round World Super Welterweight Championship Bout 2015. And June saw the existing television broadcast license extended by the Minister of Communication, for a further 12 years with effect from 1st July 2015. Thereafter, the company had a new organisational structure which was approved by the Board. The appointments were made in line with the future plans that the company envisages that will be driven by increase in local compelling content and new media and technologies.

**FIJI TELEVISION LIMITED**

Wase Ni Sea Ni Kabani Qo Ka Taukena Na FHL: 61.60%

E tekivutaka na yabaki vakailavo qo na Fiji Television ena dua na veisau levu ena nona Sky Pacific Channels Line-up ka a vakatekivu mai na Okosita 2014 ena vakalevutaki na iwiliwili ni TV channels kina 24 baleti ira na vakayagataka na Sky Pacific. Na veisau kei na so na kena ikuri vinaka vei ira na sauma na Sky Pacific era sega ni taleitaka ka kauwai mai kina na Consumer Council me veivosakitaka na nodra kudru na dausara TV. Sa mani vakavuna me vakaukawataki na FijiTV me vakasukai ira tale mai eso vei ira naChannela ka solia mai o FOX International Channels (FIC) kei na BBC Channel ka ra a vakalutumi mai na Sky Pacific Channels.

Dua na tikina vinaka oya na nona dolava na Fiji One News eso na sala vou ena gauna ni veidigidigi levu ena 2014 ni ratou rawa ni vakaraitaka na veidigidigi mai na so na vanua ni veidigidigi. Qo ni sa rawa edua na neitou vakatubuilavo e (FJD65,000) me voli kina e rua na neitou live- kits ka a vakayagataki sara vakalevu ena tauri na itukutuku ka vukei ira na neitou dau tauri tukutuku me vosa vei ira na lewenivanua ena veiyasai Viti. E taura e ono na aua ena veisiga ena dua na macawa ni bera na veidigidigi ka yacova ni sa kacivaki na kena macala. Qo a vukei ratou sara vakavinaka na tabana ni veidigidigi kei ira na veipati vakapolitiki ena nodra veitaratara kei ira na nodra. Na neitou timi daucakacaka era vukei ira na vaka TV me ra kila na veika sa yaco tiko kei na lawa ka vauca na veidigidigi. Ni vakarau cava na Okosita, a raica na Fiji TV eso na veisau ena nona Matabose ni Daireketa ni sa kacivaki na nodra vakacegu e rua na lewe ni Fiji TV Board Members, o Ulaiyasi Baya kei Aseri Radrodoro kei na digitaki nei Isikeli Tuituku Fiji TV Board Members, o Ulaiyasi Bayakei Aseri Radrodoro kei na digitaki nei Isikeli TuitukuFiji TV Board Members, o Ulaiyasi Baya kei Aseri Radrodoro kei na digitaki nei Isikeli Tuituku me dau veisosomitaki ke vinakati. Ena i tekivu ni Okotova, rau a digitaki o Iowane Naiveli kei Deepak Rathod me rau dau veisosomitaki ke vinakati.

Na Okotova 2014 sa dua na vula e veibolei ka sega ni macala na ka me vakayacori kina Fiji TV baleta ni sega ni rawa me rawata taucoko na nona I lavo bula curu mai baleta na HSBC Sevens Series ena kena wasei na nona I tavi ena ruku ni Television Cross Carriage Decree 2014. Ena gauna vata oya a sainitaka na Fiji TV kei na Telikom PNG edua nai Vola ni Cakacakavata me baleta na tauyavutaki ni Media Niugini Ltd dua na basoga ni FTV mai PNG. A vakadonia na I ka 20 ni Bose Vakayabaki ena Okotova na lewa oya ka sega ni dua e saqata. Ena Tiseba 2014 a kere vakacegu mai na Matabose ni Fiji TV o Padam Lala na kena i Liuliu ni Matabose ka vakayacori eso na veisau ni veiliutaki. A digitaki o Geoffrey Smith me Chief Executive Officer (vakatawa). A vakadeitaki o Deepak Rathod me Daireketa Tu Vakaikoya ena Janueri 2015. A sainitaki na veidinadinati ni volitaki kei na voli ni Telikom PNG Ltd baleta na volitaki ni 100% ni Media Niugini Ltd ena PNG Kina e 27 na milioni. Ena dua na bese kacivi vakatotolo ni Taukei ni Sea ni FTV a vakayacori ena 2015 era a vakadonui kina na veilewa oya. A yaco talega ena Maji na digitaki nei Apakuki Kurusiga me Chairman ni Board.

Ena Epereli 2015 a taura na Fiji FTV na dodonu me vakaraitaka ena FijiTV na nodrau veivacu o Floyd Mayweather kei Manny Pacquiao e 12 na wavoki ena Super Welterweight Championship. Ena Jiune a tosoi kina na kaukauwa ni laiseni na Minisita ni Tukutuku me 12 tale na yabaki me tekivu mai ena 1st Julai 2015. Ni oti oya, sa vakadonia na Board edua na ituvatuva vou ni cakacaka. Me vakayacori veidigitaki me sota kei na ituvatuva sa tu rawa oya na nona raica na kabani me vuqa na veika vovou me ra lewe ni veika me vakaraitaki me baleti Viti.



**GOODMAN FIELDER (FIJI) LIMITED**

Fijian Holding's Shareholding: 10%

Fijian Holdings Limited is a shareholder in Goodman Fielder (Fiji) Limited, which is the holding company of Goodman Fielder International (Fiji) Limited (Goodman Fielder).

Goodman Fielder is one of Fiji's leading food manufacturers with a portfolio of iconic and trusted brands, specialising in quality poultry, ice-cream, snack foods, stock feed and consumer food products. The Company is proud to have been producing "Fijian Made and Grown" products for over four decades. Goodman Fielder's key brands are household names including Crest, Tuckers, Twisties, Meadow Lea, Meadow Fresh and Praise.

Poultry remains the biggest revenue driver for the business followed by ice cream and snacks. The Company continues to enjoy the number one brand position with excellent growth in these key categories over the last 12 months.

Goodman Fielder is Fiji's employer of choice with the implementation of our "GF Way" standards whilst also having a key focus on Food Safety, Quality, OH & S and Environmental standards. The Company has for many years been proud of its commitment to quality and food safety, underpinning this with the long time held ISO: 9001: 2008 and HACCP accreditation.

Keeping abreast with consumer demands and improving production efficiencies, Goodman Fielder, has strongly invested and continues to invest in the poultry industry with state-of-the-art farms and manufacturing systems.

The Company also invests heavily in Sales and Marketing activities, which have been the driving force behind the overall growth of our key categories. These activities involve a loyalty programme "Crest Cool Stuff for Schools", whereby schools are reward for redemption of Crest Tokens. This programme incorporated a Students Cultural Exchange experience to Australia in 2014 and in 2015 to New Zealand.

Goodman Fielder sponsorship is key to the Company's Corporate Social Responsibility Programme and to the development of Sports, Art, Fashion and many others for the betterment of our society and the future leaders of this nation.

For generations, thousands of Fijian's have turned to Goodman Fielder's well known Fijian Made and Fijian Grown products to deliver essential food items to them every day.



**GOODMAN FIELDER (FIJI) LIMITED**

Wase Ni Sea Ena Kabani Qo Ka Taukena Na FHL: 10%

Na Fijian Holdings Limited ka sea ena Goodman Fielder (Fiji) Limited na kabani ka vakaruru tiko kina na Goodman Fielder International (Fiji) Limited (Goodman Fielder).

Na Goodman Fielder (Fiji) limited edua vei ira na dau volitaki kakana liu e Viti ka vakayagataka na ivakatakilakilai kilai levu ka kilai raraba ka volitaka na ice cream,toa,kakana kilai na snacks, kakana ni manumanu kei na kakana me baleta na tamata. E dokai na kabani ena nona volitaka na ivoli caka ka tei e Viti ena 40 na yabakisa oti. E kilai ena veivale na i voli nei Goodman Fielder me vaka na Crest,Tuckers, Twisties, Meadow Lea, Meadow Fresh and Praise.

Na toa nai voli ka rawa i lavo levu taudua kina kabani, tarava yani na ice cream kei na snacks. Tomana tiko na nona marautaka na kabani na nonai voli naba dua kei na tubu levu mai vei ira na nona ivoli ena loma ni 12 na vula sa oti.

Na Goodman Fielder e dau vevakacacakataki vakalevu ena vakayagataka ni "GF Way" ka raica talega na maroroi ni kakana kenai tuvaki uasivi, OH & S. Sa dede na nona kilai na kabani ena nona bulia na kakana vinaka kei na kena maroroi, vakadeitaka ena nona taura tu mai na ISO:9001:2008 kei na HCCP

Me sota kei na gagadre ni dauvolivoli kei na tosoi cake ni vinaka ni veika e rawa, sa vakaukawataki na Goodman Fielder na nona vakatubuilavo ka tomana qo ena susu toa ena kedra vale vinaka kei na kena vakarautaki.

E tomana na nona vakatubuilavo ena kaukauwa ni volivolitaki kei na kena maketaki erua na ka ka vakavuna na tubu vakalevu ni kabani. O ira na cakacaka qo e salavata kei dua na ituvatuva ni veidinadinati "Crest Cool Stuff for Schools" qo e soli nai cocovi kina koronivuli e tutaka na i vakatakilakila ni Crest. Na porokaramu qo e salavata kei na nodra dau veisau vakagade na gone ni Viti me gade ki Ositereli ena yabaki 2014, ki Niusiladi ena 2015.

E dau vakaitavi na Goodman Fielder me solia na ilavo (sponsorship) kina so na porokaramu ka na vukea na qito, droini, kei na so na ka ena vukea na noda vanua kei na kena veiliutaki mai muri.

Sa udolu sara na kai Viti era sa gole vei Goodman Fielder e veisiga me baleta na veika era buli kei na kakana e caka e Viti.



**MARSH LIMITED**

Fijian Holding's Shareholding: 25.00%

Marsh Limited is the largest and leading risk consulting and insurance broking firm in Fiji and is part of the global Marsh & McLennan Companies (MMC) which is incorporated in the USA and listed on the New York Stock Exchange. It comprises of over 52,000 colleagues globally with presence in over 100 countries.

Marsh creates tailored risk and insurance solutions for its clients and goes beyond the traditional insurance programme design and placement and use the most effective blend of risk mitigation, risk transfer and advanced risk financing that can help to increase our clients revenue growth, enhance net income and strengthen their balance sheet. We provide risk management advice, risk consulting, and insurance program management services to a wide range of businesses, government entities and professional service organisations around the country. With specialist Practices established in various fields Marsh is able to readily draw on to vast resources and expertise from its sister companies across the globe. Despite a very competitive environment Marsh continued with its strong financial performance in 2014 and recorded growth for the fourth consecutive year. Behind this success and our enviable client base is our investment in our highly-talented and experienced Fiji staff.

With record levels of surplus capital in the global market fuelling increased competition, we have entered very much into the soft market cycle in 2015 resulting in premium reductions across a whole range of policies. Armed with our global resources and local expertise, Marsh will continue to help our clients thrive and reap the benefits of the current environment as well as protect the interests of our shareholders.



**FIJIAN HOLDINGS UNIT TRUST**

Fijian Holdings Shareholdings: 8.13%

Fijian Holdings Unit Trust is an income and growth fund, managed by FHL Fund Management Limited, a wholly owned subsidiary of FHL. During the year, FHUT portfolio grew by 16% from \$66.55 million to \$77.08 million and total number of unit holders grew by 44% correspondingly. This is the first year since inception that the Fund has surpassed the \$20m mark in terms of sales, which is a direct reflection of the growing confidence in the product, the high liquidity in the market and also attributed to the robust sales and marketing activities' adopted by the team. Concurrently, FHUT paid out a record dividend of \$4.12m for FY2015 in comparison to \$3.17million in FY2014 which is an increase of 30%.

The outlook for the new financial year for the Fund remains challenging as we anticipate competition to intensify with new entrants and new products from other financial institutions. However, the Fund Manager is remains enthusiastic about exploring sustainable opportunities to maximise competitive returns to our unitholders.



**MARSH LIMITED**

Wase Ni Sea Ena Kabani Qo Ka Taukena Na FHL: 25.00%

E tomana ka vakadeitaka tiko o Marsh Limited na nona i tubu ni tabana levu ka liu taudua ena veiqaravi ni ririko mai na qaravi ni inisua e Viti, ka tiki talega ni Marsh & McLennan Companies MMC e vuravura ka a tekivutaki mai Amerika ka tabaki ena New York Stock Exchange. Era oka vata kei na 52,000 era cakacaka vata ena veiyasai vuravura ka tiko ena 100 na matanitu.

E vakarautaka o Marsh na iwali ni ririko vivinaka me baleti ira e qaravi ira ka sega walega ni qarava na veika baleta na inisua, e vakarautaka na iwali ni vakalailaitaki ni ririko, kena tokitaki kei na kena vakarabailevutaki me vukea na tubu ni nodra i lavo bula curu mai ka vakadeitaka na nodra i tubu ni lavo. E tu veikeitou na ivakasala me valuta na ririko, na ivakasala ni veiqaravi ena vuqa na taba ni bisinisi kei na veitaba ni matanitu ka ra tu e Viti. Ena vuku ni duidui ni kila vakacacaka era tu ena veitabana e rawa vei Marsh me taura mai na kila era tu ena vei tabana era veitacini vata ka tu ena veiyasai vuravura. Dina ni kaukauwa na veiqati e Viti, e rawata tiko vakavinaka o Marsh na bula vakailavo ena 2014 ka rawa tubu ena va na yabaki vei taravi. Ena vuku ni tubu keitou rawata kei na uasivi ni tamata keitou qaravi ira sa yavu ni vakatubuilavo ena kedra maliwa na neitou tamata vuli vinaka ka daucakacaka.

Ena itutu ni lavo sega tu ni vakayagataki ena makete kei vuravura sa vakalevutaka na veiqati, keitou sa curuma yani na malumu ni makete ena 2015, vakavuna na lutu ni sau ni inisua. Ni vakaiyaragitaki koya ena i yaubula kei na kila vakacacaka, ena tomana tikoga o Marsh me vukei ira o ira era qaravi mai vua me ra tamusuka na vua ni tubu ni bula ena gauna qo ka bau talega kina na taqomaki ni nodra iyau na itaukei ni sea.



**FIJIAN HOLDINGS UNIT TRUST**

Wase Ni Sea Ena Kabani Qo Ka Taukena Na FHL: 8.13%

Fijian Holdings Unit Trust edua na tabana ni FHL Fund Management Ltd ka qarava nai ilavo bula e vakacurumi mai me vakatuburi ka nona vakatabakidua na FHL. A tubu ena loma ni yabaki na tabana qo ni vakatubuilavo ni FHUT ena 16% mai na \$66.55 na milioni kina \$77.08m,ka tubu na levu taucoko ni tamata era taukeni iuniti ena 44%. Qo na imatai ni yabaki me tekivu mai na gauna a tauyavutaki mai kina na kabani me sa mai sivia kina se \$20m era volivolitaki ka vakaraitaka qo na tubu ni vakabauti ni voli qo, na tubu sivia ni lavo ena makete ka vakavu talega ena kaukauwa ni volivolitaki mai veiira na lewe ni timi. Ena gauna vata qori sa sauma oti kina na FHUT na tubu levu taudua me wasei e \$4.12m me baleta na FY2015 ni raici vata kei na \$3.17m ena FY 2014, oya e tubu ena 30%.

Na kakanananu ena yabaki vou vakailavo ka tu mai me baleta na Fund e sega ni veisau ena neitou raica vata na veiqati kaukauwa kei ira na curu vou kei na vei ivoli vovou mai veiira na veitabana vakailavo tale eso. Ia, na Manidia ni Fund e dei tu na yalona ena vakasaqarai ni veisaga levu ni qara tubu eso me baleti ira nai taukei ni iuniti.

### NEWORLD LIMITED

Fijian Holding's Shareholding: 15.4%

The financial year ended 2014 was lively and challenging for the country in general and for the company specifically. The competitiveness and other challenges of retail industry are ever increasing in Fiji and the company is making all out efforts to outperform them which are reflected in the results achieved by the Company. The Company posted an increase in sales of 6.91% and a post tax net profit of \$3.05m. The management is confident of posting a better performance in terms of sales and profits in FY15 by putting right strategies in practice.

IGA Branded Store at Damodar City Centre has successfully completed its maiden year of operations and the performance of the store so far has been quite impressive. Taking into account the splendid performance of Damodar City Centre Store and Newworld IGA at Votualevu, a new look was given to our Lautoka Store by refurbishing it & branding it as a Newworld IGA Store. It was re-opened on 1st August 2014. Lautoka has since been recording very good sales. The Nakasi Store which was completely destroyed by fire has been refurbished and opened as an IGA store on 6th September 2014. The management is confident of replicating its success story here also.

The Savusavu Store was opened as an IGA Express Store in mid July 2015. These upgraded stores are expected to attract more customers by offering width and depth in product range besides unmatched customer services and also contribute in a major way to the Company's top line. In addition to pursuing other investment and growth opportunities, the management continues to invest into systems and processes improvement measures together with skill up gradation of its human capital by continuing to hire experienced and professional expatriates, to optimise its operational efficiency so as to provide good returns to all stakeholders. As a strategy, the Newworld Management has strategically retained and ploughed back, a portion of its profits, into the business by investing in new projects. These new projects are expected to turn up higher returns for the shareholders in the near future. The management is on continuous look out for new business opportunities.

### GOLDEN MANUFACTURERS LTD

Fijian Holding's Shareholding: 30.00%

Golden Manufacturing Limited continues to maintain its position as market leader in corrugated packaging solutions in Fiji and the South Pacific Region. The Company services a wide variety of multi-national and local businesses with state-of-the-art equipment. Manufacturing facilities have equipment for the manufacture of corrugated board and conversion into paperboard products.

Golden Manufacturing is in the process of strengthening its organisation structure, market share and revenue while ensuring that existing customer base is maintained. The Company has successfully achieved its budget in year 2014 and also on track to achieve their projected forecast for the current financial year ending, December 2015. The

### NEWORLD LIMITED

Wase Ni Sea Ena Kabani Qo Ka Taukena Na FHL: 15.4%

E bulabula ka veivakayavalati na yabaki vakailavo ni 2014 ena noda vanua raraba ka vakabibi kina kabani. Na veiqati kei na so na bolebole ena tabana ni veivoli e tarai Viti raraba ka sa solia tiko na kabani na nona igu me siviti ira, ka laurai qori ena tubu e rawata. A rawata na kabani na tubu ni volivolitaki e 6.91% kei na tubu ni musuki oti na ivakacavacava e \$3.05m. Sa vakanuini na veiliutaki ni na vinaka na ka ena rawata ena volivolitaki kei na tubu ena FY 15 ena kena tuvai eso na ituvatuva vou.

Na IGA Branded Store ena Damodar City Centre sa qarava oti vakavinaka na imatai ni yabaki ni nona veiqaravi. Ni vakasamataki na tubu vinaka e rawata na Damodar City Centre Store kei na Newworld IGA mai Votualevu, e solia edua na irairai vou ena neitou sitoa mai Lautoka ena kena vakavinakataki cake ka kilai ena yaca vou na Newworld IGA Store. A dola tale ena 1st Okosita 2014. Tekivu mai ena gauna oya sa uasivi dina na veika a rawata ena volivolitaki. A kama yavu na sitoa mai Nakasi, a vakavinakataki tale ka dola tale me dua na IGA store enai ka 6 ni Sepiteba 2014. E ratou nuidei na veiliutaki ni na tomani tikoga na rawa tubu e keya.

Ena dolavi na sitoa mai Nasavusavu me dua na IGA Express Store ena veimama ni Jiulai 2015. Era sa vakabauti ni veisitoa ka sa vakavinakataki na kedra l tuvaki ena dreta mai e vuqa na dau volivoli ena kena volitaki kina e vuqa na ivoli vivinaka kei na uasivi ni nodra veiqaravi na cakacaka kina. Me ikuri ni kena vakaqarai eso na vakatubuilavo kei na rawa tubu, sa vakavuna na nodra tomana na veiliutaki na vakatubuilavo ena so tale na veitaba ni bisinisi kei nai voli na tauri mai ni tamata ka tu veaira na kila e Viti kei vanua tani me rawa ni levu na tubu e rawa mai na nodra vakatubuilavo na l taukei ni sea. E ratou sa maroroya ka biuta tale na veiliutaki ena Newworld eso na tubu kina bisinisi vou. Era nanumi na veibisinisi mera rawata mai vakalevu na ilavo me baleti ira na itaukeinisea ena veigauna mai muri. Sa tovolea matua na veiliutaki me kunea tale eso na bisinisi vou.

### GOLDEN MANUFACTURERS LTD

Wase Ni Sea Ena Kabani Qo Ka Taukena Na FHL: 30.00%

E tomana dei tiko na Golden Manufacturing Ltd na nona itutu ni makete ni volitaki kateni buli ena pepa e Viti kei na Pasifika. E veiqaravi na kabani kei ira na itaukei ni bisinisi e Viti ka totoka na mawe ni ligana ena iyaya ni cakacaka vinaka e bulia. E tu talega ena kabani eso na iyaragi ni buli kateni (corrugated).

Sa vakaukauwataka tiko na Golden Manufacturing na nona ituvatuva ni veiliutaki, na makete ni volitaki sea kei na ilavo bula curu mai, ka vakadeitaka tiko na nodra maroroi o ira era dau volivoli tudei tu kina. Rawata vakavinaka na nona ituvatuva vakailavo ena yabaki 2014 ka sa tu me rawata na nona lalawa ena yabaki vakailavo mai cava ena Tiseba 2015. Sa sasaga tiko me kunea tale eso na sala vou me vueti cake kina

Company is continually working on innovative ways to the standard of service and improve their packaging to ensure the success of customers' brands. In year 2014, company invested substantial amount in a state-of-the-art 8 colour flexo printing web press to produce pre-printed paper which previously used to be imported from Australia and Europe. As a result of this investment, our importation of preprint paper has now been significantly reduced.

The Company has further committed to diversify its manufacturing capabilities with the introduction of label manufacturing operations by end of the year. The proposed introduction of this label operation will allow The Company to offer a wider range of services to its current customer base as well as creating new export opportunities in the region including Australia and New Zealand.

### PERNIX (FIJI) LIMITED

Fijian Holding's shareholding: 21%

Pernix (Fiji) Limited is the new addition to the Fijian Holding family. In November 2014, FHL acquired 25% of the local Fijian subsidiary of Pernix Group, Inc. ([www.PernixGroup.com](http://www.PernixGroup.com)). Pernix Group is a global integrated global construction and energy solutions provider including Power Generation "Engineer, Procure and Construct" (EPC) contractor and operation & maintenance service provider.

Pernix (Fiji) Limited [formerly known as Telesource (Fiji) Limited] has a 20-year contract with the Fiji Electricity Authority (FEA) to operate and maintain two separate diesel and heavy fuel oil fired power generation Stations and to sell electrical energy produced, on a wholesale level, at a contractually determined rate, without risk of fuel price fluctuation. The Kinoya Power Station, situated near Suva, the capital of Fiji, is part of the FEA grid and is the largest diesel/heavy fuel oil based power Station in Fiji. In 1999, FEA awarded Pernix the contract to expand the power Station to 12 MW. Due to high energy demand, low installed capacity and rolling power outages, FEA modified the contract to move the 12 MW machines to Vuda Power Station, which is the second largest diesel based power Station in Fiji, and to add 20 MW machines to the Kinoya Power Station.

As a testament to FEA's high level of satisfaction, Pernix was awarded a 20-year Operation & Maintenance (O&M) contract for both the Kinoya and Vuda Power Stations in 2003. In late 2005, Pernix was awarded the O&M concession for another 30 MW extension to the Kinoya Station. In total Pernix Fiji has 72 MW of diesel power generation capacity under management in Fiji. In February 2014, Pernix Fiji, was awarded a turnkey contract by FEA to build a new 36 MW heavy fuel oil power Station adjacent to the Kinoya Power Station in Suva. The contract scope includes the design, construction, installation and commissioning of a power house consisting of four heavy fuel oil power generating sets with associated auxiliaries. The engines, manufactured by Wartsila, are type W20V32. In December 2014, Pernix Fiji was awarded another contract by the FEA to design, supply and build the Kinoya 11/33 kV Substation on turn-key basis.

na ituvaki ni nodra veiqaravi kei na buli yaya me vakadeitaka na toka ni nodra i vakatakilakila na dauvolivoli. Ena yabaki 2014, a vakayagataka na kabani na nona lavo ena dua na misini ni kesakesa me kesa kina na kateni ena walu na roka me tabaka na pepa ka se dau vakau mai ositerelia kei Europe ena gauna e liu. Sa lailai na vakau mai vanua tani na pepa roka va oya.

Sa nanuma na QML me vakarabailevutaka na nona faiwa ni buli yaya ena kena tabaki na pepa mei vakatakilakila (Label) me baleti ira era dau vakau i yaya ki Ositerelia kei Niusiladi.

### PERNIX (FIJI) LIMITED

Wase Ni Sea Ena Kabani Qo Ka Taukena Na FHL: 21%

Na Pernix Group edua na kabani dau ni vakasala kei na buli livaliva kei na vakadabe idini ni livaliva kei na qaravi ni idini e Viti.

Na Pernix (Fiji) Limited ka kilai eliu me Telesource (Fiji) Limited e konitarakitaki koya na FEA me dolava ka raica me cici vinaka tiko e rua na idini cakacaka ena waiwai- diesel bibi ena vale ni idini ni livaliva ka volitaka na livaliva e qaqi enai sau ni wholesale ena dua na isau sa veidinadinatitaki veitalia ke tubu se lutu na isau ni waiwai ena dua na gauna..

Na vale ni cina mai Kinoya, volekati Suva e tiki ni FEA ena veivakalivalivataki, ka kena e levu taudua ka cakacaka ena waiwai diesel bibi ka siteseni levu taudua e Viti. Ena 1999 a solia vei Pernix na FEA na konitaraki me vakarabailevutaka na siteseni ni livaliva me yacova na 12MW. Vakavu mai na vinakati vakalevu ni livaliva, lailai na livaliva e rawa mai kina kei na veilecayaki ni kaukauwa ni livaliva, sa mani veisautaka na konitaraki na FEA me sa tokitaki na misini 12MW kina Vuda Power Station, na ikarua ni vale ni cina levu taudua e Viti ka cakacaka ena diesel power, ka soqoni vata kei na misini 20 MW kina Kinoya Power Station.

Ni sa vakadinadinataka na FEA na nona marau sa solia kina Pernix e 20 na yabaki ni nona cicivaka ka raica me tu vinaka na idini (O&M) ni vale ni cina ruarua mai Kinoya kei Vuda mai na 2003. Ena mua ni yabaki 2005, a soli kina Pernix na lutu sobu ni sau ni cicivaki kei na qarauni (O&M) me baleta edua tale na vakalevutaki ni Kinoya Power Station kina 30 MW. Kena levu taucoko ni veika e rawata na PFL ena qaqi ni livaliva e Viti e 72MW.

Ena Feperueri 2014 a soli kina Pernix Fiji edua na konitaraki mai vei FEA me tara edua na vale ni cina vou me dabe kina na 36MW ena vanua veitikivi kei na Kinoya Power Station e Suva. Na veika e okati ena konitaraki qo na droini ni vale, tara ni vale, vakadaberu ni idini kei na kena dola na vale ni cina ka na dabe kina e va na idini ni livaliva vou kei na kedra gacagaca ni idini. Era buli mai Wartsila na idini W20V32 e va qo. Ena Tiseba 2014, a solia tale na FEA edua na konitaraki vei Pernix me bulia na droini ni vale, ka tara na Kinoya 11/33 kV siteseni lailai ena ivakarau ka vakatokai na turn-key.

Pernix is committed to delivering some of the most diverse projects in Fiji while finding optimal solutions to complex challenges that come with working in remote locations. Pernix presence in Fiji and the Pacific region has resulted in its continued investment in improving infrastructures and providing employment opportunities in which we work. Pernix success is based on established business relationships combined with extensive local knowledge and experienced staff dedicated to safety, reliability and customer satisfaction. One of Pernix key attributes is its understanding of the special demands of working under less than ideal circumstances. Pernix unique approach to construction and power management results in and allows us to attain excellence, while improving the livelihoods and infrastructures in the region we work.

As a solution provider, Pernix has proven its relationships through the excellent safety record, focus on customer service, and determination to deliver best in class projects. Pernix safety-first culture extends to each employee who makes up our team, our partners and communities in which we live and work. To the start of each day we bring an industry-leading safety culture and proven safety record founded on principle that safety leadership is every person's responsibility. The health and wellbeing of our people, project partners and public are at the forefront of everything we do.

Our People - One Team offer proven, reliable and integrated multi-disciplinary expertise that optimises long-term value while streamlining delivery and maintenance. Our skills and specialist knowledge are delivered locally but reflects the knowledge and professionalism that operates globally.

We strive to finish strong, we go above and beyond to pursue results that help transform infrastructures, enhance our communities and safeguard our people. It's a perspective that sees opportunity as a privilege.

Pernix's future outlook is to continue and develop our involvement in the construction, infrastructure and energy sectors including but not limited to developing solutions as an Independent Power Producer offering renewable and clean/green energy sources. Pernix objective to support the FEA and Nation's objective of increasing the renewable and green energy footprint in Fiji.

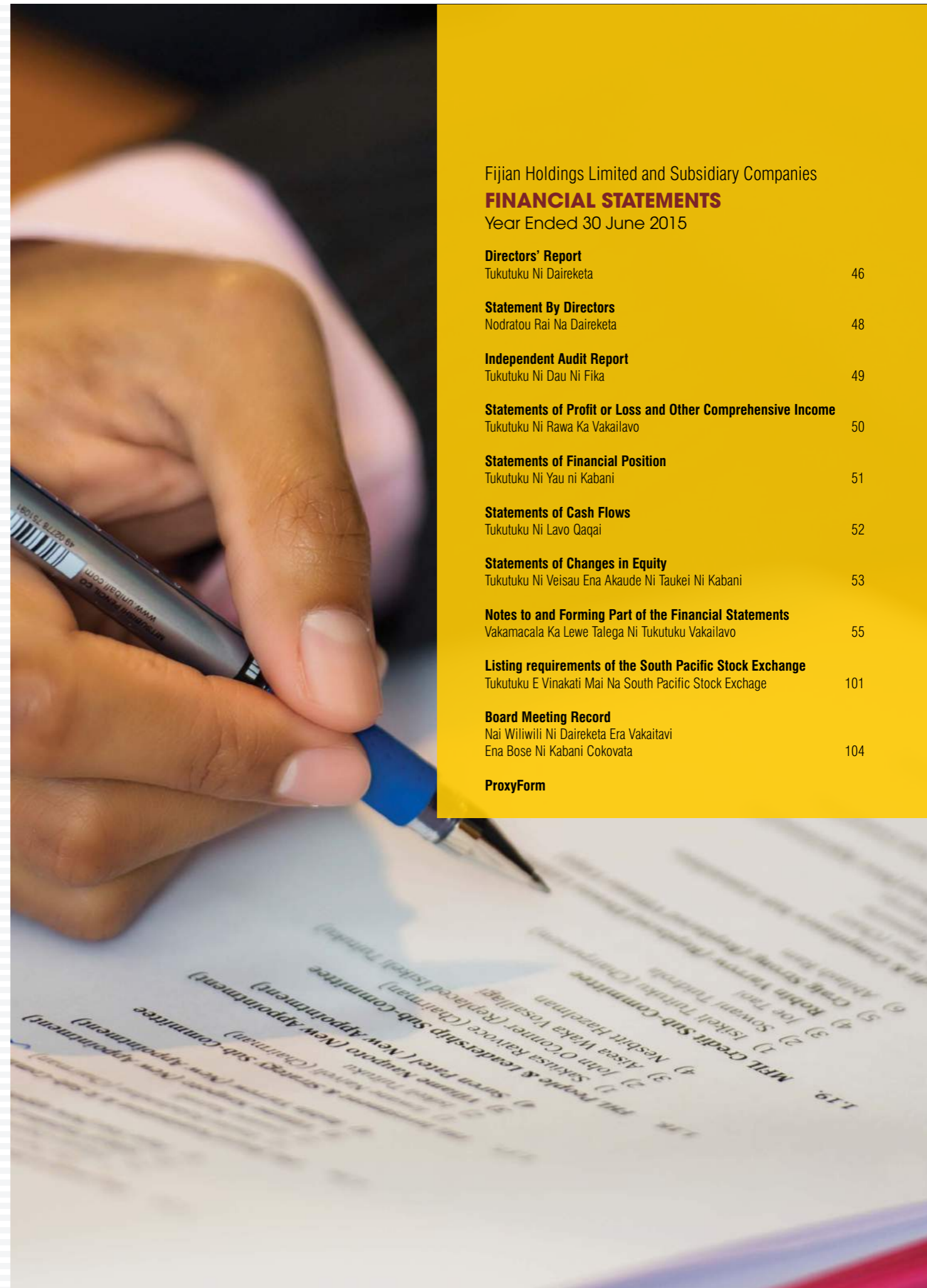
Sa bolea na Pernix me na tara vei keda e Viti eso na cakacaka vereverea ka kunea na iwali ni bolebole dredre era yaco mai ena vanua eda tu vakayawa kina. Na tiko nei Pernix e Viti kei na Pasifika sa vakavuna na nona vakatubuilavo tiko ena vakavinakataki ni veika eda vinakata e veisiga kei na vakacakacataki ni tamata. Na vinaka ni cakacaka nei Pernix e vu mai na veiwekani kei na veibisinisi, kei na rabailevu ni nodra kila na vanua kei na nodra yalo dina na tamata cakacaka.

Dua na ka e kilai vinaka kina o Pernix, oya na nona kila na veika era vinakata o ira era cakacaka sega vei ira na iyaragi ni cakacaka. Kilai tani o Pernix na nona qarava na tara vale se buli yaya kei na cakacaka ni livaliva ka rawa kina ni mana na nodratou veiqaravi ka ra taleitaka o ira era qaravi.

Me vaka ni dau vakarautaka na iwali eso, vakadintaka o Pernix na nona veimaliwai vinaka mai na sega ni mavoa se vakacalaka, qaravi vakavinaka ni tamata kei na yalo ni via solia na cakacaka vinaka. E vakadeitaka o Pernix na bibi ni nanumi e liu ni tamata cakacaka yadua ka ra lewe ni noda timi kei na lewenivanua eda tiko se cakacaka vata. Ni tekivu na veisiga yadua keitou dau kauta mai edua nai vakarau ni vakabibitaki ni bula ena vanua ni cakacaka kei na kena bibi mera kila ni sa itavi ni tamata yadua ena qaqarauni me kakua na vakacalaka. Na bula kei na tiko vinaka ni noda lewenivanua, keda l sa kei ira na lewenivanua e noda itavi me da qarauna.

Keitou sasaga me keitou vakaotia vakavinaka, keitou lako i cake ka toso ki liu me rawa ni veisautaka na yavu, vukei na noda lewenivanua ka ra maroroi na noda tamata. Qo edua na rai ka raica na veika eda nanuma me da rawata.

Na rai ki liu ni Pernix me tomana ka cakacakataka na nona vakaitavi ena tara ni vale kei na cakacaka ni livaliva okati talega kina ka sega ni yalani na buli ni iwali ni dua e dau buli livalivaNa i naki nei Pernix me vukea na FEA kei n aka e gadreva n lewenivanua ena vakalevutaki ni livaliva e Viti.



Fijian Holdings Limited and Subsidiary Companies

**FINANCIAL STATEMENTS**

Year Ended 30 June 2015

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In accordance with a resolution of the Board of Directors, the directors of Fijian Holdings Limited ("the Company") present their report together with the financial statements of the Company and the Fijian Holdings Limited Group ("the Group") being the Company, its controlled entities and associates for the year ended 30 June 2015 as set out on pages 50 to 100 and the auditor's report thereon.

**1. DIRECTORS**

The following were directors of the Company at any time during the financial year and up to the date of this report:

lowane Naiveli	Chairman	Ulai Taoi	
Colonel Apakuki Kurusiga	Deputy Chairman (Resigned on 14 August 2014)	Sakiusa Raivoce	
Padam Lala	Resigned 4 December 2014	Isikeli Tuituku	Appointed 25 July 2014
Ulaiyasi Baya	Resigned 17 July 2014	Viliame Cegumalua	Appointed 25 July 2014
Ratu Samuela Nawalowalo	Resigned 17 July 2014	Viliame Naupoto	Appointed 11 August 2015
Aseri Radrodoro	Resigned 17 July 2014	Aisea Waka Vosailagi	Appointed 11 August 2015
		John O'Connor	Appointed 11 August 2015

**2. PRINCIPAL ACTIVITIES**

The principal activity of the Company is investment. The principal activities of the Group are the production and sale of cement, concrete and concrete products, investment and rental of property, fund management, stock broking, asset and loan financing and acceptance of term deposits, provision of sea transportation services and boat charters, cruise ship operations, commercial free to air and subscription television broadcasting services, selling and servicing of radio, television and communications, retailing and wholesaling of general merchandise, and owners and administrators of properties.

**3. TRADING RESULTS**

The profit after income tax of the Group attributable to the members of the Company for the year ended 30 June 2015 was \$10.652 million (2014: \$8.338 million) and for the Company was \$12.921 million (2014: \$9.739 million).

**4. RESERVES**

The directors recommend that no amounts be transferred to reserves within the meaning of the seventh schedule of the Companies Act 1983.

**5. DIVIDENDS**

The directors declared a final dividend of \$3.351 million (2014: \$nil) for "A" class and "B" class shareholders from the profits for the year ended 30 June 2014. The Company paid an interim dividend of \$3.351 million (2014: \$3.046 million) for "A" class and "B" class shareholders during the year.

Total dividends paid and proposed for the year ended 30 June 2015 amounted to \$6.702 million (2014: \$3.046 million).

**6. BAD AND DOUBTFUL DEBTS**

The directors took reasonable steps before the Company's and the Group's financial statements were made out to ascertain that all known bad debts were written off and adequate allowance was made for doubtful debts.

At the date of this report, the directors are not aware of any circumstances which would render the amount written off for bad debts, or the amount of the allowance for doubtful debts, inadequate to any substantial extent.

**7. CURRENT ASSETS**

The directors took reasonable steps before the Company's and the Group's financial statements were made to ascertain that the current assets of the Company and of the Group were shown in the accounting records at a value equal to or below the value that would be expected to be realised in the ordinary course of business.

At the date of this report, the directors are not aware of any circumstances which would render the values attributable to the current assets in the financial statements misleading.

**8. SIGNIFICANT EVENTS**

As at the date of this report the directors are not aware of any other significant event, other than those already included in the financial statements.

**9. RELATED PARTIES TRANSACTIONS**

In the opinion of the directors all related parties transactions have been adequately recorded in the books of the Company and its subsidiaries and reflected in the attached financial statements.

**10. OTHER CIRCUMSTANCES**

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements which render any amounts stated in the financial statements misleading.

**11. UNUSUAL TRANSACTIONS**

The results of the Company's and the Group's operations during the financial year have not, in the opinion of the directors, been substantially affected by any item, transaction or event of a material and unusual nature other than those disclosed in the financial statements.

**12. EVENTS SUBSEQUENT TO BALANCE DATE**

Fiji Television Limited has signed a Non-Disclosure Agreement with potential strategic partners for Sky Pacific. This may involve a partial divestment of Sky Pacific but at this stage discussions are in progress.

Apart from the above, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Group, to affect significantly the operations of the Company and the Group, the results of those operations, or the state of affairs of the Company and the Group, in subsequent financial years.

**13. DIRECTORS' INTERESTS**

Interests of directors and any additions thereto during the year in the ordinary shares of the Company are as follows:

	Beneficially		Non-beneficially	
	Additions	Holding	Additions	Holding
Sakiusa Raivoce	-	100,000	-	-
Ulai Taoi	-	2,311	-	-
Isikeli Tuituku	-	-	20,760,977	20,767,688
Viliame Cegumalua	-	-	20,760,977	21,160,977
Viliame Naupoto – Appointed 11 August 2015	-	-	-	20,760,977
Aisea Waka Vosailagi – Appointed 11 August 2015	-	-	-	20,760,977
John O'Connor – Appointed 11 August 2015	-	-	-	20,760,977

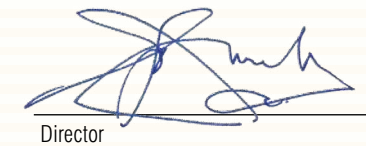
No director of the Company has, since the end of the previous financial year, received or become entitled to receive a benefit (other than a benefit included in the total amount of emoluments received or due and receivable by directors as shown in the financial statements) by reason of a contract made by the Company or related corporation with the director or with a firm of which he is a member, or with a Company in which he has a substantial financial interest.

For and on behalf of the Board of Directors

Dated this 28th day of August 2015.



Chairperson



Director

**STATEMENT BY DIRECTORS**  
**NODRATOU RAI NA DAIREKITA**

Financial Statements 30 June 2015

In the opinion of the directors:

- (a) the accompanying statements of profit or loss and other comprehensive income of the Company and of the Group are drawn up so as to give a true and fair view of the results of the Company and of the Group for the year ended 30 June 2015,
- (b) the accompanying statements of financial position of the Company and of the Group are drawn up so as to give a true and fair view of the state of the affairs of the Company and of the Group as at 30 June 2015,
- (c) the accompanying statements of changes in equity of the Company and of the Group are drawn up so as to give a true and fair view of the movement in shareholders' funds for the year ended 30 June 2015,
- (d) the accompanying statements of cash flows of the Company and of the Group are drawn up so as to give a true and fair view of the cash flows of the Company and of the Group for the year ended 30 June 2015,
- (e) at the date of this statement, there are reasonable grounds to believe that the Company and its subsidiaries will be able to pay their debts as and when they fall due; and
- (f) all related party transactions have been adequately recorded in the books of the Company and the Group and reflected in the attached financial statements.

For and on behalf of the Board of Directors by authority of a resolution of the Directors.

Dated this 28th day of August 2015.

  
Director

  
Director

**INDEPENDENT AUDITOR'S REPORT**



**TO THE MEMBERS OF FIJIAN HOLDINGS LIMITED**

**Report on the Company and Consolidated Financial Statements**

We have audited the accompanying financial statements of Fijian Holdings Limited (the "Company") and the consolidated financial statements of the Company and its subsidiaries (the "Group"), which comprise the statements of financial position as at 30 June 2015, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes 1 to 36.

**Directors' and Management's Responsibility for the Financial Statements**

Directors and management are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards, and for such internal control as the directors and management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors and management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the Company and Group financial statements give a true and fair view, in all material respects, of the financial position of Fijian Holdings Limited and the Group as at 30 June 2015, and their financial performance, changes in equity and cash flows for the year then ended in accordance with International Financial Reporting Standards.

**Report on Other Legal and Regulatory Requirements**

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;

In our opinion,

- i) proper books of account have been kept by the Company, so far as it appears from our examination of those books;
- ii) the financial statements are in agreement with the books of account; and
- iii) to the best of our information and according to the explanations given to us the financial statements give the information required by the Fiji Companies Act, 1983 in the manner so required.

28 August 2015,  
Suva, Fiji

  
KPMG  
Chartered Accountants

KPMG, a Fiji Partnership, is part of the KPMG International Network.  
KPMG International Cooperative ("KPMG International") is a Swiss entity.

**STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**TUKUTUKU NI RAWA KA VAKAILAVO**

Year Ended 30 June 2015

	Notes	Group		Company	
		2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
(Restated)*					
<b>Continuing operations</b>					
<b>Revenue</b>					
Operating Revenue	35	271,634	245,740	26,465	17,646
Other	5(a)	4,944	7,645	431	1,813
		276,578	253,385	26,896	19,459
<b>Expenses</b>					
Cost of sales		(161,876)	(147,214)	-	-
Staff costs		(26,895)	(25,381)	(1,150)	(1,282)
Depreciation and amortisation	5(b)	(11,787)	(9,699)	(184)	(192)
Provision for diminution in value of investments		-	-	(8,946)	(1,164)
Impairment loss on property, plant & equipment and contract costs	5(b)	(271)	(2,023)	-	-
Provision for doubtful debts	5(b)	(1,805)	(648)	(154)	(2,516)
Impairment loss on goodwill	19	(6,100)	(812)	-	-
Other operating expenses		(43,718)	(45,832)	(1,977)	(1,763)
		(252,452)	(231,609)	(12,411)	(6,917)
<b>Operating profit</b>		24,126	21,776	14,485	12,542
Finance income		-	142	1,108	1,376
Finance costs		(6,174)	(5,365)	(3,265)	(3,025)
Net finance costs	6	(6,174)	(5,223)	(2,157)	(1,649)
Share of profit in associates (net of tax)	23	2,600	1,744	-	-
<b>Profit before income tax</b>	5	20,552	18,297	12,328	10,893
Income tax (expense)/ benefit	7(a)	(5,419)	(6,942)	593	(1,154)
<b>Profit from continuing operations</b>		15,133	11,355	12,921	9,739
<b>Discontinued operation</b>					
Profit from discontinued operation, net of tax	8	2,316	3,043	-	-
<b>Profit for the year after tax</b>		17,449	14,398	12,921	9,739
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified to profit or loss</b>					
Net change in asset revaluation reserves	29	-	(7)	-	-
Tax on revaluation		-	-	-	-
Total items that will not be reclassified to profit or loss		-	(7)	-	-
<b>Items that may be reclassified subsequently to profit or loss</b>					
Net change in fair value of available-for-sale financial assets	29	(545)	1,056	13,899	(947)
Net change in foreign currency translation reserve	29	(1,334)	(3,865)	-	-
Total items that may be reclassified subsequently to profit or loss		(1,879)	(2,809)	13,899	(947)
<b>Total other comprehensive income, net of tax</b>		<b>(1,879)</b>	<b>(2,816)</b>	<b>13,899</b>	<b>(947)</b>
<b>Total comprehensive income for the year</b>		15,570	11,582	26,820	8,792
Profit attributable to:					
Equity holders of the holding company		10,652	8,338	-	-
Non-controlling interest	22	6,797	6,060	-	-
		17,449	14,398	-	-
Total comprehensive income attributable to:					
Equity holders of the holding company		8,773	6,955	-	-
Non-controlling interest	22	6,797	4,627	-	-
		15,570	11,582	-	-
<b>Basic and diluted earnings per share</b>	31	0.35	0.27	-	-
<b>Basic and diluted earnings per share - continuing operations</b>	31	0.27	0.17	-	-

\* Refer to note 8

The notes on pages 55 to 100 are an integral part of these financial statements.

**STATEMENTS OF FINANCIAL POSITION**  
**TUKUTUKU NI YAU NI KABANI**

As at 30 June 2015


	Notes	Group		Company	
		2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
(Restated)					
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	10(a)	7,959	37,501	157	162
Held-to-maturity investments	11	10,510	10	-	-
Loans, advances and receivables	12	77,524	77,519	13,599	29,217
Current tax asset	7(b)	-	-	155	-
Inventories	14	34,896	32,438	-	-
Assets held for sale	17(a)	21,031	3,973	-	-
		151,920	151,441	13,911	29,379
<b>Non-current assets</b>					
Held-to-maturity investments	11	10,254	9,501	-	-
Loans, advances and receivables	12	53,564	55,090	12,437	-
Available-for-sale financial assets	20	19,437	19,651	231,244	210,928
Contract costs	16	2,080	2,233	-	-
Investments in associates	23	19,427	14,906	-	-
Investment properties	18	8,894	13,007	-	-
Property, plant and equipment	15	127,281	118,566	238	403
Deferred tax assets	7(c)	3,781	4,257	66	47
Intangible assets	19	62,651	70,212	-	-
		307,369	307,423	243,985	211,378
<b>Total Assets</b>		459,289	458,864	257,896	240,757
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Payables	24	33,668	33,193	1,455	988
Borrowings	27	121,032	129,131	47,921	40,866
Provisions	26	1,192	1,070	-	-
Employee entitlements	25	1,575	1,732	381	358
Current tax liability	7(b)	163	2,779	-	465
Liabilities held for sale	17(b)	6,875	-	-	-
		164,505	167,905	49,757	42,677
<b>Non-current liabilities</b>					
Borrowings	27	84,902	84,462	18,386	28,416
Employee entitlements	25	144	219	-	-
Deferred tax liabilities	7(c)	5,604	6,148	-	29
		90,650	90,829	18,386	28,445
<b>Total Liabilities</b>		255,155	258,734	68,143	71,122
<b>Net Assets</b>		204,134	200,130	189,753	169,635
<b>SHAREHOLDERS EQUITY</b>					
Share capital	28	30,465	30,465	30,465	30,465
Reserves	29	13,952	14,705	67,971	54,072
Retained earnings		112,905	109,576	91,317	85,098
Attributable to members of the holding company		157,322	154,746	189,753	169,635
Non-controlling interest	22	46,812	45,384	-	-
		204,134	200,130	189,753	169,635

The notes on pages 55 to 100 are an integral part of these financial statements.

These financial statements have been approved in accordance with a resolution of the Board of Directors.

For and on behalf of the Board.

  
Director

  
Director

**STATEMENTS OF CASH FLOWS**  
**TUKUTUKU NI ILAVO QAQA**

Year Ended 30 June 2015

	Notes	Group		Company	
		2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
<b>Cash flows from operating activities:</b>					
Cash receipts from customers		280,324	265,323	-	-
Cash paid to suppliers and employees		(266,736)	(237,127)	(3,477)	(4,269)
Cash generated from/ (used in) operating activities		13,588	28,196	(3,477)	(4,269)
Dividends received		8,138	11,834	16,334	21,442
Management fees received		-	-	1,283	1,353
Management fees paid		(2,203)	(2,732)	-	-
Net customer loans granted		(956)	(2,684)	-	-
Net increase/ (decrease) in deposits		(10,722)	(2,914)	-	-
VAT paid		57	(8)	-	-
Interest received		19,366	19,284	1,087	1,847
Other income received		-	-	651	-
Finance costs paid		(7,675)	(8,534)	(2,420)	(3,024)
Income taxes paid		(5,410)	(5,331)	(82)	(423)
<b>Net cash from operating activities</b>		<b>14,183</b>	<b>37,111</b>	<b>13,376</b>	<b>16,926</b>
<b>Cash flows from investing activities:</b>					
Acquisition of property, plant and equipment		(15,339)	(17,591)	(19)	(252)
Acquisition of other assets		(1,227)	(3,102)	-	-
Acquisition of investment property		(5,034)	-	-	-
Investment in held-to-maturity assets		(100)	(510)	-	-
Acquisition of subsidiary, net of cash acquired		-	(7,002)	-	(7,002)
Investment in available-for-sale securities		(3,944)	(871)	(3,764)	-
Loan repayments received		4,288	5,737	4,288	5,737
Dividends received		14	-	-	-
Proceeds from disposal of available-for sale investments		-	2,602	-	2,123
Proceeds from disposal of property, plant and equipment and assets held for sale		559	1,987	-	59
Proceeds from held-to-maturity investment		500	1,000	-	-
Proceeds from disposal of investment property		-	2,250	-	-
Acquisition of intangible assets		(11)	(23)	-	-
Net advances (to)/from subsidiaries		-	-	(4,210)	(14,335)
<b>Net cash (used in) investing activities</b>		<b>(20,294)</b>	<b>(15,523)</b>	<b>(3,705)</b>	<b>(13,670)</b>
<b>Cash flows from financing activities:</b>					
Dividends paid to the holding company's shareholders		(6,702)	(6,092)	(6,702)	(6,092)
(Payments)/ Proceeds from sale of investment securities		(11,252)	2,001	-	-
Proceeds from issue of shares		220	-	-	-
Dividends paid to non-controlling interests		(792)	(2,439)	-	-
Net movement in loans		(5,818)	(21,952)	(8,758)	(10,549)
<b>Net cash (used in) financing activities</b>		<b>(24,344)</b>	<b>(28,482)</b>	<b>(15,460)</b>	<b>(16,641)</b>
Net increase in cash and cash equivalents		(30,455)	(6,894)	(5,789)	(13,385)
Cash and cash equivalents at the beginning of the year		20,426	29,897	(4,236)	9,149
Effect of exchange rate changes on cash		2	(2,577)	-	-
<b>Cash and cash equivalents at the end of the year</b>	10(a)	<b>(10,027)</b>	<b>20,426</b>	<b>(10,025)</b>	<b>(4,236)</b>

The notes on pages 55 to 100 are an integral part of these financial statements.

**STATEMENTS OF CHANGES IN EQUITY**  
**TUKUTUKU NI VEISAU ENA AKAUDE NI TAUKEI NI KABANI**

Year Ended 30 June 2015

Group	Attributable to owners of the Company					Non-controlling Interests \$'000	Total Equity \$'000
	Share Capital \$'000	Other Reserves \$'000	Retained Earnings \$'000	Proposed Dividends \$'000	Total \$'000		
Balance at 1 July 2013	30,465	17,294	104,284	3,046	155,089	47,310	202,399
<b>Total comprehensive income for the year</b>							
Profit	-	-	8,338	-	8,338	6,060	14,398
Total other comprehensive income	-	(1,383)	-	-	(1,383)	(1,433)	(2,816)
Total comprehensive income for the year	-	(1,383)	8,338	-	6,955	4,627	11,582
<b>Transactions with owners of the Company, recognised directly in equity</b>							
<b>Contributions by and distributions to owners of the Company</b>							
Transfer between reserves	-	-	-	-	-	-	-
Proposed dividends to owners of the company	-	-	-	-	-	-	-
Acquisition of subsidiary under common control	-	-	-	-	-	-	-
Dividends paid to owners of the company	-	-	(3,046)	(3,046)	(6,092)	(3,909)	(10,001)
Transfers to/(from) non-controlling interest shareholders	-	-	-	-	-	-	-
Increase in non-controlling interest through acquisition	-	(1,206)	-	-	(1,206)	(2,644)	(3,850)
Total contributions by and (distributions to) owners of the Company	-	(1,206)	(3,046)	(3,046)	(7,298)	(6,553)	(13,851)
Balance at 30 June 2014	30,465	14,705	109,576	-	154,746	45,384	200,130
Balance at 1 July 2014	30,465	14,705	109,576	-	154,746	45,384	200,130
<b>Total comprehensive income for the year</b>							
Profit	-	-	10,652	-	10,652	6,797	17,449
Total other comprehensive income	-	(1,879)	-	-	(1,879)	-	(1,879)
Total comprehensive income for the year	-	(1,879)	10,652	-	8,773	6,797	15,570
<b>Transactions with owners of the Company, recognised directly in equity</b>							
<b>Contributions by and distributions to owners of the Company</b>							
Proposed dividends to owners of the company	-	-	-	-	-	-	-
Transfer from retained earning	-	621	(621)	-	-	-	-
Dividends paid to owners of the company	-	-	(6,702)	-	(6,702)	(4,884)	(11,586)
Acquisition of subsidiary with NCI	-	-	-	-	-	400	400
Decrease in non-controlling interest through acquisition	-	505	-	-	505	(885)	(380)
Total contributions by and (distributions to) owners of the Company	-	1,126	(7,323)	-	(6,197)	(5,369)	(11,566)
Balance at 30 June 2015	30,465	13,952	112,905	-	157,322	46,812	204,134

The notes on pages 55 to 100 are an integral part of these financial statements.

**STATEMENTS OF CHANGES IN EQUITY - CONT'D**  
**TUKUTUKU NI VEISAU ENA AKAUDE NI TAUKEI NI KABANI**

Year Ended 30 June 2015

Company	Attributable to owners of the Company					Non-controlling Interests \$'000	Total Equity \$'000
	Share Capital \$'000	Other Reserves \$'000	Retained Earnings \$'000	Proposed Dividends \$'000	Total \$'000		
Balance at 1 July 2013	30,465	55,019	78,405	3,046	166,935	-	166,935
<b>Total comprehensive income for the year</b>							
Profit	-	-	9,739	-	9,739	-	9,739
Total other comprehensive income	-	(947)	-	-	(947)	-	(947)
Total comprehensive income for the year	-	(947)	9,739	-	8,792	-	8,792
<b>Transactions with owners of the Company, recognised directly in equity</b>							
<b>Contributions by and distributions to owners of the Company</b>							
Proposed dividends to owners of the company	-	-	-	-	-	-	-
Dividends paid to owners of the company	-	-	(3,046)	(3,046)	(6,092)	-	(6,092)
Total contributions by and (distributions to) owners of the Company	-	-	(3,046)	(3,046)	(6,092)	-	(6,092)
Total transactions with owners of the Company	-	-	(3,046)	(3,046)	(6,092)	-	(6,092)
Balance at 30 June 2014	30,465	54,072	85,098	-	169,635	-	169,635
Balance at 1 July 2014	30,465	54,072	85,098	-	169,635	-	169,635
<b>Total comprehensive income for the year</b>							
Profit	-	-	12,921	-	12,921	-	12,921
Total other comprehensive income	-	13,899	-	-	13,899	-	13,899
Total comprehensive income for the year	-	13,899	12,921	-	26,820	-	26,820
<b>Transactions with owners of the Company, recognised directly in equity</b>							
<b>Contributions by and distributions to owners of the Company</b>							
Proposed dividends to owners of the company	-	-	-	-	-	-	-
Dividends paid to owners of the company	-	-	(6,702)	-	(6,702)	-	(6,702)
Total contributions by and (distributions to) owners of the Company	-	-	(6,702)	-	(6,702)	-	(6,702)
Total transactions with owners of the Company	-	-	(6,702)	-	(6,702)	-	(6,702)
Balance at 30 June 2015	30,465	67,971	91,317	-	189,753	-	189,753

The notes on pages 55 to 100 are an integral part of these financial statements.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO**

Year Ended 30 June 2015

**1. GENERAL INFORMATION**

Fijian Holdings Limited ("the Company") is incorporated and domiciled in Fiji and its registered office and principal place of business is located at 7th Floor, Ra Marama House, 91 Gordon Street, Suva, Fiji.

The consolidated financial statements of the Company as at and for the year ended 30 June 2015 comprise the Company and its subsidiaries (together referred to as "the Group" and individually as "group entities") and the group's interest in associates. The Company and its subsidiaries are incorporated and domiciled in Fiji and Papua New Guinea.

The principal activity of the Company is investment. The principal activities of the Group are the production and sale of cement, concrete and concrete products, investment and rental of property, fund management, stock broking, asset and loan financing and acceptance of term deposits, provision of sea transportation services and boat charters, cruise ship operations, commercial free to air and subscription television broadcasting services, selling and servicing of radio, television and communications, retailing and wholesaling of general merchandise, and owners and administrators of properties.

The Company is listed on the South Pacific Stock Exchange.

These consolidated financial statements were authorised for issue by the Board of Directors on 28th August 2015.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies adopted in the preparation of these Company and consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

The Group has adopted the following new standards and amendments to standards, including any consequential amendments to other standards, with a date of initial application of 1 January 2014.

- Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27)
- Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32)
- Recoverable Amount Disclosures for Non-Financial Assets (Amendments to IAS 36)

The only changes arising from adoption of these standards are in relation to expanding the disclosures in the financial statements.

**Statement of compliance**

The Company and consolidated financial statements are general purpose financial statements which have been prepared in accordance with International Financial Reporting Standards (IFRSs) adopted by the International Accounting Standards Board and the Companies Act 1983.

**2.1 Basis of accounting**

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of available-for-sale financial assets and certain other financial assets at fair value.

Despite the deficiency in net current assets of \$35,846,000 (2014: \$13,298,000) in the Company, the financial statements have been prepared on a going concern basis, which contemplates that the Company will be able to pay its debts as and when they fall due. The directors believe that this basis is appropriate as the Company has the ability to upstream dividends from its subsidiary companies, there are currently undrawn banking facilities totalling \$3,000,000 available, and an amount of \$14,315,000 is due to related parties which the directors believe is capable of being renegotiated as to payment date. The Company also has a positive cash flows from operating activities and can call upon related party receivables of \$12,437,000 (classified as non-current due to management's expectation of realisation) when the need arises.

The Group net current asset deficiency of \$12,585,000 (2014: \$16,464,000) is due to short term fixed term deposits totalling \$56,516,000 (2014: \$72,847,000) in respect of Merchant Finance & Investment Company Limited which the directors expect will be rolled over at maturity.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO**

Year Ended 30 June 2015

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued**

**2.1 Basis of accounting - continued**

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

The following standards, amendments and interpretations to existing standards have been published and are mandatory for accounting periods beginning after 1 July 2014 which are relevant to the Group, but the Group does not plan to early adopt them. The impact of these standards and interpretations on the financial statements of the Company and the Group has not yet been fully determined.

Standard/ Interpretation	Content	Applicable for financial years beginning on/after
IFRS 9 <i>Financial Instruments</i>	IFRS 9, published in July 2014 replaces The existing guidance in IAS 39 <i>Financial Instruments: Recognition and Measurement</i> . IFRS 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements. It also carried forward the guidance on recognition and derecognition of financial instruments from IAS 39.	1 January 2018
IFRS 15 <i>Revenue from Contracts With Customers</i>	IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including IAS 18 <i>Revenue</i> , IAS 11 <i>Construction Contracts</i> and IFRIC 13 <i>Customer Loyalty Programmes</i> .	1 January 2018

**2.2 Use of estimates and judgments**

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included in the following notes:

Note 2.3 – Acquisitions	Note 2.8.3 – Provision for impairment
Note 2.9 – Property, plant and equipment impairment	Note 2.10 – Investment properties impairment
Note 2.14 – Intangible assets impairment	Note 2.8 – Available for sale financial assets

**2.3 Principles of consolidation**

(i) *Subsidiaries*

Subsidiaries are all those entities over which the group has control. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the statements of profit or loss and other comprehensive income. Transaction costs, other than those associated with the issue of debt or equity securities that the Group incurs in connection with a business combination are expensed as incurred.

Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses on these transactions are also eliminated.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO**

Year Ended 30 June 2015

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued**

**2.3 Principles of consolidation - continued**

(ii) *Transactions and non-controlling interests*

The group applies a policy of treating transactions with non-controlling interests as transactions with parties external to the group. Disposals to non-controlling interests result in gains and losses for the group and are recorded in the statements of profit or loss and other comprehensive income. Purchases from non-controlling interests, being the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary, is recorded directly in equity.

(iii) *Interests in equity accounted investees*

Associates are those entities over which the group has significant influence but not control over the financial and operating policies. Significant influence is presumed to exist when the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost which includes transaction costs.

The group's share of its associates' post-acquisition profits or losses is recognised in the statements of profit or loss and other comprehensive income, and its share of post-acquisition movements in reserves is recognized in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the group and its associates are eliminated to the extent of the group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Dilution gains and losses arising on investments in associates are recognised in the statements of profit or loss and other comprehensive income.

**2.4 Foreign currency**

(a) *Functional and presentation currency*

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Fijian Dollars, which is the Company's and the Group's functional and presentation currency.

(b) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statements of profit or loss and other comprehensive income.

**2.5 Foreign operations**

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisitions, are translated to the functional currency at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Fijian dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and presented in the foreign currency translation reserve in equity. If the foreign operation is a non-wholly-owned subsidiary, then the relevant proportion of the translation difference is allocated to the non-controlling interests.

**2.6 Segment information**

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO**

Year Ended 30 June 2015

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued**

**2.6 Segment information - continued**

The following summary describes the operations of each reportable segment.

Reportable segments	Operations
Construction	Sales of cement, concrete and concrete products
Property	Owners and administrators of properties, and rental of property
Finance	Asset and loan financing, and acceptance of term deposits
Tourism	Provision of sea transportation services and boat charters
Media	Television and communications
Retail	Retailing and wholesaling of general merchandise
Investment	Equity investments

**2.7 Cash and cash equivalents**

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from the acquisition date. For the purposes of the statements of cash flows, cash and cash equivalents comprise cash on hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are included within borrowings in current liabilities on the balance sheet.

**2.8 Financial assets**

**2.8.1 Classification**

Financial assets are classified into the following categories: at fair value through profit and loss, held-to-maturity, available-for-sale, and loans and receivables. The classification is dependent on the purpose for which the financial assets are acquired. Management determines the classification of investments at the time of the purchase and re-evaluates such designation on a regular basis. Purchases and sales of investments are recognised on the trade date, which is the date the group commits to purchase or sell the asset. Cost of purchase includes transaction costs.

- (a) *Financial assets at fair value through profit or loss*  
Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Assets in this category are classified as current assets.
- (b) *Held-to-maturity investments*  
Investments which management has the intent and ability to hold to maturity are classified as held-to-maturity and are carried at amortised cost.
- (c) *Available-for-sale financial assets*  
Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.
- (d) *Loans and receivables*  
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date, which are classified as non-current. The group's loans and receivables comprise 'loans, advances and receivables' in the balance sheet.

**2.8.2 Recognition and measurement**

Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the statements of profit or loss and other comprehensive income. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held-to-maturity assets are subsequently carried at amortised cost using the effective interest method.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO**

Year Ended 30 June 2015

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued**

**2.8 Financial assets - continued**

**2.8.2 Recognition and measurement - continued**

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the statements of profit or loss and other comprehensive income within 'fair value (losses)/gains' in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the statements of profit or loss and other comprehensive income as part of income when the group's right to receive payments is established.

Changes in the fair value of monetary and non-monetary securities classified as available for sale are recognised in equity. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in income.

Interest on available-for-sale securities calculated using the effective interest method is recognised in the statements of profit or loss and other comprehensive income as part of other income. Dividends on available-for-sale equity instruments are recognised in the statements of profit or loss and other comprehensive income as part of other income when the Group's right to receive payments is established.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models, making maximum use of market inputs and relying as little as possible on entity-specific inputs.

**2.8.3 Impairment**

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the statements of profit or loss and other comprehensive income. Impairment losses recognised in the statements of profit or loss and other comprehensive income on equity instruments are not reversed through the statements of profit or loss and other comprehensive income.

An allowance for impairment of receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. 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 statements of profit or loss and other comprehensive income as part of provision for doubtful debts. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against provision for doubtful debts in the statements of profit or loss and other comprehensive income.

Loans and advances are recognised at recoverable amount, after assessing the required allowance for impairment. Impairment of a loan is recognised when there is reasonable doubt that not all the principal and interest can be collected in accordance with the terms of the loan agreement. Impairment is assessed by specific identification in relation to individual loans and estimation of expected losses in relation to loan portfolios where specific identification is impracticable. Bad debts are written off when identified. If an allowance for impairment has been recognised in relation to a loan, write-offs for bad debts are made against the allowance. If no allowance for impairment has previously been recognised, write-offs for bad debts are recognised as expenses in the statements of profit or loss and other comprehensive income.

**2.9 Property, plant and equipment**

- (i) *Owned assets*  
Items of property, plant and equipment are stated at cost and deemed cost less accumulated depreciation and impairment losses.

Freehold land and improvements are shown at deemed cost less accumulated depreciation. Island properties are shown at fair value based on valuations by external independent valuers. All other items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO**

Year Ended 30 June 2015

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued**

**2.9 Property, plant and equipment - continued**

(i) *Owned assets - continued*

The value of property, plant and equipment recognised as a result of a business combination is the estimated amount for which a property could be exchanged on the date of acquisition between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably. Subsequent to initial recognition, increases in the carrying amount arising on revaluation are credited to other comprehensive income in the statements of profit or loss and other comprehensive income and recorded as revaluation reserve in shareholders' equity. Decreases that off-set previous increases of the same asset are charged against other comprehensive income and revaluation reserves in equity; all other decreases are charged as an expense in the statements of profit or loss and other comprehensive income.

Gains and losses on disposal of property, plant and equipment are determined by comparing the proceeds with the carrying amount and are recognised in the statements of profit or loss and other comprehensive income.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (refer note 2.14).

(ii) *Subsequent expenditure*

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are expensed in the statements of profit or loss and other comprehensive income during the financial period in which they are incurred.

(iii) *Depreciation and amortisation*

Freehold land is not depreciated. Leasehold properties, plant and equipment and other assets are depreciated and amortised on the straight line basis over their estimated useful lives, using the following depreciation rates:

	<b>Rate</b>
Leasehold land and improvements	Term of lease
Buildings	1.25% - 10%
Plant and equipment:	
- machinery, furniture & fittings and office equipment	2.50% - 40%
- motor vehicles	15% - 33%
Vessels	3% - 33%

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted as appropriate.

**2.10 Investment properties**

Investment property is stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Rental income from investment property is accounted for as described in accounting policy 2.20.

Investment property includes both land and buildings. Buildings are depreciated on a straight-line basis at an annual rate between 1.25% and 2.50%. Freehold land is not depreciated. Leasehold land is amortised in accordance with the term of the lease.

When an item of plant and equipment (refer to accounting policy 2.9) becomes an investment property following a change in its use, such investment property is stated at its cost.

**2.11 Assets held for sale and discontinued operations**

Non-current assets (or disposal groups comprising assets and liabilities) are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Assets classified as held for sale are stated at the lower of their carrying amount and fair value less costs to sell and are no longer amortised or depreciated.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO**

Year Ended 30 June 2015

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued**

**2.11 Assets held for sale and discontinued operations - continued**

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographical area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to re-sale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.

When an operation is classified as discontinued operations, the statements of profit or loss and other comprehensive income is re-presented as if the operations had been discontinued from the start of the comparative year.

**2.12 Inventories**

Inventories are stated at lower of cost and net realisable value. The cost of raw materials, stores and supplies includes all costs of acquisition, calculated on the first-in-first-out basis. Finished goods and work in process are valued at the actual cost of conversion, including a proportion of fixed and variable factory overheads. Net realisable value is the estimated selling price in the ordinary course of business less applicable variable selling expenses.

**2.13 Intangibles**

(a) *Goodwill*

Goodwill represents the excess of the cost of an acquisition over the fair value of the group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed.

The gain or loss on disposal of an entity includes the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose identified according to operating segment.

(b) *Management rights*

Management rights represent the initial cost paid in acquiring the rights and interest in the Management Agreement between R B Patel Group Limited (a subsidiary of FHL Retailing Ltd) and R B Patel & Co., a New Zealand partnership. Management rights is carried at cost less accumulated amortisation (based on the contract period of the management right) and impairment losses and is subject to annual impairment testing.

**2.14 Impairment of non-financial assets**

Assets that have an indefinite useful life are not subject to amortisation and depreciation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount exceeds its recoverable amount. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Any impairment losses are recognised in the statements of profit or loss and other comprehensive income in the period in which they arise. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separate identifiable cash flows.

**2.15 Trade and other creditors**

Trade and other creditors are stated at amortised cost. These amounts represent liabilities for goods and services provided to the group prior to the end of the financial year and which are unpaid.



**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO**

Year Ended 30 June 2015

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued**

**2.16 Borrowings**

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statements of profit or loss and other comprehensive income over the period of the borrowings using the effective interest method.

**2.17 Current and deferred income tax**

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the respective countries, where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the deferred tax assets can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the group and it is probable that the temporary difference will not reverse in the foreseeable future.

**2.18 Employee entitlements**

Liability for annual leave is recognised and measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date.

A liability for long service leave is recognised as the present value of estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. The estimated future cash outflows are discounted using interest rates on government bonds which have terms to maturity that match, as closely as possible, the estimated future cash outflows. Factors which affect the estimated cash outflows, such as expected future salary increases, experience of employee departures and period of service, are incorporated in the measurement.

Obligations for contributions to defined contribution pension plans are recognised as an expense in the statements of profit or loss and other comprehensive income when they are due.

**2.19 Leases**

*A group company is the lessee*

Assets acquired under finance leases are included as property, plant and equipment in the statement of financial position. Finance leases effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased assets. Where assets are acquired by means of finance leases, the lower of the asset's fair value or the present value of the minimum lease repayments is recognised as an asset at the beginning of the lease term and amortised on a straight line basis over the expected useful life of the leased asset. A corresponding liability is also established and each lease payment is allocated between the liability and interest expense.

Other leases under which all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Operating lease payments are charged to expense in the periods in which they are incurred.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO**

Year Ended 30 June 2015

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued**

**2.19 Leases - continued**

*A group company is the lessor*

Assets leased out under operating leases are included in property, plant and equipment in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with similar owned property, plant and equipment. Rental income is recognised on a straight-line basis over the lease term.

**2.20 Revenue recognition**

Revenue comprises the fair value for the sale of goods and services, net of value added tax, rebates and discounts and after eliminating sales within the group. Revenue is recognised as follows:

*Sales of goods*

Revenue from the sale of goods is recognised when significant risks and rewards of ownership of the goods are transferred to the buyer.

*Sales of services*

Revenue is generally recognised when services are rendered. Fees such as brokerage income and commission arising from negotiating or participating in the negotiation of a transaction for a third party are recognised on completion of the underlying transaction.

*Interest income*

Interest income is recognised on a time-proportion basis using the effective interest or compound interest method which matches income earned to the funds employed on a constant basis.

*Dividend income*

Dividend income is recognised when the right to receive payment is established.

*Rental income*

Rental income is recognised when due. Rental income from investment property is recognised in the statements of profit or loss and other comprehensive income on a straight-line basis over the term of the lease.

*Subscription revenue*

Revenue from subscription television services is initially deferred and is recognised as revenue in the period(s) that the related service is provided to subscribers.

**2.21 Dividend distribution**

Provision is made for the amount of any dividend declared, determined or publicly recommended by the directors on or before the end of the financial year but not distributed at balance date.

Dividends are subject to the provisions of the Fiji Income Tax Act and Income Tax (Dividend) Regulations 2001.

**2.22 Provisions**

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

**2.23 Basic and diluted earnings per share**

Basic and diluted earnings per share is determined by dividing profit after income tax attributable to shareholders of the holding company by the weighted average number of ordinary shares outstanding during the financial year.

**2.24 Functional and presentation currency**

These consolidated financial statements are presented in Fijian dollars, which is the Company's functional currency. All amounts have been rounded to the nearest thousand.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO**

Year Ended 30 June 2015

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued**

**2.25 Comparative figures**

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

**2.26 Business combinations**

**Acquisition of FHL Media Limited (formerly Yasana Holdings Limited)**

The acquisition of FHL Media in 2013 has been accounted for as a common control transaction as at the time of this transaction both FHL Media and the Company were controlled by the same shareholder group. As a common control transaction, the acquisition does not reflect the fair value of assets and liabilities acquired or any recording of additional goodwill at the time of the acquisition of FHL Media. The acquisition balance sheet of FHL Media reflects the values for assets and liabilities acquired from FHL Media's consolidated accounting records. The difference between the fair value of the consideration given and the carrying value of the assets and liabilities acquired is recognised as a common control reserve in the consolidated financial statements.

**Acquisitions**

Except for the acquisition of FHL Media, all acquisitions are accounted for by applying the acquisition method.

For every business combination, the Group identifies the acquirer, which is the combining entity that obtains control of the other combining entities or businesses. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another.

**Measuring goodwill**

The Group measures goodwill as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. If the cost of the acquisition is less than the Group's share of the fair value of the identifiable net assets of the acquiree, the difference is recognised directly in profit or loss, but only after a reassessment of the identification and measurement of the net assets acquired.

The fair value of the identifiable net assets is based on valuations performed by independent experts.

Consideration transferred includes the fair values of the assets transferred and liabilities incurred by the Group to the previous owners of the acquiree. Consideration transferred also includes the fair value of any contingent consideration.

**Non-controlling interest**

The Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

**Transaction costs**

Transaction costs that the Group incurs in connection with a business combination are expensed as incurred.

**3. ACQUISITIONS**

Acquisitions completed during the year are set out below.

**3.1 Acquisition of subsidiary – Life Cinema Limited**

On 24th November 2014, the Group obtained control of Life Cinema Limited (LCL), a company involved in the entertainment industry, by acquiring 60 percent of the shares and voting interests in LCL for a consideration of \$600,000.

Acquisition of LCL will provide the Group with increased access to the entertainment industry.

LCL commenced operations on 19th December 2014 and the results since that date have been consolidated in the Group results.

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**3. ACQUISITIONS – continued**

**3.2 Acquisition of associate – Pernix (Fiji) Limited**

On 17th November 2014, the Group acquired a 21 per cent interest in Pernix (Fiji) Limited (PFL), a company involved in the energy industry for a consideration of \$3.76m. The Group has determined that it has significant influence over Pernix (Fiji) Limited and will therefore account for PFL's results as an associated company.

**4. FINANCIAL RISK MANAGEMENT**

**4.1 Risk Management Framework**

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has established the Audit Sub-Committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and control, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aim to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Risk management is also carried out by Group Finance & Audit Division (GFAD). The GFAD monitors compliance with the Group's risk management policies and framework in relation to risks faced by each company in the Group. A Risk and Compliance Officer who is also part of the Audit Sub-Committee, is responsible for monitoring compliance with Group risk management policies and procedures and for reviewing the risk management framework in relation to the risks faced by the Group. The Group management team is assisted in these functions by an Internal Audit function (established by the Company and an outsourced internal audit team for Merchant Finance & Investment Company Limited) which undertakes both regular and ad-hoc reviews of management controls and procedures, the results of which are reported directly to the Audit Sub-Committee of the Board.

**(a) Market risk**

Market risk is the risk that changes in market prices, such as interest rate, equity prices, foreign exchange rates and credit spreads will affect the group's income or the value of its holdings of financial instruments. The objective of market risk management is to control market risk exposures within acceptable parameters while optimising the return on risk.

Unfavourable changes to duty and tax regulations may expose the Group to a decline in revenues. To minimise this risk, the Group implements appropriate strategies to ensure that products and prices remain attractive. The Group operates in Fiji and Papua New Guinea, and changes to governments and the policies they implement affect the economic situation and ultimately the revenues of the Group. To address this, the Group reviews its pricing and product range regularly and responds appropriately to these changes.

**(i) Foreign exchange risk**

The Group undertakes certain transactions denominated in foreign currencies hence exposures to exchange rate fluctuations arise. Exchange rate exposures are closely managed within approved policy parameters. Major foreign exchange transactions relate to importation of goods and services with settlement based on spot rates. Foreign currency risk arises from recognised assets and liabilities that are denominated in a currency that is not the Group's functional currency (refer note 2.4)

Pacific Cement Ltd and Basic Industries Ltd operate in Fiji and procure assets, raw materials and supplies from principal suppliers based predominantly in New Zealand, Australia and Japan. Basic Industries (PNG) Limited and Media Nuigini Limited operate in PNG and procure assets and supplies from principal suppliers based predominately in Fiji, New Zealand and Australia. As a measure, prompt settlement of liabilities (and assets if necessary) is exercised by management to minimise the exposure to foreign exchange losses. As an additional measure, the companies negotiate competitive rates with their bankers to minimise losses and maximise gains when foreign exchange receipts and payments become due.

The Group's exposure to foreign exchange risk is not material.

**(ii) Price risk**

The Group is exposed to equity securities price risk because of investments held by the Group and classified on the consolidated balance sheet either as available-for-sale or at fair value through profit or loss. To manage its price risk arising from investment in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

The Group's investments in equity of other entities that are publicly traded are quoted on the South Pacific Stock Exchange.

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**4. FINANCIAL RISK MANAGEMENT – continued**

**4.1 Risk Management Framework - continued**

(a) *Market risk - continued*

(iii) Interest rate risk

The principal risk to which investments and lending portfolios are exposed is the risk of loss from fluctuations in future cash flows or fair values of financial instruments because of a change in market interest rates. Interest rate risk is managed principally through monitoring interest rate gaps and by having pre-approved limits from re-pricing bonds.

In Merchant Finance & Investment Company Limited (MFICL) the management of interest rate risk against interest rate gap limits is supplemented by management's regular monitoring of the sensitivity of MFICL financial assets and liabilities to various standard interest scenarios and market offerings.

Interest rate risk is managed through: 1) investments; 2) loan pricing; and 3) deposit pricing. MFICL always tries to maintain an interest spread that it believes is sufficient to cater for the risk it is taking and is above the cost of its funds and is sufficient to cover operating costs. Interest spread is monitored monthly and is submitted to the Reserve Bank of Fiji (RBF) for monitoring purposes.

The carrying amounts of the Company's and Group's financial instruments are set out below:

Financial instrument	Group		Company	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Bank overdraft	24,924	17,075	10,182	4,398
Bank loans	82,505	85,959	35,220	51,074
Fixed term deposits and short term borrowings (Unsecured)	98,505	110,559	20,905	13,810
<b>Total</b>	<b>205,934</b>	<b>213,593</b>	<b>66,307</b>	<b>69,282</b>

As all the above loans are fixed interest, neither the Company nor the Group is subject to material interest rate risk.

(b) *Credit risk*

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group's receivables and loans and advances to customers and investees.

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, including outstanding receivables and committed transactions. For potential rental tenants, a screening process, similar to a due diligence is performed, prior to their being granted leases. Checks are made as to their background, as well as their credit histories, with the Data Bureau. For banks and financial institutions, only reputable parties are acceptable. As far as practicable, if wholesale customers are independently rated, these ratings are used. Otherwise, if there is no independent ranking, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with set limits. The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash or using major credit cards.

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**4. FINANCIAL RISK MANAGEMENT – continued**

**4.1 Risk Management Framework - continued**

(b) *Credit risk - continued*

The summary of the Group's exposure to credit risk is as follow:

	Group 2015 \$'000	Group 2014 \$'000
Neither past due nor impaired	94,531	92,929
Past due but not impaired	29,558	28,045
Individually impaired	9,122	15,702
<b>Gross loans and advances</b>	<b>133,211</b>	<b>136,676</b>
Less: unearned revenue	27,589	30,367
Less: allowance for impairment	4,247	5,069
<b>Net loans and advances</b>	<b>101,375</b>	<b>101,240</b>
Neither past due nor impaired	29,536	31,369
Past due but not impaired	-	-
Individually impaired	9,096	8,160
<b>Gross other receivables</b>	<b>38,632</b>	<b>39,529</b>
Less: unearned revenue	-	-
Less: allowance for impairment	9,096	8,160
<b>Net other receivables</b>	<b>29,536</b>	<b>31,369</b>
Cash and cash equivalents	7,959	37,501
Held-to-maturity investments	20,764	9,511
<b>Total</b>	<b>159,634</b>	<b>179,621</b>

The details of impairment provisions for loans and receivables are provided for in Notes 12 and 13.

Details relating to MFICL are set out below:

Financial assets relating to MFICL classified as neither past due nor impaired are fully operational loan facilities. Management reviews all accounts at balance date and where necessary makes a provision for impairment.

Financial assets classified as past due but not impaired are further classified as Standard or Special Mention with arrears below 60 days. These accounts are closely monitored to ensure that they do not deteriorate further. Security inspections are undertaken on these accounts to verify the value of the collateral pledged. These assets are monitored by specialist collection teams on a daily basis and further monitored by management at each month end. Where necessary management restructures these loans to enhance recovery.

Individually assessed loans are those that have arrears exceeding 60 days and/or those which in the view of management have a higher probability of failure in the near term beyond its control and where a loss is expected to arise.

In order to manage credit risk, MFICL closely monitors existing customers in ensuring a debt service ratio greater than 1 and loan value ratio of 85% is maintained and ensuring that all new customers go through comprehensive credit screening including Data Bureau checks. Furthermore, customer accounts are graded internally and all existing customers are categorised as excellent, good, satisfactory or limited. Further the individual accounts/customer groups are classified as Standard, Special Mention, Sub Standard, Doubtful and Loss for credit risk management purposes. All loans and advances are secured by collateral.

MFICL employs a range of policies and practices to mitigate credit risk with the most common practice being the taking of collateral with guidelines on the acceptability of specific classes of collateral for credit risk mitigation. The principal collateral types for loans and advances are:

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**4. FINANCIAL RISK MANAGEMENT – continued**

**4.1 Risk Management Framework - continued**

(b) *Credit risk - continued*

- Mortgages over residential properties.
- Hire Purchase Agreements and Bill of Sale over vehicles and machinery
- Charges over business assets such as premises, inventory and accounts receivable.
- Charges over financial instruments such as debt securities and equities and term deposits.

Longer-term finance and lending to corporate entities are generally secured. In addition, in order to further minimise the potential for credit loss MFICL will seek additional collateral from the counterparty once impairment indicators are identified for the relevant individual loans and advances.

Collateral held as security for financial assets other than loans and advances depends on the nature of the instrument.

**Credit risk concentration**

The credit risk concentration for MFICL is as follows:

	2015		2014	
	Loans and advances (%)	Collective impairment allowance (%)	Loans and advances (%)	Collective impairment allowance (%)
<b>Industry</b>				
Agriculture	8.59	6.95	8.91	7.05
Building and construction	17.96	16.94	22.01	20.90
Manufacturing	5.68	4.22	4.89	3.26
Mining and quarrying	0.98	1.16	1.03	0.08
Private individuals	12.37	14.06	12.19	14.70
Professional and business services	1.88	1.67	2.16	1.89
Transport, communication and storage	34.14	37.17	31.07	34.99
Wholesale, retail, hotels and restaurants	9.44	9.54	7.20	8.51
Others	8.96	8.29	10.54	8.62
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

Credit concentration is determined based on the industry for which the loan is given.

(c) *Liquidity risk*

Liquidity risk is the risk that the Group will encounter difficulty in meeting its obligations arising from its financial liabilities. Prudent and careful management of the Group's liquidity position is essential in order to ensure that adequate funds are available to meet the Group's ongoing financial obligations.

A summary of the contractual maturity analysis of the Group's borrowings and other non-derivative financial liabilities as at 30 June is set out below on an undiscounted basis including estimated interest payments:

30 June 2015	Carrying amount \$'000	Contractual cash flows				
		Total \$'000	Up to 1 year \$'000	1-2 years \$'000	2-5 years \$'000	More than 5 years \$'000
<b>Non- derivative financial liabilities</b>						
Bank Overdrafts	24,924	(24,924)	(24,924)	-	-	-
Secured bank loans	82,505	(93,616)	(35,638)	(35,638)	(22,340)	-
Deposits from customers and short term borrowings	98,505	(106,102)	(62,506)	(16,946)	(25,418)	(1,232)
Creditors and accruals	33,668	(33,668)	(33,668)	-	-	-

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**4. FINANCIAL RISK MANAGEMENT – continued**

**4.1 Risk Management Framework - continued**

(c) *Liquidity risk - continued*

30 June 2014	Carrying amount \$'000	Contractual cash flows				
		Total \$'000	Up to 1 year \$'000	1-2 years \$'000	2-5 years \$'000	More than 5 years \$'000
<b>Non- derivative financial liabilities</b>						
Bank Overdrafts	17,075	(17,075)	(17,075)	-	-	-
Secured bank loans	85,959	(89,527)	(31,768)	(31,768)	(25,991)	-
Deposits from customers and short term borrowings	110,559	(115,270)	(84,729)	(6,129)	(19,056)	(5,356)
Creditors and accruals	33,193	(33,193)	(33,193)	-	-	-

Additional details relating to MFICL are set out below:

In order to comply with the Reserve Bank's requirements and the Banking Act 1995, MFICL must hold as liquid deposits an amount equivalent to 10% of its total borrowed funds. The MFICL Board ensures that the investment standalone is sufficient to meet the Unimpaired Liquid Assets Ratio requirements which are covered entirely by long term bonds.

The daily liquidity position is monitored. For MFICL, the key measure used for managing liquidity risk is the ratio of net liquid assets to deposits from customers. Monthly maturity mismatch reports are prepared and analysed. Maturity reports of term deposits are actioned via pre-analysis (calling customer to determine the status of re-investment) and MFICL Board Asset and Liability Committee (ALCO) is kept informed.

MFICL Liquidity exposure is measured by calculating its Net Liquidity Gap and by comparing current ratios with targets. MFICL Board/ ALCO monitors the Company's liquidity position by reviewing the Net Liquidity Gap expressed as a percentage of liabilities:

	Less than 1 month	1 to <3 months	3 to <6 months	6 to <12 months	Over 12 months
<b>Net Liquidity Gap as a % of Rate Sensitive Assets (not to exceed)</b>	<b>-5%</b>	<b>-7%</b>	<b>-10%</b>	<b>-20%</b>	<b>40%</b>

Apart from the above, MFICL uses the following as a benchmark in monitoring its liquidity position.

Ratio	Target	Tolerance Range
Cash Reserve	Minimum 8%	Not to fall below 5%
Liquid Assets/Total Deposits Ratio	20-25%	Not to fall below 20%
Liquid Asset/Total Assets Ratio	10-20%	Not to fall below 20%
Loans/Deposit Ratio	120-135%	Not to exceed 135%
Loans/Adjusted Deposit Ratio	100-120%	Not to exceed 120%
Unimpaired Liquid Assets Ratio	Minimum 12%	Not to fall below 10%

The Cash Reserve ratio is calculated by expressing cash reserves (comprising of cash book balance and short term deposits) as a percentage of total deposits. Other ratios are calculated according to RBF guidelines on liquidity risk management for credit institutions. The loans to deposit ratio and unimpaired liquid assets ratio are monitored daily whilst other ratios are monitored monthly.

Any variance in the above ratios are actioned immediately by management.

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**4. FINANCIAL RISK MANAGEMENT – continued**

**4.2 Capital risk management**

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital and be in compliance with statutory requirements.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the consolidated statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated statement of financial position plus net debt.

The gearing ratio of the Group at balance date is as follows:

	2015 \$'000	2014 \$'000
Total Borrowings (excluding deposits from customers)	115,921	112,858
Less: Cash and cash equivalents (Note10)	16,965	(20,426)
Net debt	98,956	92,432
Total capital	204,134	200,130
Gearing ratio	48%	46%

Additional details relating to MFICL are set out below:

MFICL is subject to externally imposed capital requirements by the Reserve Bank of Fiji. MFICL's objectives when managing capital are:

- To comply with the capital requirements set by the Reserve Bank of Fiji;
- To safeguard the company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- To maintain a strong capital base to support the development of the business.

Capital adequacy and the use of regulatory capital are monitored daily by MFICL's management, employing techniques based on the guidelines developed by the Basel Committee as implemented by the Reserve Bank of Fiji, for supervisory purposes.

The Reserve Bank of Fiji requires MFICL to (a) hold at least 10% of its total holdings in liquid assets and (b) maintain a ratio of total regulatory capital to risk-weighted assets at or above 15%. MFICL complied with these requirements during the year.

MFICL also measures its Credit Loss Reserve requirement on an annual basis and during the current year transferred an amount of \$621,000 to this reserve in compliance with Reserve Bank of Fiji guidelines.

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**5. PROFIT**

	Group		Company	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
The profit before income tax has been determined after:		(Restated)		
<b>(a) Crediting as other income</b>				
Dividends received	14	15	-	-
- other companies				
Net gain on disposal of property, plant and equipment and assets held for sale	97	850	-	59
Management fees	106	662	-	-
Gain on disposal of investments	-	1,199	-	1,027
Rental income	2,442	1,783	-	-
Fee income	504	398	-	-
Other income	1,781	2,738	431	727
	4,944	7,645	431	1,813

In the financial statements of the Company, dividends received from subsidiary and other companies amounting to \$25,159,000 (2014: \$16,328,000) are treated as part of operating revenue. See note 21 for further details.

	Group		Company	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
<b>(b) Charging as expense</b>		(Restated)		
Auditors' remuneration:				
- audit fees - KPMG	363	219	78	35
- other auditors	79	75	-	-
- other services - KPMG	7	24	-	20
- other auditors	117	124	73	-
Bad debts	-	2,042	-	-
Directors' emoluments				
- for services as directors	404	563	149	231
- for other services	63	65	62	65
Depreciation and amortisation	11,787	9,669	184	192
Provision for impairment/write-off of inventories	8	516	-	-
Provision for impairment of property, plant and equipment and contract costs	271	2,023	-	-
Allowance for doubtful debts	1,805	648	154	2,516
FNPF superannuation	2,015	1,481	107	110

**6. NET FINANCE COSTS**

Exchange gain	-	-	-	-
Interest income	-	142	1,108	1,376
Finance income	-	142	1,108	1,376
Exchange loss	(22)	(190)	-	-
Interest expense	(6,152)	(5,175)	(3,265)	(3,025)
Finance costs	(6,174)	(5,365)	(3,265)	(3,025)
<b>Net finance costs recognised in profit or loss</b>	<b>(6,174)</b>	<b>(5,223)</b>	<b>(2,157)</b>	<b>(1,649)</b>

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**7. INCOME TAX**

**(a) Income tax expense**

The amount of income tax attributable to the financial year differs from the amount prima facie payable on the profit. The difference is reconciled as follows:

	Group		Company	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Profit before income tax	20,552	18,297	12,328	10,893
Prima facie tax payable at 10% (2014: 18.5%)	2,055	3,385	1,233	2,014
<u>Add/(deduct):</u>		(Restated)		
Impact of difference in tax rate	4,388	4,410	-	-
Dividends received	(2,944)	(214)	(2,516)	(3,022)
Exempt income	(151)	(1,221)	-	(190)
Other permanent differences	2,085	594	1,358	2,086
Capital gains/(loss)	-	(98)	-	-
Impact of equity accounted profit	(260)	(322)	-	-
FNPF employer's contribution	-	-	5	-
Movement in timing differences	-	-	-	-
Other	(46)	-	(46)	-
Reversal of tax losses and timing differences not previously brought to account	(9)	351	-	329
Tax effect of tax losses and temporary differences not brought to account	847	1,476	-	-
Effect of changes in tax rate	-	(1,410)	-	16
(Over) / Under provision in prior year	(546)	(9)	(627)	(79)
<b>Income tax expense/ (benefit) attributable to profit</b>	<b>5,419</b>	<b>6,942</b>	<b>(593)</b>	<b>1,154</b>
Total income tax expense is made up of:				
Current income tax expense	5,761	6,811	82	888
Transfer to liabilities held for sale	272	-	-	-
Deferred tax	(68)	122	(48)	345
(Over)/Under provision in prior years	(546)	9	(627)	(79)
<b>Income tax expense/ (benefit) attributable to profit</b>	<b>5,419</b>	<b>6,942</b>	<b>(593)</b>	<b>1,154</b>
<b>(b) Current tax liability/(asset)</b>				
Balance at beginning of year	2,779	273	465	80
Income tax paid	(5,410)	(5,331)	(82)	(423)
Transfer to liabilities held for sale	(2,217)	-	-	-
Current year's income tax expense	5,761	8,181	82	888
Transfer of balance from VAT account	(204)	(335)	7	(1)
(Over)/Under provision in prior years	(546)	(9)	(627)	(79)
Balance at end of year	163	2,779	(155)	465

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**7. INCOME TAX - Continued**

**(c) Deferred tax assets and liabilities**

	Group		Company	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
<u>Deferred tax assets</u>				
Property, plant & equipment	425	321	18	-
Annual leave	184	272	17	17
Doubtful debts	2,370	2,230	31	30
Inventory provisions	165	253	-	-
Others	-	74	-	-
Unrealised foreign exchange gain	5	5	-	-
Tax losses	632	1,102	-	-
	<b>3,781</b>	<b>4,257</b>	<b>66</b>	<b>47</b>
<u>Deferred tax liabilities</u>				
Property, plant & equipment	(4,619)	(5,173)	-	(29)
Cyclone reserve deposit	(108)	(98)	-	-
Fair value on revaluation	(877)	(877)	-	-
	<b>(5,604)</b>	<b>(6,148)</b>	<b>-</b>	<b>(29)</b>

As at 30 June 2015, Group companies had unrecovered income tax losses of approximately \$7.1 million (2014: \$6.1 million) available to offset against future years' taxable income. The benefit at 20% (2014: 20%) tax rate amounting to approximately \$1.4 million (2014: \$1.2 million) has not been brought to account as realisation is not considered to be probable.

The benefit will only be obtained if:

- the Companies derive future assessable income of a nature and of an amount sufficient to enable the benefits from the deductions for the losses to be realised;
- the Companies continue to comply with the conditions for deductibility imposed by the law; and
- no change in tax legislation adversely affect the Companies in realising the benefit from the deductions for the losses.

Movement in temporary differences during the year

Group	1 July 2014 \$'000	Recognised in income statement \$'000	30 June 2015 \$'000
<u>Deferred tax assets</u>			
Property, plant & equipment	321	104	425
Annual leave	272	(88)	184
Doubtful debts	2,230	140	2,370
Others	74	(74)	-
Inventory provisions	253	(88)	165
Unrealised foreign exchange loss	5	-	5
Tax losses	1,102	(470)	632
	<b>4,257</b>	<b>(476)</b>	<b>3,781</b>
<u>Deferred tax liabilities</u>			
Property, plant & equipment	(5,173)	554	(4,619)
Cyclone reserve deposit	(98)	(10)	(108)
Fair value on revaluation	(877)	-	(877)
	<b>(6,148)</b>	<b>544</b>	<b>(5,604)</b>

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Year Ended 30 June 2015

**7. INCOME TAX - Continued**

**(c) Deferred tax assets and liabilities - continued**

Group	1 July 2013 \$'000	Recognised in income statement \$'000	30 June 2014 \$'000
<i>Deferred tax assets</i>			
Property, plant & equipment	34	287	321
Annual leave	240	32	272
Doubtful debts	2,957	(727)	2,230
Others	-	74	74
Inventory provisions	148	105	253
Unrealised foreign exchange loss	8	(3)	5
Tax losses	1,794	(692)	1,102
	5,181	(924)	4,257
<i>Deferred tax liabilities</i>			
Property, plant & equipment	(5,975)	802	(5,173)
Cyclone reserve deposit	(98)	-	(98)
Fair value on revaluation	(877)	-	(877)
	(6,950)	802	(6,148)

Company	1 July 2014 \$'000	Recognised in income statement \$'000	30 June 2015 \$'000
<i>Deferred tax assets</i>			
Annual leave	17	-	17
Doubtful debts	30	1	31
Property, plant & equipment	(29)	47	18
	18	48	66

	1 July 2013 \$'000	Recognised in income statement \$'000	30 June 2014 \$'000
<i>Deferred tax assets</i>			
Annual leave	14	3	17
Doubtful debts	385	(355)	30
	399	(352)	47
<i>Deferred tax liabilities</i>			
Property, plant & equipment	(36)	7	(29)
	(36)	7	(29)

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**8. Discontinued Operations**

In December 2013, the Group ceased operations of its wholly owned subsidiary, FHL Logistics Limited.

The subsidiary was classified as a discontinued operation from the 2014 financial year and this continued into the 2015 financial year.

On 5th February 2015, Fiji Television Limited announced that it had signed a sale and purchase agreement with Telikom PNG Ltd for the sale of 100% of its wholly owned subsidiary, Media Niugini Limited.

The subsidiary was not previously classified as held-for-sale or as a discontinued operation. The comparative consolidated statement of comprehensive income has been restated to show the discontinued operation separately from continuing operations

**a) Results of discontinued operations**

	FHL Logistics Limited		Media Niugini Limited	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Revenue	97	1,542	18,764	16,978
Expenses	(15)	(2,470)	(16,286)	(11,641)
<b>Results from operating activities</b>	82	(928)	2,478	5,337
Income tax	-	-	(244)	(1,370)
<b>Profit/ (Loss) for the year</b>	82	(928)	2,234	3,967
Other	-	4	-	-
<b>Profit/ (Loss) for the year</b>	82	(924)	2,234	3,967

**b) Cash flows from/(used in) discontinued operations**

	FHL Logistics Limited		Media Niugini Limited	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Net cash from/(used in) operating activities	12	(694)	3,894	6,611
Net cash from/(used in) in financing activities	(184)	1,131	-	(7,966)
Net cash from/(used in) in investing activities	-	294	(3,891)	(2,012)
<b>Net cash flow for the year</b>	(172)	731	3	(3,367)

In relation to FHL Logistics, there was no material impact on the financial position of the Group, given the wind down of the operation.

**9. DIVIDENDS PROPOSED OR PAID**

	Group		Company	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
<b>Ordinary - A class</b>				
Dividend paid at 11 cents (2014: 10 cents)	2,302	1,046	2,302	1,046
<b>Ordinary - B class</b>				
Dividend paid at 11 cents (2014: 10 cents)	4,400	2,000	4,400	2,000
	6,702	3,046	6,702	3,046

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**10. CASH AND CASH EQUIVALENTS**

a) For the purposes of the cash flow statements, cash and cash equivalents comprise the following:

	Group		Company	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Cash on hand and at bank	6,389	21,933	157	162
Term deposits	1,570	15,568	-	-
	7,959	37,501	157	162
Cash included in assets for sale (Note 17)	6,938	-	-	-
Bank overdrafts (Note 27)	(24,924)	(17,075)	(10,182)	(4,398)
	(10,027)	20,426	(10,025)	(4,236)

b) **Financing facilities**

Facilities available to the Group are bank overdrafts and revolving term loans. Financing facilities of \$36.20 million were available to the Group as at 30 June 2015 (2014: \$31.20 million) of which \$22.63 million (2014: \$15.69 million) was utilised. See also note 27.

**11. HELD-TO-MATURITY INVESTMENTS**

	Group		Company	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
<b>Current</b>				
Deposits with financial institutions	10,510	10	-	-
<b>Non-current</b>				
Securities				
- Government securities	9,501	9,501	-	-
- Deposits with financial institutions	753	-	-	-
Add: Unamortised premium	-	-	-	-
	10,254	9,501	-	-
	\$20,764	\$9,511	\$-	\$-

Term deposits held with financial institutions attract interest rates ranging from 1.75% to 8% (2014: 1.75% to 8%) per annum. The term deposits will mature on various dates in the next financial year.

Government securities include bonds issued by the Reserve Bank of Fiji which are held for terms ranging between 10 and 20 years at an interest rate between 3.8% and 13%.

Held-to-maturity financial assets are valued in accordance with Note 2.8 of the group's accounting policy.

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Year Ended 30 June 2015

**12. LOANS, ADVANCES AND RECEIVABLES**

	Group		Company	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
<b>Current</b>				
Trade receivables	35,055	25,223	-	-
Provision for impaired receivables	(7,360)	(6,473)	-	-
	27,695	18,750	-	-
Net loans and advances – third parties (Note 13)	48,273	46,255	-	-
- related parties	-	-	2,758	17,228
Other receivables – third parties	3,292	14,201	575	825
- related parties	-	-	14,217	13,980
Provision for impaired receivables	(1,736)	(1,687)	(3,951)	(2,816)
	77,524	77,519	13,599	29,217
<b>Non-current</b>				
Net loans and advances – third parties (Note 13)	53,102	54,985	-	-
- related parties	-	-	12,437	-
Other receivables	462	105	-	-
	53,564	55,090	12,437	-
<b>Provisions for impairment</b>				
Balance at the beginning of the year	8,160	7,769	2,816	3,032
Additional provisions made	2,016	600	154	2,516
Reclassification of provisions	-	-	1,165	-
Reversal of provisions	(1,080)	(209)	(184)	(2,732)
	9,096	8,160	3,951	2,816

Related party loans and advances are unsecured.

**13. LOANS AND ADVANCES**

	Group		Company	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Gross term receivables	133,211	136,676	-	-
Unearned income	(27,589)	(30,367)	-	-
	105,622	106,309	-	-
Individually assessed allowance	(2,032)	(2,967)	-	-
Collective allowance	(2,215)	(2,102)	-	-
	101,375	101,240	-	-



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**13. LOANS AND ADVANCES – continued**

	Group		Company	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
<u>Maturity analysis</u>				
Not longer than 3 months	12,682	13,305	-	-
Longer than 3 and not longer than 12 months	36,311	34,633	-	-
	48,993	47,938	-	-
Unearned income	(376)	(1,243)	-	-
Individually assessed allowance	(221)	(336)	-	-
Collective allowance	(123)	(104)	-	-
<b>Current (Note 12)</b>	<b>48,273</b>	<b>46,255</b>	-	-
Longer than 1 year and not longer than 5 years	79,777	76,335	-	-
Longer than 5 years	4,441	12,403	-	-
	84,218	88,738	-	-
Unearned income	(27,213)	(29,124)	-	-
Individually assessed allowance	(1,811)	(2,631)	-	-
Collective allowance	(2,092)	(1,998)	-	-
<b>Non-current (Note 12)</b>	<b>53,102</b>	<b>54,985</b>	-	-
	101,375	101,240	-	-

Impairment of loans and advances

	2015 \$'000		2014 \$'000	
	Individual allowance for impairment	Collective allowance for impairment	Individual allowance for impairment	Collective allowance for impairment
Balance at the beginning of the year	2,967	2,102	4,017	2,064
Increase in impairment allowances	478	216	709	38
Reversals of impairment	(1,413)	(103)	(1,759)	-
Balance at the end of the year	2,032	2,215	2,967	2,102

**14. INVENTORIES**

	Group		Company	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Raw materials, spares, stores and supplies	17,457	14,717	-	-
Finished goods	16,374	16,543	-	-
Goods in transit	1,065	1,178	-	-
	34,896	32,438	-	-

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**15. PROPERTY, PLANT AND EQUIPMENT**

(a) Carrying values of property, plant and equipment are set out below:

	Group		Company	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Freehold land and improvements - at cost/ deemed cost	9,810	7,667	-	-
Island properties - at directors' valuation	8,000	8,000	-	-
Leasehold land, improvements and buildings at cost/ deemed cost	56,135	46,694	-	-
Accumulated depreciation	(7,922)	(6,481)	-	-
	48,213	40,213	-	-
Plant and equipment - at cost/ deemed cost	162,000	153,836	1,233	1,217
Accumulated depreciation	(101,123)	(100,794)	(995)	(814)
Allowance for impairment	(1,500)	(1,500)	-	-
	59,377	51,542	238	403
Capital works in progress - at cost	1,881	11,144	-	-
	127,281	118,566	238	403

(b) Reconciliation of property, plant and equipment

Reconciliation of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current year is set out below:

Group	Freehold land and improvements \$'000	Island properties \$'000	Leasehold land, improvements and buildings \$'000	Plant and equipment \$'000	Capital work in progress \$'000	Total \$'000
Carrying amount at 1 July 2014 (restated)	7,667	8,000	40,213	51,542	11,144	118,566
Transfer (to) assets held for sale	-	-	-	(5,911)	-	(5,911)
Transfer from assets held for sale	-	-	-	3,523	-	3,523
Transfers from investment property	2,169	-	6,840	-	-	9,009
Additions	-	-	1,929	6,555	6,855	15,339
Disposals	(26)	-	-	(150)	-	(176)
Transfer (to)/from capital work in progress	-	-	-	13,204	(13,204)	-
Transfer to investment property	-	-	-	-	(2,261)	(2,261)
Expensed during the year	-	-	-	-	(38)	(38)
Transfer (to) assets	-	-	-	-	(615)	(615)
Effects of movements in exchange rate	-	-	-	(342)	-	(342)
Depreciation/ amortisation	-	-	(769)	(9,044)	-	(9,813)
Carrying amount at 30 June 2015	9,810	8,000	48,213	59,377	1,881	127,281

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
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**15. PROPERTY, PLANT AND EQUIPMENT – Continued**

(b) Reconciliation of property, plant and equipment - continued

Company	Freehold land and improvements \$'000	Island properties \$'000	Leasehold land, improvements and buildings \$'000	Plant and equipment \$'000	Capital work in progress \$'000	Total \$'000
Carrying amount at 1 July 2014	-	-	-	403	-	403
Additions	-	-	-	19	-	19
Disposals	-	-	-	-	-	-
Depreciation	-	-	-	(184)	-	(184)
Carrying amount at 30 June 2015	-	-	-	238	-	238

Group	Freehold land and improvements \$'000	Island properties \$'000	Leasehold land, improvements and buildings \$'000	Plant and equipment \$'000	Capital work in progress \$'000	Total \$'000
Carrying amount at 1 July 2013	7,667	8,000	26,943	59,741	3,744	106,095
Transfer to assets held for sale	-	-	-	(3,523)	-	(3,523)
Transfer from investment properties, net	-	-	12,385	-	-	12,385
Additions	-	-	1,456	6,871	9,264	17,591
Disposals	-	-	(50)	(1,183)	(21)	(1,254)
Transfer to/(from) capital work in progress	-	-	76	2,523	(1,742)	857
Reversal/ (impairment loss)	-	-	-	(1,344)	(101)	(1,445)
Effects of movements in exchange rate	-	-	-	(1,379)	-	(1,379)
Depreciation/ amortisation	-	-	(597)	(10,164)	-	(10,761)
Carrying amount at 30 June 2014	7,667	8,000	40,213	51,542	11,144	118,566

Company	Freehold land and improvements \$'000	Island properties \$'000	Leasehold land, improvements and buildings \$'000	Plant and equipment \$'000	Capital work in progress \$'000	Total \$'000
Carrying amount at 1 July 2013	-	-	-	352	-	352
Additions	-	-	-	252	-	252
Disposals	-	-	-	(9)	-	(9)
Depreciation	-	-	-	(192)	-	(192)
Carrying amount at 30 June 2014	-	-	-	403	-	403

(c) The depreciation and amortisation policy is set out in Note 2.9.

(d) The island property in Nanuya Lailai Island – Yasawa, was revalued by the Directors of Blue Lagoon Cruises Limited based on an independent valuation by Pacific Valuations Limited dated 24 June 2013. The valuation was made on the basis of recent market transactions on arm's length terms.

(e) During the year, South Sea Cruises Limited reviewed the residual value of Cheetah and determined that it should be reduced to enable a future sale of the vessel to take place. This resulted in a reduction in residual value from \$1,500,000 to \$750,000 with the same expected useful life. The effect of this change on depreciation expense, recognized in operating expenses, in the current and future years is \$117,348.

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**15. PROPERTY, PLANT AND EQUIPMENT – Continued**

(f) During 2014, two properties which were previously classified as investment properties were transferred to property, plant and equipment as they were occupied by Group companies. There is no impact on profit or loss of this transfer as investment properties are held at cost less depreciation.

(g) Refer to note 27 for items charged as security.

**16. CONTRACT COSTS**

	Group		Company	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Cost beginning of the year	3,102	-	-	-
Additions	1,227	3,102	-	-
Accumulated amortisation	(1,400)	(291)	-	-
Accumulated impairment	(849)	(578)	-	-
Closing balance	2,080	2,233	-	-

These costs relate to Fiji Television Limited and are amortised over the customer life, currently estimated to be three years. However, this estimate will be reassessed at each reporting date based on actual disconnection trends.

**17. ASSETS HELD FOR SALE**

Assets classified as held for sale consist of:

- the assets and liabilities of Media Niugini Ltd.
- a parcel of land held by Merchant Finance & Investment Company Limited. The Reserve Bank of Fiji has provided Merchant Finance & Investment Company Limited until 13 November 2015 to dispose of this property.
- a vessel owned by Blue Lagoon Cruises Limited. The vessel has been reclassified to property, plant and equipment in 2015 following a decision of the directors to refurbish the vessel.

**Assets and liabilities of disposal group held for sale**

On 5th February 2015, Fiji Television Limited announced that it had signed a sale and purchase agreement with Telikom PNG Ltd for the sale of 100% of its wholly owned subsidiary, Media Niugini Ltd. Negotiations in regards to the sale are ongoing. The assets and liabilities of the subsidiary as at 30 June 2015 were stated at their carrying amount and comprised the following:

	2015 \$'000
Property, plant and equipment	7,948
Intangible assets	67
Cash and cash equivalents	6,938
Trade and other receivables	3,917
Goodwill	1,012
Inventories	699
Assets held for sale	20,581
Deferred tax liability	245
Employee entitlements	358
Trade and other payables	4,135
Current tax liability	2,137
Liabilities held for sale	6,875

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**17. ASSETS HELD FOR SALE – Continued**

	Group		Company	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Assets held for sale- other	450	3,973	-	-
(a) Total Assets held for sale	21,031	3,973	-	-
(b) Total liabilities held for sale	6,875	-	-	-

**18. INVESTMENT PROPERTIES**

	Group		Company	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
<b>Cost</b>				
Opening balance	14,757	29,115	-	-
Acquisitions	5,034	-	-	-
Work in progress	216	-	-	-
Transfers to property, plant and equipment	(9,681)	(12,685)	-	-
Disposals	-	(1,673)	-	-
Closing balance	10,326	14,757	-	-
<b>Accumulated depreciation</b>				
Opening balance	1,750	1,787	-	-
Depreciation charge for the year	354	325	-	-
Transfers to property, plant and equipment	(672)	(300)	-	-
Disposals	-	(62)	-	-
Closing balance	1,432	1,750	-	-
<b>Carrying amount</b>				
Opening balance	13,007	27,328	-	-
Closing balance	8,894	13,007	-	-

Investment properties are stated at cost less accumulated depreciation. Investment properties occupied by the Group amounting to \$12,385,000, was transferred to property, plant and equipment on 1 July 2013 as part of this restatement of this balance. During 2015, a further \$9,009,000 was transferred as a result of the start up of Life Cinemas Limited.

As at 30 June 2015, the fair value of the investment properties held by FHL Properties Limited was \$30.980 million (2014: \$30.980 million) which is based on valuations carried out by independent valuers, Rolle Associates in their reports dated 31 March 2015.

In July 2013, an independent valuation was carried out by Rolle Associates for RB Patel Group Limited of the property in Martintar, Nadi which is apportioned between property, plant and equipment, and investment property. The property was valued above its carrying value in books. The excess of market value over book value has not been brought to account.

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**19. INTANGIBLES**

	Group		Company	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Goodwill on consolidation	62,620	63,632	-	-
Provision for impairment on goodwill	(6,912)	(812)	-	-
Management rights	6,878	7,378	-	-
Software	65	14	-	-
F1 Audio Visual Copyright	1,151	1,151	-	-
Provision for impairment	(1,151)	(1,151)	-	-
<b>Total intangibles</b>	<b>62,651</b>	<b>70,212</b>	<b>-</b>	<b>-</b>
Movements during the year are as follows:				
Opening net book amount	70,212	71,718	-	-
Additions	129	-	-	-
Transfer to asset held for sale	(1,079)	-	-	-
Effect of movement in exchange rate	-	(222)	-	-
Impairment of goodwill	(6,100)	(812)	-	-
Amortisation charge on software	(11)	(11)	-	-
Amortisation of management rights	(500)	(461)	-	-
<b>Total intangibles</b>	<b>62,651</b>	<b>70,212</b>	<b>-</b>	<b>-</b>

The accounting policy on intangibles is set out in Note 2.13 and impairment loss on goodwill is recognised in the statement of profit or loss and other comprehensive income.

**Impairment test for goodwill - FHL Retailing Limited**

Goodwill of \$12.112m has been tested for impairment by reviewing the underlying net assets supporting the investment in subsidiary which holds the Group's 51% investment in RB Patel Group Ltd.

Management value the investment in RB Patel Group Ltd at fair value less estimated costs to sell which is significantly above cost and therefore have concluded that goodwill is not impaired. Fair value for RB Patel Group Limited has been determined based on quoted price of shares traded on the South Pacific Stock exchange at 30 June 2015 of \$2.98 (2014: \$2.58) less estimated cost to sell. A decrease in RB Patel Group Limited's share price by 82 cents would result in impairment. The fair value measurement was categorised as a Level 1 fair value based on quoted prices. The carrying amount of the CGU in 2015 was determined to be lower than its recoverable amount of \$44,686,000 (2014: \$38,688,000).

**Impairment test for management rights**

Management rights is considered a cash generating unit (CGU). The recoverable amount of the CGU is determined based on value in use calculations. Free cash flow from management rights was computed based on the forecast management fee income for the next 15 years (renewed in April 2014) net of management fee expense and income tax expense thereon.

These projections were based on financial budgets approved by management for the year ending 30 June 2016. Cashflows beyond June 2016 are extrapolated using the estimated growth rates in the underlying business.

The growth rate does not exceed the long term average growth rate in which the CGU operates.

	2015	2014
	In percent	
Discount rate	10.0	10.0
Terminal value growth rate	2.0	2.0

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Year Ended 30 June 2015

**19. INTANGIBLES – Continued**

**Impairment test for management rights - continued**

The weighted average growth rates are based on management's assessment. The discount rate used reflects the risk adjusted rate of return.

Management rights is being amortised over its remaining life on a straight line basis.

**Impairment test for goodwill – South Sea Cruises Limited**

The recoverable amount of this CGU was based on its value in use, determined by discounting the future cash flows to be generated. The carrying amount of the CGU in 2015 was determined to be higher than its recoverable amount of \$87.475m (2014: \$81.073m) and an impairment loss of \$6.1m (2014: \$0.812m) was recognised. The impairment loss was allocated against goodwill on consolidation and included in profit or loss.

The key assumptions used in the estimation of value in use were as follows:

	2015	2014
	<i>In percent</i>	
Discount rate	12.7	14.0
Terminal value growth rate	2.5	2.5
Budgeted EBITDA growth rate (average of next five years)	7.3	8.1

The discount rate was a post-tax measure estimated based on the historical industry average weighted-average cost of capital, with a debt leveraging of 40% at a market interest rate of 4%.

Five years of cash flows were included in the discounted cash flow model. A long-term growth rate into perpetuity has been determined as the long-term compound annual EBITDA growth rate estimated by management, consistent with the assumption that a market participant would make.

Budgeted EBITDA was based on expectations of future outcomes taking into account past experience, adjusted for the anticipated revenue growth. Revenue growth was projected taking into account the average growth levels experienced over the past five years and the estimated sales volume and price growth for the next five years. The refurbishment and eventual use of the Mystique Princess has been factored into the budgeted EBITDA, with revenue generation from 2018.

Following the impairment loss recognised in the current year for South Sea Cruises, the recoverable amount is equal to the carrying amount. Therefore, any adverse movement in a key assumption would lead to further impairment. Management has identified that a reasonably possible change in two key assumptions could cause further impairment of goodwill as follows:

	2015	
	<i>In percent</i>	<i>(\$000)</i>
Discount rate	1.0	8,273
Budgeted EBITDA growth rate	(0.5)	4,413

**Impairment test for goodwill – Fiji Television Limited**

Goodwill of \$1.984m has been tested for impairment by reviewing the underlying net assets supporting the investment in subsidiary which holds the Group's 61.6% investment in Fiji Television Ltd.

Management value the investment in Fiji Television Ltd at fair value less estimated costs to sell which is significantly above cost and therefore have concluded that goodwill is not impaired. Fair value for Fiji Television Limited has been determined based on quoted price of shares traded on the South Pacific Stock exchange at 30 June 2015 of \$2.50 (2014: \$2.50) less estimated cost to sell. A decrease in Fiji Television Limited's share price by \$1.81 would result in impairment. The fair value measurement was categorised as a Level 1 fair value based on quoted prices. The carrying amount of the CGU in 2015 was determined to be lower than its recoverable amount of \$15,624,000 (2014: \$15,624,000).

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**20. AVAILABLE-FOR-SALE FINANCIAL ASSETS**

Available-for-sale financial assets are valued in accordance with Note 2.8 of the financial statements.

	Group		Company	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
<b>(a) Listed/quoted securities</b>				
- Amalgamated Telecom Holdings Ltd	3,277	2,628	-	-
- Fiji Television Ltd	-	-	-	-
- Fijian Holdings Unit Trust	4,960	5,096	4,957	5,093
- Pacific Green Industries Ltd	2,077	2,077	-	-
- RB Patel Group Limited	-	2,110	-	-
- Fiji Care Insurance	103	106	-	-
- Kontiki Growth Fund	82	58	-	-
- Communications (Fiji) Ltd	2	2	-	-
- Flour Mills of Fiji Ltd	844	623	844	623
	11,345	12,700	5,801	5,716
<b>(b) Unlisted securities</b>				
Shares in subsidiary companies				
- Basic Industries Ltd	-	-	7,822	7,500
- South Sea Cruises Limited	-	-	55,500	55,500
Blue Lagoon Cruises Holdings Ltd*				
Blue Lagoon Cruises Limited*				
- Basic Industries (PNG) Ltd	-	-	-	1,832
- FHL Media Limited	-	-	24,000	25,597
Fiji Television Limited*				
Life Cinema Limited*				
- FHL Logistics Ltd	-	-	-	-
- FHL Retailing Ltd	-	-	40,266	28,441
RB Patel Group Limited*				
- FHL Stockbrokers Limited	-	-	530	585
- Pacific Cements Limited	-	-	5,154	5,500
- FHL Fund Management Ltd	-	-	1,335	981
- FHL Properties Limited	-	-	18,651	17,984
- Merchant Finance & Investment Company Ltd	-	-	39,928	36,320
	-	-	193,186	180,240

\* The results of these subsidiaries have been consolidated in the carrying value of South Sea Cruises Limited, FHL Media Limited and FHL Retailing Limited respectively.

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**20. AVAILABLE-FOR-SALE FINANCIAL ASSETS – Continued**

**(b) Unlisted securities – continued**

	Group		Company	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
<b>Shares in other companies</b>				
- Goodman Fielder International (Fiji) Ltd	2,200	2,200	2,200	2,200
- Golden Manufacturers Ltd (Note 23)	-	-	15,910	15,000
- Marsh Ltd (Note 23)	-	-	5,366	3,750
- New World Ltd	3,490	2,495	3,490	2,495
- South Pacific Stock Exchange	15	15	-	-
- Fiji Gas Company Ltd	805	659	-	-
- Pernix (Fiji) Limited (Note 23)	-	-	3,764	-
- Asian Paints (South Pacific) Ltd	1,527	1,527	1,527	1,527
	8,037	6,896	32,257	24,972
- Other	55	55	-	-
Total investments	19,437	19,651	231,244	210,928

The split between current and non-current is as follows:

Current	-	-	-	-
Non Current	19,437	19,651	231,244	210,928
Total investments	19,437	19,651	231,244	210,928

**(c) Valuation of financial instruments**

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

**Level 1:** fair value is calculated using quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2:** fair value is estimated using inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

**Level 3:** fair value is estimated using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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**20. AVAILABLE-FOR-SALE FINANCIAL ASSETS – continued**

**(c) Valuation of financial instruments - continued**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value:

Group 30 June 2015	Carrying amount				Fair value				
	Held-to-maturity	Loans and receivables	Available-for-sale	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
<i>In thousands of dollars</i>									
<b>Financial assets measured at fair value</b>									
Local listed equities	-	-	11,345	-	11,345	11,345	-	-	11,345
Unlisted equities	-	-	8,037	-	8,037	-	805	7,232	8,037
Other equities	-	-	55	-	55	-	-	55	55
	-	-	19,437	-	19,437	11,345	805	7,287	19,437

Company 30 June 2015	Carrying amount				Fair value				
	Held-to-maturity	Loans and receivables	Available-for-sale	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
<i>In thousands of dollars</i>									
<b>Financial assets measured at fair value</b>									
Local listed equities	-	-	5,801	-	5,801	5,801	-	-	5,801
Unlisted equities	-	-	225,443	-	225,443	-	-	225,443	225,443
Other equities	-	-	-	-	-	-	-	-	-
	-	-	231,244	-	231,244	5,801	-	225,443	231,244

Group 30 June 2014	Carrying amount				Fair value				
	Held-to-maturity	Loans and receivables	Available-for-sale	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
<i>In thousands of dollars</i>									
<b>Financial assets measured at fair value</b>									
Local listed equities	-	-	12,700	-	12,700	12,700	-	-	12,700
Unlisted equities	-	-	6,896	-	6,896	-	659	6,237	6,896
Other equities	-	-	55	-	55	-	-	55	55
	-	-	19,651	-	19,651	12,700	659	6,292	19,651

Company 30 June 2014	Carrying amount				Fair value				
	Held-to-maturity	Loans and receivables	Available-for-sale	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
<i>In thousands of dollars</i>									
<b>Financial assets measured at fair value</b>									
Local listed equities	-	-	5,716	-	5,716	5,716	-	-	5,716
Unlisted equities	-	-	205,212	-	205,212	-	-	205,212	205,212
Other equities	-	-	-	-	-	-	-	-	-
	-	-	210,928	-	210,928	5,716	-	205,212	210,928

The Group has not disclosed the fair values for financial instruments such as short-term trade receivables and payables, because their carrying amounts are a reasonable approximation of fair value.

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**20. AVAILABLE- FOR- SALE FINANCIAL ASSETS – continued**

**(c) Valuation of financial instruments - continued**

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Equity securities	<p><i>Dividends capitalisation technique:</i> The valuation model is based on the future maintainable dividends and capitalisation rates.</p> <p><i>Market comparison technique:</i> The valuation model is based on market multiples derived from quoted prices of companies comparable to the investee and the expected future maintainable earnings of the investee. The estimate is adjusted for the effect of control, size, country and the non-marketability of the equity securities.</p> <p><i>Net tangible assets:</i> The valuation model is based on the recoverable amount of the net tangible assets of the business encompassing the equity security.</p>	<ul style="list-style-type: none"> <li>- Capitalisation rates</li> <li>- Forecast dividend yield</li> <li>- Adjusted market multiple</li> <li>- Forecasted earnings</li> <li>- Recoverable amount of the net tangible assets</li> </ul>	The estimated fair value would increase/ (decrease) if any of the significant unobservable inputs were changed. Generally, a change in the annual growth rate is accompanied by directionally similar change in future maintainable dividends and earnings.

Fair value assets included in Level 3 are based on Directors' valuations and independent valuation conducted by Simmons Corporate.

During the financial year ended 30 June 2015, there were no transfers in and out of fair value hierarchy levels mentioned above. There are no material movements between the opening and closing balances in Level 3 of the fair value hierarchy.

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair value.

	Group \$'000	Company \$'000
Balance at 1 July 2013	6,360	203,979
<b>Gain included in OCI</b>		
- Net change in fair value	(68)	1,233
<b>Balance at 30 June 2014</b>	<b>6,292</b>	<b>205,212</b>
Balance at 1 July 2014	6,292	205,212
<b>Gain included in OCI</b>		
- Net change in fair value	995	20,231
<b>Balance at 30 June 2015</b>	<b>7,287</b>	<b>225,443</b>

For the fair values of equity securities – available-for-sale, a change of 10% at the reporting date to one of the significant unobservable inputs, holding other inputs constant would have the following effects:

	OCI, net of tax	
	Increase \$'000	Decrease \$'000
Capitalisation rates	(605)	605
Forecast dividend yield	778	(778)

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**21. DETAILS OF INVESTMENTS**

Name of company	Place of incorporation/ principal country of operation	Ownership interest		Dividends received by Company	
		2015 %	2014 %	2015 \$	2014 \$
<b>(a) Listed/quoted securities</b>					
Fijian Holdings Unit Trust	Fiji	25.2	25.2	282	262
Flour Mills of Fiji Ltd	Fiji	4.3	4.3	16	16
				298	278
<b>(b) Unlisted securities</b>					
Subsidiary companies:					
Basic Industries Ltd	Fiji	51.1	51.1	816	-
South Sea Cruises Ltd	Fiji	100.0	100.0	1,200	1,700
- Blue Lagoon Cruises Holdings Ltd	Fiji	100.0	100.0	-	-
- Blue Lagoon Cruises Ltd	Fiji	96.0	93.3	-	-
FHL Logistics Ltd	Fiji	100.0	100.0	-	-
FHL Retailing Ltd	Fiji	100.0	100.0	1,600	2,233
- RB Patel Group Limited	Fiji	53.5	50.8	-	-
FHL Stockbrokers Ltd	Fiji	100.0	100.0	-	40
Pacific Cements Limited	Fiji	50.1	50.1	293	-
FHL Fund Management Limited	Fiji	100.0	100.0	100	300
FHL Properties Ltd	Fiji	100.0	100.0	-	500
FHL Media Limited	Fiji	100.0	100.0	-	1,283
- Fiji Television Limited	Fiji	61.6	61.6	-	-
- Life Cinema Limited	Fiji	69.13	-	-	-
Basic Industries (PNG) Limited	PNG	100.0	100.0	-	-
Merchant Finance & Investment Company Ltd	Fiji	80.0	80.0	18,560	7,360
				22,569	13,416
<b>(c) Other companies</b>					
Asian Paints (South Pacific) Ltd	Fiji	8.9	8.9	43	257
Goodman Fielder International (Fiji) Ltd	Fiji	10.0	10.0	176	176
Golden Manufacturers Ltd	Fiji	30.0	30.0	1,493	1,500
Pernix (Fiji) Limited	Fiji	21.0	-	-	-
Marsh Ltd	Fiji	25.0	25.0	350	537
New World Ltd	Fiji	15.4	15.4	230	164
				2,292	2,634
				\$25,159	\$16,328

**22. NON-CONTROLLING INTERESTS**

The Group has a number of subsidiaries which it controls but which also have significant non-controlling interests.

The table set out below shows the interest that non-controlling interests have in each subsidiary that is material to the reporting entity.

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**VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO**

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**22. NON-CONTROLLING INTERESTS - Continued**

30 June 2015	Basic Industries Limited	Pacific Cement Limited	Merchant Finance & Investment Company Limited	RB Patel Group Limited	Fiji Television Limited	Life Cinema Limited	Blue Lagoon Cruises Limited	Intra-group eliminations	Total
<b>NCI percentage</b>	48.99%	49.83%	20%	46.52%	38.40%	30.87%	3.99%		
Non-current assets	16,570	5,573	78,496	40,087	10,000	3,462	18,340		
Current assets	18,919	18,027	53,752	15,236	26,331	217	172		
Non-current liabilities	(257)	(47)	(33,524)	(10,013)	(1,265)	(1,996)	(2,484)		
Current liabilities	(14,134)	(7,484)	(64,679)	(18,414)	(12,749)	(1,303)	(5,478)		
<b>Net assets</b>	21,098	16,069	34,045	26,896	22,317	380	10,550		
<b>Carrying amount of NCI</b>	10,337	8,008	6,809	12,676	8,484	117	377	4	46,812
Revenue	51,146	31,724	16,352	107,449	23,201	1,201	2,761		
Profit	2,881	1,087	8,070	5,919	1,631	(621)	1,042		
OCI	-	-	-	-	-	-	-		
<b>Total comprehensive income</b>	2,881	1,087	8,070	5,919	1,631	(621)	1,042		
Profit allocated to NCI	1,411	542	1,614	2,754	626	(192)	42	-	6,797
OCI allocated to NCI	-	-	-	-	-	-	-	-	-

30 June 2014	Basic Industries Limited	Pacific Cement Limited	Merchant Finance & Investment Company Limited	RB Patel Group Limited	Fiji Television Limited	Blue Lagoon Cruises Limited	Intra-group eliminations	Total
<b>NCI percentage</b>	48.99%	49.83%	20%	49.25%	38.40%	6.74%		
Non-current assets	13,771	6,663	103,653	36,867	18,191	14,786		
Current assets	18,396	13,830	38,178	16,459	16,988	3,665		
Non-current liabilities	(386)	(851)	(27,907)	(8,854)	(1,258)	(8,621)		
Current liabilities	(11,965)	(4,074)	(79,248)	(19,295)	(13,250)	(322)		
<b>Net assets</b>	19,816	15,568	34,676	25,177	20,671	9,508		
<b>Carrying amount of NCI</b>	9,708	7,758	6,935	12,400	7,938	641	4	45,384
Revenue	40,208	34,570	15,977	103,707	37,191	2,055		
Profit	3,487	1,022	7,860	5,928	(1,521)	(928)		
OCI	-	-	-	-	(3,734)	15		
<b>Total comprehensive income</b>	3,487	1,022	7,860	5,928	(5,255)	(913)		
Profit allocated to NCI	1,708	509	1,572	2,919	(585)	(63)	-	6,060
OCI allocated to NCI	-	-	-	-	(1,434)	1	-	(1,433)

**23. INVESTMENT IN ASSOCIATES**

The Group's share of profit after tax in its equity accounted investees for the year was \$2.600 million (2014: \$1.744 million). The Group has interests in the following associates considered individually immaterial:

Marsh Limited  
Golden Manufacturers Limited  
Pernix (Fiji) Limited

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**23. INVESTMENT IN ASSOCIATES - Continued**

Summary financial information for equity accounted investees, not adjusted for the percentage ownership held by the Group as at and for the year ended 30 June 2015:

	Assets \$'000	Liabilities \$'000	Revenue \$'000	Expenses \$'000	Profit/(loss) \$'000
2015	76,734	41,925	69,722	60,479	9,243
2014	54,984	33,088	52,289	45,952	6,337

Reconciliation of the carrying value of investment in associates:

	Group	
	2015 \$'000	2014 \$'000
Opening balance	14,906	15,199
Acquisition of Pernix (Fiji) Limited	3,764	-
Equity accounted earnings of associates (net of tax)	2,600	1,744
Dividends from associates (Note 21c)	(1,843)	(2,037)
Closing balance	19,427	14,906

**24. PAYABLES**

	Group		Company	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Trade creditors	19,080	16,029	-	-
Accruals and other creditors	14,588	17,164	1,455	988
	33,668	33,193	1,455	988

**25. EMPLOYEE ENTITLEMENTS**

	Group		Company	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
<b>Current</b>				
Annual leave	1,125	1,335	168	172
Bonus and gratuity	450	397	213	186
	1,575	1,732	381	358
<b>Non-current</b>				
Gratuity	23	18	-	-
Long service leave	121	201	-	-
	144	219	-	-
	1,719	1,951	381	358

**26. PROVISIONS**

	Group		Company	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Dividends	1,192	1,070	-	-

This amount represents provision for dividends by subsidiary companies to their minority shareholders.

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**27. BORROWINGS**

	Group		Company	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
<b>Current</b>				
Bank overdrafts				
Secured (Note 10)	24,924	17,075	10,182	4,398
Term loans				
Secured	34,300	30,502	21,224	22,658
Fixed term deposits and short term borrowings (Unsecured)	61,808	81,554	16,515	13,810
	121,032	129,131	47,921	40,866
<b>Non-current</b>				
Term loans				
Secured	48,205	55,457	13,996	28,416
Fixed term deposits and short term borrowings (Unsecured)	36,697	29,005	4,390	-
	84,902	84,462	18,386	28,416
<b>TOTAL</b>	<b>205,934</b>	<b>213,593</b>	<b>66,307</b>	<b>69,282</b>

(a) The bank overdraft and stand by facilities of the subsidiary companies with ANZ Bank is secured by registered equitable mortgages over all the assets and undertakings of the companies, including uncalled and unpaid capital of the respective companies.

The bank overdraft (together with the letter of credit and guarantee facilities) with ANZ Bank of RB Patel Limited is secured by a registered first mortgage debenture over all the present and future assets and undertakings, including uncalled and unpaid capital of the Company; first registered mortgages over CT 23400, CT 7082, CT 34330, CL 53120 and CT 39150; a deed of Pari Passu between ANZ Bank, Westpac Bank and the Company regarding sharing of securities in the ratio 50/50 with maximum debt of \$7 million each.

The bank overdraft facility (together with the letter of credit and guarantee facilities) with Westpac Banking Corporation of RB Patel Limited is secured by a registered equitable mortgage debenture over all the assets and undertakings, including the uncalled and called but unpaid capital of the Company, a deed of Pari Passu between Westpac Bank and ANZ Bank regarding sharing of securities in the ratio 50/50 with maximum debt of \$7 million each, and registered first mortgages over CL 718652 and NL 15761.

The overdrafts bear varying interest rates ranging from 3.9% to 4.65% per annum.

(b) Term loans of the group companies are secured as follows:

- Fijian Holdings Limited - the loan and bank overdraft with ANZ Bank is secured by Scrip Lien for stamp duty purposes stamped to \$59m and Scrip lien over shares in Basic Industries Limited, shares in Merchant Finance & Investments Company Limited, South Sea Cruises Limited, Yasana Holdings Limited (now called FHL Media Limited), Golden Manufacturers Limited and Pernix (Fiji) Limited, Scrip lien, given by FHL Retailing Limited over shares in RB Patel Group Limited and Scrip lien, given by FHL Trustees Limited over shares in Pernix (Fiji) Limited.
- FHL Properties Limited: \$6.696 million - the loan with ANZ Bank is secured by a first registered mortgage over CT 19239 (Vanua House), first registered mortgage debenture over the assets and undertakings of the Company (this is a fixed and floating charge over all present and future assets, undertakings (including goodwill) and unpaid/ uncalled capital of the Company), first registered mortgage over CT 4098 (Ratu Sukuna House), and first registered mortgage over CT 12609 (Ra Marama).
- Pacific Cement Ltd: \$2.832 million - the loan with ANZ Bank is secured by a first registered mortgage debenture over all the company's assets and undertakings, stamped at \$9.1 million.
- Basic Industries Ltd: \$1.258 million - the loan with ANZ Bank is secured by a first registered mortgage debenture over all the assets and undertakings of the company including its uncalled and unpaid capital, and a letter of comfort provided by FHL acknowledging the additional facility being provided to the company and undertaking to provide tangible support and guarantee in the event that the company is not able to meet its obligations under the performance bonds issued by ANZ.
- RB Patel Group Ltd: \$13.491 million - the loan with ANZ Bank is secured by a first registered mortgage debenture over all its present and future assets and undertakings and its uncalled and unpaid capital, first registered mortgages over CT 23400, CT 7082, CT 34330, CL 53120, and CT 39150, a deed of Pari Passu between ANZ Bank, Westpac Bank and the Company regarding sharing of securities in the ratio 50/50 with maximum debt of \$7 million each.

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**27. BORROWINGS - Continued**

- South Sea Cruises Ltd: \$15.038 million - the loan with ANZ Bank is secured by a first registered mortgage debenture being a fixed and floating charge over all present and future assets, undertakings and unpaid or uncalled capital stamped to \$22,963,000; first registered ships mortgage over MV Tiger IV, MV Seaspray, MV Dau Sara Cakau, MV Yasawa Flyer II, MV Cheetah, MV Ocean Dreaming and MV Cougar II; Master finance lease agreement between Australia and New Zealand Banking Group Limited and South Sea Cruises Limited; cross guarantee between South Sea Cruises Limited, Blue Lagoon Cruises Limited and Blue Lagoon Cruises Holdings Limited; first registered mortgage debenture by Blue Lagoon Cruises Limited, being a fixed and floating charge over all present and future assets, undertakings and unpaid or uncalled capital; first registered land mortgage over certificate of title number 1248, being land comprising Nanuya Island; and first registered ships mortgage over Fiji Princess and Mystique Princess belonging to Blue Lagoon Cruises Limited.
- Life Cinema Limited: \$2.500 million - the loan with Westpac Bank is secured by registered first fixed and floating Charge over all its assets and undertakings including its uncalled and called but unpaid Capital; letter of Comfort from shareholding company, Fijian Holdings Limited; letter of Comfort from shareholding company, RB Patel Group Limited; non-disturbance deed between the Company, Pacific Management Consulting Limited (the manager) and Westpac Bank and a non-disturbance deed between the Company, RB Patel Group Limited (the Lessor) and Westpac Bank.

(c) Fixed term deposits and short term borrowings are related to customer deposits with Merchant Finance & Investment Company Ltd and Fijian Holdings Unit Trust.

**28. SHARE CAPITAL**

	Group		Company	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Authorised				
20,000,000 'A' class ordinary shares of \$1 each	20,000	20,000	20,000	20,000
20,000,000 'B' class ordinary shares of \$1 each	20,000	20,000	20,000	20,000
	40,000	40,000	40,000	40,000
Issued and fully paid				
10,464,650 'A' class ordinary shares of \$1 each	10,465	10,465	10,465	10,465
20,000,000 'B' class ordinary shares of \$1 each	20,000	20,000	20,000	20,000
	30,465	30,465	30,465	30,465

The company's ordinary 'A' class shares are listed on the Restricted Board of the South Pacific Stock Exchange.

The i Taukei Affairs Board and the i Taukei Trust Fund (formerly Fijian Trust Fund) each hold 10 million of the company's "B" class ordinary shares of \$1 each.

All ordinary shares rank equally with regard to the company's residual assets.

**29. RESERVES**

**Available for sale reserve**

Available for sale reserve consists of unrealised gains or losses arising from changes in the fair value of non-monetary investments classified as available-for-sale financial assets.

**Credit loss reserve**

The Credit Loss Reserve relates to Merchant Finance & Investment Company Limited in accordance with the requirements of the Reserve Bank of Fiji.

**Other equity reserve**

Other equity reserve relates principally to acquisition of minority interest shareholdings in Blue Lagoon Cruises Limited and RB Patel Group Limited.



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**29. RESERVES - Continued**

**Asset revaluation reserve**

The asset revaluation reserve consists of increments arising from the revaluation of the Group's property, plant and equipment.

**Foreign currency translation reserve**

The foreign currency translation reserve relates to foreign currency translations as at year end on consolidation of subsidiary companies operating in foreign jurisdictions whose financial statements and transactions are denominated in a currency other than the functional and presentation currency of the Group.

**Common control reserve**

As described in note 2.26, the acquisition of FHL Media Limited by the Group is accounted for as a common control transaction. As a consequence, the difference between the fair value of the consideration paid and the existing book value of assets and liabilities of FHL Media Limited is taken to a common control reserve. Upon disposal of all interests in FHL Media Limited by the Group, this reserve will be transferred to retained earnings.

	Asset Revaluation Reserve \$'000	Credit Loss Reserves \$'000	Common Control Reserve \$'000	Available for Sale Reserve \$'000	Foreign Currency Translation Reserve \$'000	Other Equity Reserve \$'000	Total \$'000
<b>(a) Group</b>							
<b>Balance at 30 June 2013</b>	5,899	1,805	9,926	1,619	(1,942)	(13)	17,294
Foreign currency movement	-	-	-	-	(2,432)	-	(2,432)
Decrease in non-controlling interests	-	-	-	-	-	(1,206)	(1,206)
Fair value movements	(7)	-	-	1,056	-	-	1,049
<b>Balance at 30 June 2014</b>	<b>5,892</b>	<b>1,805</b>	<b>9,926</b>	<b>2,675</b>	<b>(4,374)</b>	<b>(1,219)</b>	<b>14,705</b>
Foreign currency movement	-	-	-	-	(1,334)	-	(1,334)
Decrease in non-controlling interests	196	-	-	-	-	309	505
Reclassification from retained earnings	-	621	-	-	-	-	621
Fair value movements	-	-	-	(545)	-	-	(545)
<b>Balance at 30 June 2015</b>	<b>6,088</b>	<b>2,426</b>	<b>9,926</b>	<b>2,130</b>	<b>(5,708)</b>	<b>(910)</b>	<b>13,952</b>
<b>(b) Company</b>							
<b>Balance at 30 June 2013</b>	-	-	-	55,019	-	-	55,019
Fair value movements	-	-	-	(947)	-	-	(947)
<b>Balance at 30 June 2014</b>	-	-	-	<b>54,072</b>	-	-	<b>54,072</b>
Reclassification of amounts to profit or loss	-	-	-	(9,452)	-	-	(9,452)
Fair value movements	-	-	-	23,351	-	-	23,351
<b>Balance at 30 June 2015</b>	-	-	-	<b>67,971</b>	-	-	<b>67,971</b>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO**

Year Ended 30 June 2015

**30. OPERATING LEASES**

**Operating lease commitments**

The group has a number of lease agreements with varying terms and conditions. The future aggregated minimum lease payments under these leases are as follows:

	Group		Company	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Not later than 1 year	11,786	9,352	-	-
Later than 1 year but not later than 5 years	17,222	14,616	-	-
Later than 5 years	27,881	23,471	-	-
	56,889	47,439	-	-

The subsidiary company, Fiji Television Limited entered into a new satellite services agreement in the previous financial year. At inception of the arrangement, this was determined not to contain a lease as the fulfilment of the arrangement is not dependent on the use of a specified asset or assets. Nonetheless, the commitments under this arrangement have been included in the above lease and other commitment disclosure.

Other lease arrangements include operating lease rentals with parties external to the group for rental of office space and retail outlets.

**Operating lease commitments – where a group company is the lessor**

The group leases certain properties at varying terms and conditions. The future minimum lease payments receivable under these leases are as follows:

	Group		Company	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Not later than 1 year	4,661	4,734	-	-
Later than 1 year but not later than 5 years	6,041	4,948	-	-
Later than 5 years	3,051	185	-	-
	13,753	9,867	-	-

**31. EARNINGS PER SHARE**

The calculation of earnings per share at 30 June 2015 was based on the profit attributable to ordinary shareholders of \$10,652,000 (2014: \$8,338,000) and a weighted average number of ordinary shares outstanding of 30,465,000 (2014: 30,465,000), calculated as follows:

	Group	
	2015 ('000)	2014 ('000) Restated
Profit after income tax attributable to members of the holding company	10,652	8,338
(Profit)/Loss from discontinued operations	(2,316)	(3,043)
Profit after tax from continuing operations	8,336	5,295
Weighted average number of shares outstanding	30,465	30,465
Basic and diluted earnings per share – continuing operations	\$0.27	\$0.17
Basic and diluted earnings per share (cents)	\$0.35	\$0.27

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO**

Year Ended 30 June 2015

**32. CONTINGENT LIABILITIES**

	Group		Company	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Non performance guarantees given by the bank on behalf of subsidiary companies	3,130	4,382	-	-
Non performance guarantees given by the bank on behalf of the holding company	-	-	483	483
Limited guarantees provided by the holding company to the bank on behalf of: - subsidiary and related party	-	-	-	-

In the opinion of the directors, no loss is anticipated in respect of the above contingent liabilities.

The company has provided letters of support to four of its subsidiaries, South Sea Cruises Limited, Basic Industries (PNG) Limited, Fiji Television Limited and FHL Logistics Limited, undertaking that in the next 12 months it will provide sufficient financial assistance as and when it is needed to enable the subsidiaries to continue operations and meet their financial obligations.

**33. CAPITAL COMMITMENTS**

	Group		Company	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Commitments for capital expenditure not provided for in the financial statements are as follows:				
Approved but not contracted	651	1,663	-	-
Approved and contracted	327	7,105	-	-

Commitments in respect of loans and approved credit commitments offered but not yet advanced as at balance date amounted to approximately \$5,140,000 (2014: \$7,978,000).

**34. RELATED PARTY INFORMATION**

**Directors**

The following were directors of the Company at any time during the financial year:

Iowane Naiveli	Chairman	Colonel Apakuki Kurusiga	Deputy Chairman (resigned 14 August 2014)
Padam Lala	Resigned on 4 December 2014	Ulaiyasi Baya	Resigned on 17 July 2014
Ratu Samuela Nawalowalo	Resigned on 17 July 2014	Aseri Radrodoro	Resigned on 17 July 2014
Ulai Taai		Sakiusa Raivoce	
Isikeli Tuituku	Appointed on 25 July 2014	Viliame Cegumalua	Appointed on 25 July 2014

Amounts paid to the directors during the year are disclosed in Note 5(b).

**Identity of related parties**

All material ownership interests in related parties are disclosed in Note 21. The Group also has related party transactions within the Group which are eliminated upon consolidation.

**Key management personnel**

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO**

Year Ended 30 June 2015

**34. RELATED PARTY INFORMATION - Continued**

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

Name	Title
<b>Fijian Holdings Limited</b>	
Nouzab Fareed	Chief Executive Officer
Elenoa Lalabalavu	Manager Investment (Resigned 30 June 2015)
Salesh Dayal	General Manager Finance
Catherine Grey	Manager Human Resources
<b>Fiji Television Limited</b>	
Tevita Gonelevu	Chief Executive Officer (Resigned 16 December 2015)
Geoffrey Smith	Acting Chief Executive Officer (Appointed 16 December 2014)
Geoffrey Smith	Chief Executive Officer (Appointed 30 June 2015)
<b>South Sea Cruises Limited</b>	
Peter Duncan	Chief Executive officer
<b>Basic Industries Limited</b>	
Mosese Volavola	General Manager
<b>Pacific Cement Limited</b>	
Sonni Dutt	Acting General Manager (Resigned 30 June 2015)
<b>Merchant Finance &amp; Investment Company Limited</b>	
Napolioni Batimala	General Manager
<b>RB Patel Group Limited</b>	
Deepak Rathod	Chief Operating Officer

The aggregate compensation of the key management personnel of the Group comprising only short-term benefits amounted to \$4.708 million (2014: \$6.524 million).

**Transactions with related parties**

During the year, the Group entered into various transactions with related parties which were at normal commercial trading terms and conditions. The aggregate value of major transactions with related parties during the year is as follows:

**Management fees**

The Company has management agreements in place with its subsidiary companies for the provision of management services during the year. Management fees received during the year are as follows:

	Group		Company	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Merchant Finance & Investment Company Limited	-	-	108	96
FHL Retailing Ltd	-	-	720	600
Fijian Holdings Fund Management Limited	-	-	96	71
Fijian Properties Limited	-	-	240	360
FHL Securities Ltd	-	-	7	5
Pacific Cement Limited	-	-	90	144
Basic Industries Limited	-	-	-	8
FHL Media Limited	-	-	48	24

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO**

Year Ended 30 June 2015

**34. RELATED PARTY INFORMATION - Continued**

**Dividend income**

The dividends received during the year has been disclosed in Note 21.

**Interest income**

The Company has also provided loans and advances to its subsidiary and related companies during the year. Interest income received by the Company during the year is as follows:

	Group		Company	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Blue Lagoon Cruises Ltd	-	-	449	393
FHL Retailing Ltd	-	-	392	397
FHL Properties Limited	-	-	290	266

**Amounts receivable from related parties**

During the year, the Company also advanced loans to its subsidiary companies. The loans are unsecured. Amounts receivable from related parties as at reporting date is as follows:

**Loans receivable**

FHL Properties Limited	-	4,021	4,086
Blue Lagoon Cruises Ltd	-	5,144	7,111
FHL Retailing Ltd	-	6,030	6,030

**Other receivables**

Basic Industries Ltd	-	777	1,075
Blue Lagoon Cruises Ltd	-	-	7
FHL Logistics Ltd	-	800	984
FHL Retailing Ltd	-	102	835
Pacific Cement Limited	-	6	53
Fijian Holdings Fund Management Ltd	-	12	312
Fijian Properties Ltd	-	482	669
Golden Manufacturers Limited	-	600	608
Fiji Television Limited	-	-	-
South Sea Crusies Limited	-	4,724	4,213
Marsh Ltd	-	-	300
Merchant Finance & Investment Company Ltd	-	4,498	3,937
Basic Industries (PNG) Limited	-	2,214	944
FHL Stockbrokers Ltd	-	2	41
RB Patel	-	-	-
Provision for doubtful debts – FHL Logistics Limited	-	(800)	(984)
Provision for doubtful debts – Basic Industries (PNG) Limited	-	(2,214)	(944)

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO**

Year Ended 30 June 2015

**35. SEGMENT INFORMATION**

**Primary Reporting - Business Segments**

	Con- struction \$000	Property \$000	Finance \$000	Tourism \$000	Media \$000	Retail \$000	Invest- ment \$000	Other Invest- ments \$000	Inter Segment \$000	2015 TOTAL GROUP \$000
<b>External Operating Revenue</b>										
Sale of goods	82,962	-	-	-	-	104,945	-	-	(9,783)	178,124
Rental and property management	-	3,521	-	-	-	-	-	-	-	3,521
Rendering of services	-	-	-	45,163	24,625	-	-	-	(2,738)	67,050
Interest revenue	-	-	18,903	-	-	-	-	-	-	18,903
Interest expense	-	-	(3,401)	-	-	-	-	-	-	(3,401)
Other	-	-	-	-	-	-	26,465	7,514	(26,542)	7,437
Total operating revenue/ net interest income										<b>271,634</b>
<b>Result</b>										
Profit/(loss) before income tax – continuing operations	3,175	808	10,024	6,669	(355)	6,582	12,327	3,248	(21,926)	<b>20,552</b>
<b>Depreciation and amortisation expense</b>	(3,125)	(341)	(564)	(2,114)	(3,084)	(1,080)	(184)	(546)	(749)	<b>(11,787)</b>
<b>Acquisition of property, plant and equipment</b>	5,587	17	373	3,930	4,482	926	19	5		<b>15,339</b>
<b>Total assets</b>	62,308	20,150	132,249	55,182	59,931	55,324	257,739	68,874	(252,468)	<b>459,289</b>
<b>Total liabilities</b>	28,439	12,531	98,202	37,770	17,094	28,427	67,988	7,555	(42,851)	<b>255,155</b>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO**

Year Ended 30 June 2015

**35. SEGMENT INFORMATION - Continued**

**Primary Reporting - Business Segments**

External Operating Revenue	Construction \$000	Property \$000	Finance \$000	Tourism \$000	Media \$000	Retail \$000	Investment \$000	Other \$000	Inter Segment \$000	2014 TOTAL GROUP \$000
Sale of goods	75,694	-	-	-	-	101,491	-	-	(7,974)	169,211
Rental and property management	-	3,289	-	-	-	-	-	-	-	3,289
Rendering of services	-	-	-	39,320	35,986	-	-	-	(1,825)	73,481
Interest revenue	-	-	18,753	-	-	-	-	-	-	18,753
Interest expense	-	-	(3,894)	-	-	-	-	-	-	(3,894)
Other	-	-	-	-	-	-	17,646	6,752	(22,521)	1,877
Total operating revenue/ net interest income										262,717
<b>Result</b>										
Profit/(loss) before income tax	4,605	721	9,818	2,586	1,939	5,919	10,893	2,808	(15,655)	<b>23,634</b>
<b>Depreciation and amortisation expense</b>	(2,602)	(419)	(595)	(2,068)	(3,912)	(1,095)	(192)	(518)	-	<b>(11,401)</b>
<b>Acquisition of property, plant and equipment</b>	4,255	67	167	5,790	4,076	2,941	252	43	-	<b>17,591</b>
<b>Total assets</b>	56,390	20,573	141,831	52,646	53,845	53,327	240,757	57,470	(217,975)	<b>458,864</b>
<b>Total liabilities</b>	20,768	13,594	107,155	39,047	14,247	28,149	71,122	8,839	(44,187)	<b>258,734</b>

Construction operations comprise the production and sale of cement, concrete and concrete products. Property comprises the ownership of properties and derivation of rental income. Tourism includes operating a fleet of cruise vessels. Finance includes the financing of asset purchases and granting of personal loans and acceptance of term deposits. Retail includes retailing and wholesaling of general merchandise. Media includes provision of free-to-air and subscription television services. Other includes equity and securities investments, stock broking, and management services. In the prior year, it also included the provision of shipping, customs, transportation and commercial waste disposal services.

Operating revenue amounting to \$16,977,000 for Media Niugini Limited classified under the media industry has been reclassified to profit from discontinued operations.

The Group operates in Fiji and in PNG with the PNG operations not being material and therefore do not require separate segment disclosures.

**36. EVENTS SUBSEQUENT TO BALANCE DATE**

Fiji Television Limited has signed a Non-Disclosure Agreement with potential strategic partners for Sky Pacific. This may involve a partial divestment of Sky Pacific but at this stage discussions are in progress.

Apart from the above, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Group, to affect significantly the operations of the Company and the Group, the results of those operations, or the state of affairs of the Company and the Group, in subsequent financial years.

**SOUTH PACIFIC STOCK EXCHANGE LISTING REQUIREMENTS**  
**TUKUTUKU E VINAKATI MAI NA SOUTH PACIFIC STOCK EXCHANGE**

Year Ended 30 June 2015

**Listing requirements of the South Pacific Stock Exchange (not included elsewhere in this financial statements)**

**a.) Statement of interest of each Director in the share capital of the Company or in a related Corporation as at 30 June 2015 included**

	Beneficially		Non-beneficially	
	Additions	Holding	Additions	Holding
Sakiusa Raivoce	-	100,000	-	-
Ulai Taoi	-	2,311	-	-
Isikeli Tuituku	-	-	20,760,977	20,767,688
Viliame Cegumalua	-	-	20,760,977	21,160,977

**b.) Distribution of Shareholding**

Holding	No. of Holders	% Holding
Less than 500 shares	263	0.33%
501 to 5,000 shares	704	3.54%
5,001 to 10,000 shares	59	1.33%
10,001 to 20,000 shares	56	2.72%
20,001 to 30,000 shares	18	1.45%
30,001 to 40,000 shares	16	1.75%
40,001 to 50,000 shares	11	1.68%
50,001 to 100,000 shares	29	7.44%
100,001 to 1,000,000 shares	14	14.09%
Over 1,000,000 shares	2	65.65%
<b>Total</b>	<b>1,172</b>	<b>100%</b>

**c.) Top 20 shareholders in "A" class shares**

	Name	No. of shares
1	Itaukei Land Trust Board	859,666
2	Itaukei Affairs Board	760,977
3	Cakaudrove Provincial Holdings Company Limited	400,000
	Cicia Plantation Co-op Soc Ltd	400,000
4	Ratu Sir K Mara Education Trust Fund	300,000
	Tailevu Dairy Farmers Co-op	300,000
5	Macuata Provincial Council	203,614
6	Mavana Investment Ltd	200,000
	Mualevu Tikina Holdings Ltd	200,000
7	Vanua Ko Lovoni Investment Ltd	179,805
8	Duavata Holdings Limited	141,000
9	Bua Provincial Council	137,102
10	Mualevu Koro Invest Co Ltd	108,754
11	Moala Tikina Council	101,005
12	Nabukebuke Holdings Ltd	100,000
	Naqarani Holdings Ltd	100,000
	Munia Holdings Ltd	100,000

**SOUTH PACIFIC STOCK EXCHANGE LISTING REQUIREMENTS**  
**TUKUTUKU E VINAKATI MAI NA SOUTH PACIFIC STOCK EXCHANGE**

Year Ended 30 June 2015

**Listing requirements of the South Pacific Stock Exchange - Continued**

**c.) Top 20 shareholders – continued**

	Nasoqo Farming Enterprises Ltd	100,000
	Dogotuki Tikina Council	100,000
	Sakiusa and Anaseini Raivoce	100,000
	Kiri Verewale Richmond	100,000
13	Vatulele Island Holdings	97,990
14	Serua Provincial Council	97,102
15	Vukicea Investment Limited	90,000
16	Tukula Holdings Limited	80,000
17	Lau Provincial Council	67,501
18	Namuka I Lau Development Co. Ltd	52,049
19	Rukuruku Investment Co. Ltd	50,856
20	Saumatua Investment	50,000

**d.) Share price details**

Highest share price during the year was \$3.90.  
 Lowest share price during the year was \$3.33.  
 Share price at year end was \$3.90

**e.) Attendance at Board Meetings**

Name	No of meeting	No attended
Iowane Naiveli	12	12
Colonel Apakuki Kurusiga (resigned on 14 August 2014)	3	2
Padam Lala (resigned on 4 December 2014)	6	5
Ulaiyasi Baya (resigned on 17 July 2014)	-	-
Ratu Samu Nawalowalo (resigned on 17 July 2014)	-	-
Aseri Radrodoro (resigned on 17 July 2014)	-	-
Ulai Taoi	12	12
Sakiusa Raivoce	12	12
Isikeli Tuituku (appointed on 25 July 2014)	12	11
Viliame Cegumalua (appointed on 25 July 2014)	12	11

**f.) Share register**

Central Share Registry  
 South Pacific Stock Exchange  
 Level 2  
 Plaza 1  
 FNPF Building  
 33 Ellery Street  
 Suva  
 Fiji

Company Secretary – Kelepi Rakabikabi

**SOUTH PACIFIC STOCK EXCHANGE LISTING REQUIREMENTS**  
**TUKUTUKU E VINAKATI MAI NA SOUTH PACIFIC STOCK EXCHANGE**

Year Ended 30 June 2015

**Listing requirements of the South Pacific Stock Exchange - Continued**

**g.) Disclosure under Section 7(4)**

	FHL Fund Management Ltd \$'000	South Sea Cruises Ltd \$'000	FHL Properties Ltd \$'000	FHL Stock-brokers Ltd \$'000	FHL Retailing Ltd \$'000	Basic Industries Ltd \$'000	Pacific Cement Ltd \$'000	FHL Logis-tics Ltd \$'000	Merchant Finance Ltd \$'000	Basic Industries PNG Ltd \$'000	FHL Media Ltd \$'000
Turnover	2,099	45,163	3,521	71	110,289	50,378	31,576	-	15,503	1,008	24,625
Other income	15	43	290	33	2,504	768	148	97	849	50	644
	2,114	45,206	3,811	104	112,793	51,146	31,724	97	16,352	1,058	25,269
Depreciation	(34)	(2,114)	(341)	(11)	(1,580)	(2,160)	(682)	-	(564)	(283)	(3,084)
Interest income/(expense)	28	(1,443)	(558)	17	(1,327)	(313)	(161)	-	-	(129)	(131)
Other expenses	(1,087)	(34,980)	(2,103)	(101)	(101,087)	(44,744)	(29,550)	(14)	(5,764)	(2,839)	(22,408)
Income tax expenses	(185)	(1,398)	(168)	(6)	(784)	(1,133)	(245)	-	(1,953)	-	(117)
Profit/(Loss) after tax	836	5,271	641	3	8,015	2,796	1,086	83	8,071	(2,193)	(471)
Assets	1,653	68,004	20,150	631	109,092	35,404	23,601	1	132,248	3,220	59,931
Liabilities	248	37,770	12,531	49	34,767	14,392	7,531	918	98,202	6,516	17,094
Shareholder's Funds	1,405	30,234	7,619	582	74,325	21,012	16,070	(917)	34,046	(3,296)	42,837

**BOARD MEETING RECORD**  
**NAI WILIWILI NI DAIREKETA ERA VAKAITAVI ENA BOSE NI KABANI COKOVATA**

DIRECTORS	Directors Attendance - FY 2015											Meeting Entitled	Attended
	13-Aug	1-Sep	30-Sep	28-Oct	4-Dec	8-Dec	30-Jan	18-Feb	13-Mar	29-Apr	29-Jun		
Naiveli												11	11
Kurusiga												1	1
Lala												5	1
Naupoto												0	0
Vosailagi												0	0
O'Connor												0	0
Tuituku												11	10
Cegumalua												11	10
Raivoce												11	11
Taoi												11	11

ATTENDED
  APOLOGIES
  RESIGNED
  NOT APPLICABLE



**APPOINTMENT OF PROXY**

I/We

being a member of Fijian Holdings Limited, hereby appoint:

as our proxy, to vote for us on our behalf at the Thirtieth Annual General Meeting of Fijian Holdings Limited to be held on 23rd October 2015

*(please select appropriate section)*

**A** Shareholder Signature

Witness Name & Signature

Signed this  day of  2015

**B** In case of a body corporate, this form should be under its Seal or be signed by an officer or an attorney duly authorised by it.

The Common Seal of

Was hereunto affixed in the Presence of the Undersigned who certify that they are Proper officers authorised to attest the Affixing of the Seal of the said Company:

Director

Director / Secretary

Signed this  day of  2015

**Send Proxy Form to:**

Fax:  
330 5020

Mail:  
P.O. Box 2110  
Government Buildings  
Suva  
Fiji

or hand-deliver to:

Fijian Holdings Ltd  
Level 7  
Ra Marama  
91 Gordon St  
Suva  
Fiji



**FIJIAN**  
HOLDINGS  
LIMITED

