



Annual Report 2013



Thriving and Branching Out



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 Limited has also broadened the scope of its training programme wherein young iTaukei's are prepared and groomed for business utilising the resources of its associates and subsidiary companies.

Na Fijian Holdings Limited

O ira nai taukei ni sea ena FHL era wili kina na kabani ni Matabose ni Qele Maroroi, na vei yasana, na Matabose ni Veika Vakaitaukei, na i Soqosoqo ni vei tikina kei na koro, na Soqosoqo Cokovata ni Veivoli ka nodra na itaukei, Taukei yadudua kei ira na kabani taukeni vakavuvale. Na nona vakacuru i lavo kei na voli sea na Fijian Holdings Limited ena vei kabani lelevu eso, e a mai rawa kina na i naki raraba ni kena vakayararataki 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 kabani e taukena ka cicivaka tiko na Fijian Holdings Limited.

Contents Ulutaga

History of Fijian Holdings Limited Tauyavutaki ni Kabani	02
The Year in Review Na Raici Lesu ni Yabaki Vakailavo	03
Financial Highlights Usutu ni Rawa Ka	04
Performance Highlights Usutu ni Cicivaki Bisinisi	05
Fijian Holdings Ltd Top 30 Shareholders Nai Matai Ni 30 Ni Taukei Ni Sea Levu Taudua	06
Corporate Governance Statement Tukutuku Ni Kena Cicivaki Na Kabani	07
Corporate Social Responsibility Report Tukutuku Ni Qaravi Ni Bula Raraba	12
People & Leadership Sub-Committee Report Tukutuku Ni Komiti Ka Qarava Na Tamata Cakacaka	14
Investment & Strategy Sub-Committee Report Tukutuku Ni Komiti Ka Qarava Na Vakatumuilavo	15
Audit & Risk Sub-Committee Report Tukutuku Ni Komiti Ka Qarava Na Ririko	16
Board Nomination & Remuneration Committee Tukutuku Ni Komiti Ka Qarava Na Veidigitaki kei nai Sau ni Dairekita	17
Board of Directors Lewe ni Matabose	18
FHL Group Management Team Manidia Liu Ni Kabani Cokovata e FHL Management Team Manidia Veiliutaki e FHL	20
Chairman's Report Tukutuku Ni Liuliu Ni Matabose	24
Group CEO's Report Tukutuku Ni Liuliu Ni Kabani Cokovata	28
Operational Report of Subsidiary Companies Tukutuku Mai Vei Ira na Veikabani Cokovata	33
Report on Associate Companies and Other Investments Kedra i Tukutuku na Kabani Veiwekani	41
Directors' Report Tukutuku Ni Daireketa	47
Statement By Directors Nodratou Rai Na Daireketa	49
Independent Audit Report Tukutuku Ni Dau Ni Fika	50
Statements of Comprehensive Income Tukutuku Ni Rawa Ka Vakailavo	51
Statements of Financial Position Tukutuku Ni Yau ni Kabani	52
Statements of Cash Flows Tukutuku Ni Lavo Qaqa ni Kabani	53
Statements of Changes in Equity Tukutuku Ni Veisau Ena Akaude Ni Taukei Ni Kabani	54
Notes to and Forming Part of the Financial Statements Vakamacala Ka Lewe Talega Ni Tukutuku Vakailavo	56
Listing requirements of the South Pacific Stock Exchange Tukutuku E Vinakati Mai Na South Pacific Stock Exchange	102
Board Meeting Record Nai Wiliwili Ni Daireketa Era Vakaitavi Ena Bose Ni Kabani Cokovata	106
Proxy Form Fomu Ni Veidigidigi Ena Bose Vakayabaki	107

History of Fijian Holdings Limited

Tauyavutaki ni Kabani

About Fijian Holdings Limited

Fijian Holdings Limited was established in 1984 to fulfill the objective of the Great Council of Chiefs, of creating an entity that meaningfully represents indigenous Fijians in the business sector and ensure their meaningful participation in Fiji's national 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 indigenous Fijians 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 Pacific"

Mission Statements

The FHL Group is committed to the achievement 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.

Na Fijian Holdings Limited

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

Na Uto ni Vakabauta ni Kabani

- Dina ena neitou veiqaravi.
- Tubu cake na rawa ka ena vakasala vinaka
- Me toso tiko ga na i tovo 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 ni iTaukei ena cicivaki bisinisi, vakadeitaka na bou ni nodra bula vakavanua, vakabisinisi.

Na Rai Ki Liu Ni FHL

"Me dau ni vakatubu i lavo levu taudua ena Pasifika"

Yalayala Me Vakavatukanataki

Sa tu vakarau na Kabani Cokovata me tutaka na kena laurai na vatuka ni nona yalayala e ra tiko oqo:

- Keimami bulia ka cakacakataka na veika keitou vakavulica ena kabani me baleti ira era i taukei ni sea kei ira era vakaitavi kina.
- Keimami 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 2013 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:

July 2012

Joint venture partners announces their divestment in Basic Industries Limited and Fiji Industries Limited. FHL, as a majority shareholder with 51% interest in BIL and 50.2% interest in FIL, also waived its pre-emptive rights to acquire the shareholdings of its joint venture partners namely; Holcim NZ for BIL and South Pacific Cement for FIL.

August 2012

- FHL Properties Limited acquires Ra Marama, at a consideration value of FJD 10.8million. The eight level office complex houses the headquarters of Fijian Holdings Limited along with some prominent tenants. FHLP is a wholly-owned subsidiary of FHL specialising in property management and this will be the fifth addition to its portfolio.
- Appointment of Aseri Radrodoro to the FHL Board as a Director representing Class B shareholders. The appointment was made by the Minister of iTaukei Affairs.
- Announcement of the FY2012 full audited accounts, with growth in the Group consolidated post tax earnings to FJD 14.5million. Total Group assets reached FJD 361million and Group liabilities also increased by FJD 5million. 75% of the Group revenue was contributed by RB Patel Group, Basic Industries Limited and Fiji Industries Limited. In terms of profitability, Merchant Finance continued to be the biggest contributor.
- Two of FHL's wholly-owned subsidiary officially changed their names with effect from 1 September 2012 from Fijian Holdings Properties Trust Company Limited to FHL Properties Limited and FHL Securities Limited to FHL Stockbroking Limited.

September 2012

The announcement of the date and agenda for the 27th annual general meeting for Fijian Holdings Limited.

October 2012

- FHL releases its Annual Report for the 2012 financial year.

- The announcement of the 2nd interim dividend for FHL shareholders, with a total dividend declared of FJD 5.59million. Total annual dividend rate paid to FHL shareholders for FY12 was \$0.20 per A-Class share and \$0.175 per B-Class share respectively, with dividend paid out on 31st October 2012.
- FHL announces the investment funding agreement signed with Tropik Woods Industries Limited, a subsidiary of Fiji Pine Limited, whereby FHL has provided a 5-year term investment facility of FJD 6.70 million at a fixed rate of return.

November 2012

- FHL announces the resolutions passed during the Annual General Meeting on the 31st October 2013.
- FHL announces mill motor breakdown at Fiji Industries. As a precautionary measure, FIL imported cement from NZ to cater for customers demand within the two weeks till the replacement part is installed.

February 2013

FHL announces Group six monthly financial statements, whereby the Group revenue increased to FJD 122million and post-tax profit rose marginally to FJD 7.28million. South Sea Cruises was the biggest contributor to the increased revenue. Total Group assets rose to FJD 421 million.

March 2013

FHL announces the full acquisition of Yasana Holdings Limited from iTaukei Affairs Board and the 14 provincial councils. Through this acquisition, FHL has also acquired 51% shareholding of Fiji TV.

April 2013

FHL announces the first interim dividend for FHL shareholders to be paid out on 30th April. FJD 3.046million was declared a dividend with Class A shareholders receiving FJD 1.046million and Class B shareholders receiving FJD 2.000million, with both classes of shares having a dividend rate of \$0.10 per share.

May 2013

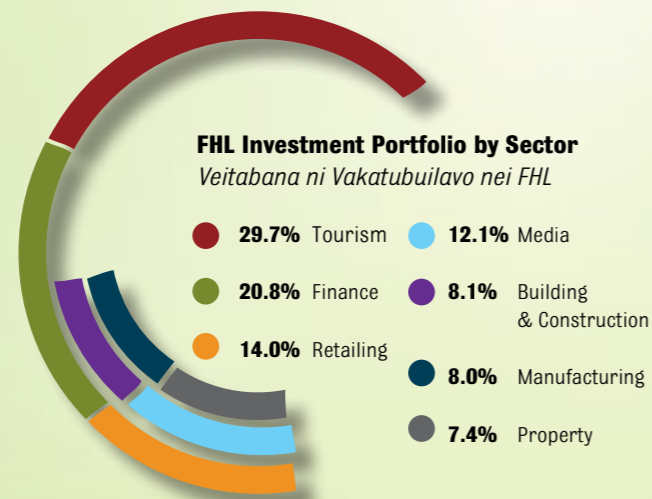
Nouzab Fareed is confirmed as the Group Chief Executive Officer for Fijian Holdings Limited after acting in the position for 27 months.

Financial Highlights

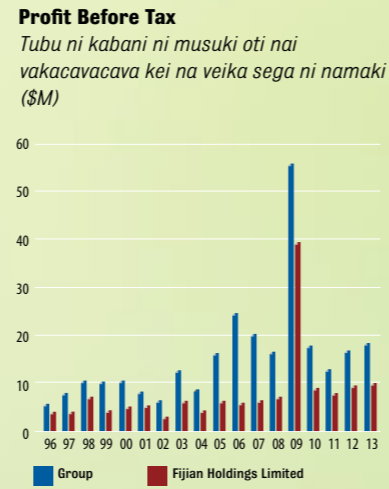
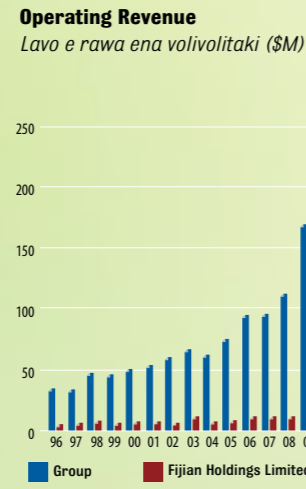
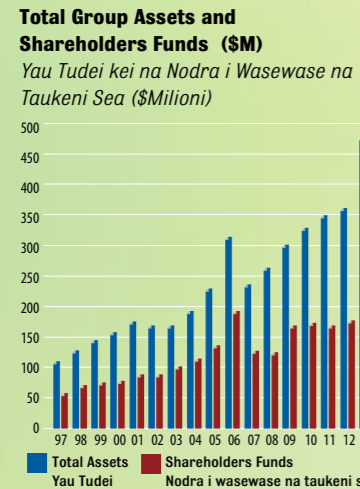
Usutu ni Rawa Ka

Performance Highlights

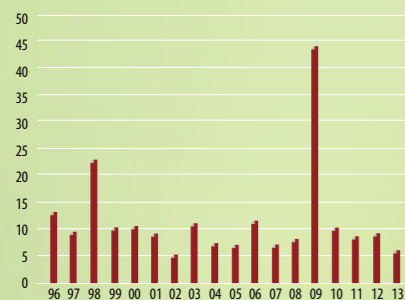
Usutu ni Cicivaki Bisinisi



Total Group Assets and Shareholders Fund (\$Million)
Yau Tudei kei na Nodra i Wasewase na Taukeni Sea (\$Milioni)



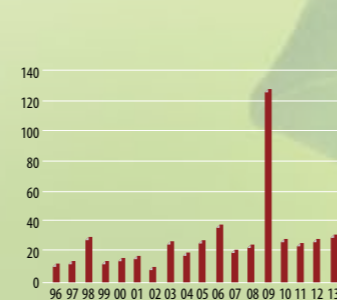
FHL Return on Investment
Tubu ni lavo e rawa (% - at cost)



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



FHL Earnings per Share (cents)



YEAR END 30 JUNE	GROUP			HOLDING COMPANY		
	2013	2012	Change %	2013	2012	Change %
Operating Results Na Rawa Ka ena Cicivaki Bisinisi						
Operating Revenue (\$, '000)	220,467	177,192	24%	17,987	17,020	6%
EBITDA (\$, '000)	28,387	20,987	35%	10,600	8,082	31%
EBIT (\$, '000)	19,588	15,412	27%	10,442	7,926	32%
NPBT (\$, '000)	18,166	16,607	9%	9,888	9,446	5%
NPAT (\$, '000)	12,741	14,539	-12%	9,396	8,551	10%
Operating Ratios Dusidusi ni Cicivaki Bisinisi						
EBIT / Total Revenue [%]	9%	9%	0%	58%	47%	-13%
EBITDA / Total Revenue [%]	13%	12%	8%	59%	47%	-16%
NPAT / Total Revenue [%]	6%	8%	-30%	52%	50%	4%
Financial Position Tutu Vakailavo						
Total Assets (\$, '000)	475,786	361,266	32%	250,700	172,218	46%
Total Liabilities (\$, '000)	273,387	185,316	48%	83,765	24,325	244%
Financial Position Ratios Dusidusi ni Tutu Vakailavo						
Gearing [%]	57%	51%	12%	33%	14%	137%
Net Debt to Equity [%]	135%	105%	28%	50%	16%	205%
EBIT interest cover [times]	2.9	17.7	-84%	10.0	0	0
Cash Flows Lavo Qaqa						
Net cash from operating (\$, '000)	29,162	14,152	106%	9,164	11,127	-18%
Purchases of Investments (\$, '000)	53,320	29	183762%	64,148	361	17670%
Shares Sea ni Kabani						
Earnings per share (EPS) [CENTS]	32	33	-3%	31	28	12%
Dividends per share [CENTS]	20	18	6%	20	18	6%
Key Measures Dusidusi Namaki						
Return on Net Assets [%]	6.3%	8.3%	113%	5.6%	5.8%	18%

Fijian Holdings Limited Top 30 Shareholders

Nai Matai Ni 30 Ni Taukei
Ni Sea Levu Taudua

SEQ	SHAREHOLDERS NAME	NO OF SHARES
1	iTaukei Affairs Board	10,760,977
2	iTaukei Trust Fund Board	10,000,000
3	iTaukei Land Trust Board	859,666
4	Cakaudrove Provincial Holdings Company Limited	400,000
	Cicia Plantation Co-op Soc Ltd	400,000
6	Ratu Sir K Mara Education Trust Fund	300,000
	Tailevu Dairy Farmers Co-op	300,000
8	Macuata Provincial Council	203,614
9	Mavana Investment Ltd	200,000
	Mualevu Tikina Holdings Ltd	200,000
11	Vanua Ko Lovoni Investment Ltd	179,805
12	Duavata Holdings Ltd	141,000
13	Bua Provincial Council	137,102
14	Malomalo Tikina Holdings Ltd	107,111
15	Mualevu Koro Invest Co Ltd	102,132
16	Moala Tikina Council	101,005
17	Sakiusa & Anaseini Raivoce	100,000
	Kiri Verewale Richmond	100,000
	Nasoqo Farming Enterprises Ltd	100,000
	Naqarani Holdings Ltd	100,000
	Nabukebuke Holdings Ltd	100,000
	Munia Holdings Ltd	100,000
	Dogotuki Tikina Council	100,000
24	Vatulele Island Holdings Ltd	97,990
25	Serua Provincial Council	97,102
26	Rewa Provincial Council	93,601
27	Vukicea Investments Ltd	90,000
28	Mataqali Natabutale	84,743
29	Tailevu Provincial Holding Company Ltd	83,182
30	Tukula Holdings Ltd	80,000

Fijian Holdings Limited

The total issued share capital of Fijian Holdings Limited, consist of 30,464,650 shares of \$1 each. This includes 20,000,000 shares of 'B' class and 10,464,650 shares of 'A' Class. The iTaukei Affairs Board (IAB) and the iTaukei Trust Fund (TTF) each hold 10 million of the company's 'B' Class ordinary shares of \$1 each. The company's ordinary 'A' class shares are listed on the Restricted Board of the South Pacific Stock Exchange.

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 Officer 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 of 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 Officer, 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 nine Directors.

The Directors of the FHL Board as at the date of this report are:

Iowane Naiveli	Appointed, Chairman 2011
Apakuki Kurusiga	Appointed, Deputy Chairman 2011
Padam Lala	Appointed 2008
Ulaiyasi Baya	Appointed 2008
Mere Samisoni	Resigned (July) 2013
Filimone Waqabaca	Appointed 2011
Ratu Samuela Nawalowalo	Appointed 2011
Viliame Gavoka	Appointed 2011
Aseri Radrodoro	Appointed 2012

Details of the respective Directors and their profiles are provided elsewhere in the Annual Report.

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 Indigenous 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 CEO and the management team present a comprehensive corporate profile of the organization. It is necessary for all incoming directors to attend the induction programme. In addition, as and when required, workshops are organized with external consultants.

Principle 3

Appointment of a Group Chief Executive Officer

Directors are expected to exercise due diligence in appointing the Group Chief Executive Officer 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 CEO shall be at the discretion of the HR Committee in consultation with the Board. Total remuneration package for the Group CEO 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 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 Ms Elenoa Lalabalavu.

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 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 between the interest of a Director and those of the Company. Employees are required annually to disclose arrangements where a potential conflict 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 organization, 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 Officer 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 in the company. 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.

Corporate Governance Statement *Tukutuku Ni Kena Cicivaki Na Kabani*

- 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;
- the duty not to improperly use position to gain a personal advantage, or to cause detriment to the Company.



Consolidated revenue of the group has risen from \$183million in 2012 to \$233million in 2013, reflecting a 27% growth.

Corporate Social Responsibility Report

Tukutuku Ni Qaravi Ni Bula Raraba

As our company and shareholder expectations evolve, we at Fijian Holdings Limited continue to develop and refine our approach to managing our key environmental, social and governance issues. To guide our efforts, we continuously engage the full range of our stakeholders and monitor the issues that are most important to our success and our responsibilities

As FHL establishes itself as the leading local investment company and taking its approach of business to the next level, the same can be said for its approach to corporate social responsibility. With a dedicated team and their desire to fulfil FHL's mission and vision, we strive to create sustainable value for our shareholders and the community.

This year, FHL participated in a number of activities to continue its commitment towards Corporate Social Responsibility within the Group.

1. Communication with Shareholders

Our success has always depended on our ability to build on trusted stakeholder relationships with our shareholders, and also includes our employees, customers, government and communities. We continuously strive to develop a strong culture of trust through open and direct communication and are committed to operating with transparency.

Shareholders Workshop

At FHL, our team is dedicated to improving our relations with our shareholders as we aim to build their confidence and expectations of their investment.

The annual FHL Shareholders Workshop, which runs for half a day, continues to grow in popularity allowing shareholders to interact with key persons in FHL and increase their knowledge on how to make good decisions about their investments. This workshop is definitely highly anticipated and has become a popular event on the calendar of our shareholders.

In addition to the shareholders workshop, FHL hosted its 27th Annual General Meeting at the Holiday Inn Suva. Shareholders were updated on the progress of FHL Group as well as the future projections for the company.

FHL, through its subsidiary FHL Stockbrokers Limited and Fijian Holdings Trust Management Limited, also participated in key public awareness campaigns organized by the Reserve Bank of Fiji regarding Financial Literacy and other investment awareness programmes.

Information Disclosure

As a listed company, FHL is guided by the disclosure requirements of the South Pacific Stock Exchange, which allows us to communicate to our stakeholders our performance on key issues, and seek feedback from them regarding our performance.

2. Community Involvement

FHL is committed to strengthening the communities in which we operate and we continuously aim to make our economy 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 that are not limited to charitable work only.

Rewarding academic excellence

This year marks the 9th consecutive year that FHL has been proudly sponsoring the Dux prizes of the three largest indigenous Government schools in Fiji, namely; Adi Cakobau School, Ratu Kadavulevu School and Queen Victoria School.

National Blood Drive

The year also saw the participation of staff across the FHL Group in responding to the request of the National Blood Bank for donation of blood, as they had reached a critical level of blood shortage. FHL is always keen to host the Blood Drive donation as it is viewed 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.

3. Environmental Sustainability

Fiji Industries Limited (FIL), a subsidiary of Fijian Holdings Limited, consistently takes a strong, proactive approach towards resource conservation, waste reduction and environmental protection:

- 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.
- FIL has strongly addressed the minimising of dust levels with an internationally-recognized systems in place. Plans are also in place to improve the liquid waste discharge using advanced technological systems to ensure compliance with national standards.

4. Employee Involvement

Fijian Holdings Group is an employer to more than 1,600 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 the 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 including MBA. Currently, a number of our Executive Managers are in the process of completing their Master's Degree. During the year, workshops and internal training 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 developments are continuing to enhance and equip our staff which have seen a low staff turnover in the Group.

Health and Wellness

The health and wellbeing 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.

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 on remuneration and issues relevant to remuneration policies and practices so as to assist the Board to independently ensure that the Company establishes appropriate Human Resources strategies and policies consistent with best practices and business requirements and adopts and complies with remuneration policies that:

- Attract, retain and motivate high-calibre executives and directors so as to encourage enhanced performance of the Company;
- Are consistent with the human resource needs of the Company;
- Motivate management to pursue the long-term growth and success of the Company within an appropriate controlled framework; and
- Demonstrate a clear relationship between executive performance and remuneration.

The committee consists of a minimum of two Directors and the Group Chief Executive Officer with the Chairman of the Committee selected within. The current members of the committee as appointed by the Board are: Viliame Gavoka, Mere Samisoni and Padam Lala.

The meetings of the committee are held at least twice per annum and the committee met four 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 Chief Executive Officer post which had been vacant since February 2011;
- The adoption of the revised FHL Corporate and Human Resources Manual
- The staff transfers within the FHL Group
- Other related Human Resources issues.

APPOINTMENTS & RESIGNATIONS OF COMMITTEE MEMBERS

Name	Status	No of Meetings Held /Entitled	No of Meetings Attended
Mr. Viliame Gavoka	Appointed	4	3
Mr. Padam Lala	Appointed	1	0
Ms. Mere Samisoni	Appointed	1	1
Mr. Apakuki Kurusiga	Resigned	3	3
Mr. Iowane Naiveli	Resigned	3	3
Mr. Ulaiyasi Baya	Resigned	3	2



Viliame Gavoka
Sub-Committee Chairperson

Investment & Strategy Sub-Committee Report

Tukutuku Ni Komiti Ka Qarava Na Vakaturubuilavo

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 now Executive Directors. In addition to these members, Group CEO and members of Senior Management Team attend the committee meetings.

Meetings of the Investment and Strategy Committee are held at least once a year. In the year under review, the Committee met twice.

During the year, 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	Status	No of Meetings Held /Entitled	No of Meetings Attended
Mr. Iowane Naiveli	Appointed	2	2
Mr. Filimone Waqabaca	Appointed	2	0
Ms. Mere Samisoni	Appointed	1	1
Mr. Apakuki Kurusiga	Resigned	1	1
Mr. Padam Lala	Resigned	1	0



Iowane Naiveli
Sub-Committee Chairperson

Audit & Risk Sub-Committee Report

Tukutuku Ni Komiti Ka Qarava Na Ririko

The Board Audit and Risk Committee is a subordinate of the FHL Board responsible for ensuring that 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 their 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 four board members of which all are newly-appointed committee members and are now Executive Directors. In addition to these members, the Group CEO and members of Senior Management Team, attend the committee meetings to ensure that group companies are maintaining proper control and managing risk appropriately.

Meetings of the Audit Committee are held once every quarter, however, frequent meetings may be called if necessary. During the 2012 -13 financial year, the audit committee meet six times.

During the year, a number of key issues of breaches in control were presented to the committee and management have been advised to seriously look into the issues highlighted. They have been reminded as well that they ought to 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.

The internal audit team has also been advised to be more vigilant in their audit process as well.

APPOINTMENTS & RESIGNATIONS OF COMMITTEE MEMBERS

Name	Status	No of Meetings Held /Entitled	No of Meetings Attended
Mr. Ulaiyasi Baya	Appointed	6	2
Mr. Samuela Nawalowalo	Existing	6	5
Mr. Aseri Radrodoro	Existing	6	4
Mr. Viliame Gavoka	Resigned	6	5
Ms. Mere Samisoni	Resigned	6	5



Ulaiyasi Baya
Sub-Committee Chairperson

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:

- The composition and nomination of the FHL Board and FHL Group Subsidiary Boards;
 - The remuneration of the FHL Board and FHL Group Subsidiary Boards;
 - Assessment of the necessary and desirable competency of Board members;
 - Recommendations for the appointment and evaluation of Directors.
- Process for the nomination and selection of non-executive directors to the FHL Subsidiary Board;
 - Succession plans for FHL Group non-executive and independent directors;
 - Induction programmes for FHL Group non-executive and independent directors;
 - Assess the requirement for non-executive and independent directors and set a transparent process to review whether they are meeting those requirements;
 - Establish and monitor strategies on gender diversity for the FHL Board;
 - Achievement against gender diversity objectives including representation of women at the FHL Board and Group subsidiary companies;
 - 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;
 - Other relevant matters identified from time to time, or requested by the FHL Board.

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

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

APPOINTMENTS & RESIGNATIONS OF COMMITTEE MEMBERS

Name	Status	No of Meetings Held /Entitled	No of Meetings Attended
Emitai Boladuadua	Appointed	4	3
Iowane Naiveli	Appointed	4	4
Apakuki Kurusiga	Appointed	4	4



Emitai Boladuadua
Sub-Committee Chairperson

Board of Directors

Lewe ni Matabose

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 Limited, and FHL Retailing Ltd. He is a member of the Australian Institute of Directors. He is the 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.

Apakuki Kurusiga
Deputy Chairman

is a Chartered Accountant and has held Executive posts in the public and private sectors in Fiji. He is a Graduate of the University of the South Pacific with a Diploma in Business Studies and a Bachelor of Arts degree, majoring in Accounting. He attained his MBA qualification from the Queensland University of Technology in Brisbane. He is a retired Army Officer and has served in Command Positions on Peacekeeping Units in Sinai and Lebanon. Currently, he is the Deputy Chief Executive Officer for Ministry of iTaukei Affairs and is in charge of iTaukei Affairs Board (iTAB) which oversees the 14 provincial councils in Fiji. He is currently the Deputy Chairman for Fijian Holdings Limited, Chairman for Merchant Finance & Investment Company Ltd, Fiji Industries Ltd, Media Solomon Islands Ltd.

Padam Lala
Director

is an Accountant by profession and presently the Managing Director of Lotus Garments Limited and is the Chairman of Sun Insurance Co. Limited, FHL Retailing Ltd, RB Patel Group Ltd, Basic Industries Ltd and Fiji Television Ltd. He was previously the Deputy Lord Mayor of Suva City, Chairman of the Land Transport Authority and Chairman of Textile, Clothing and Footwear Council of Fiji and Deputy Chairman of Fiji Development Bank.

Ulaiyasi Baya
Director

Holds undergraduate degrees in Land Management & Development and Law, as well as postgraduate qualification in Legal Practice and International Law. He commenced his professional career as a lawyer in central Queensland on Native Title and related matters representing Aboriginal claimants under State and Federal jurisdiction. By appointment, he also holds company directorship in FHL Properties Ltd, FHTML and Fiji TV including its subsidiary in Media Niugini Ltd and the Solomon. He is an Honorary Associate and Core independent member of the Asia-Pacific Centre for Complex Real Property Rights at the University of Technology, Sydney.

Ratu Samuela Nawalowalo
Director

is a Tax Agent, Business consultant by profession and a retired Accountant. He obtained his Bachelor of Arts degree from the University of the South Pacific and a Master of Commerce from the University of New South Wales, Australia. He was previously a Board member for PAFCO. He was appointed to the Fijian Holdings Limited Board in October 2011 and is also a Board member for iTaukei Trust Fund, Fijian Holdings Trust Management Ltd and the Chairman for FHL Logistics Limited.

Filimone Waqabaca
Director

is currently the Permanent Secretary for Finance for the Government of Fiji. He previously held senior managerial positions at the Reserve Bank of Fiji. He obtained his Bachelor of Arts degree from the University of the South Pacific and a Master of Science in International Banking and Financial Studies from the University of Southampton, United Kingdom. He is a board member of Fiji Revenue and Customs Authority and Reserve Bank of Fiji and the Chairman of the Fiji Rugby Union. He is also a member of University of the South Pacific Council, National Disaster Management Council, Sugar Taskforce, National Employment Centre, Fiji National University and National Housing Council and the National Financial Inclusion Taskforce. He was appointed to the Fijian Holdings Limited Board in October 2011. He is the Chairman for Pasifika Holdings Limited and Board member for Fiji Industries Ltd, member of FHL Board subcommittee on Investment and Strategy.

Viliame Gavoka
Director

is a Hotelier by profession and currently manages a resort. He has led a life dominated by roles in the tourism industry, which included the position of CEO of the Fiji Visitors Bureau, the forerunner to today's Tourism Fiji. He has served as a board member of the Society of Fiji Travel Agents, as Vice-President of the Fiji Hoteliers Association, and chaired a number of tourism bodies, including the South Pacific Tourism Organization. He also served as Chairman of the Fiji Rugby Union. He is the Chairman of FHL Properties Ltd and sits on the board of South Sea Cruises Ltd, Fiji Television Ltd and Media Niugini Ltd; and serves on the FHL People and Leadership Committee.

Mere Samisoni
Director

is a businesswoman by profession and is the chairperson of her family business, Samisoni Enterprises Limited (SEL) trading as (t/a) Solar Pacific (Fiji) Limited (SPFL) and Corporate Management Services (CMS) t/a the Hot Bread Kitchen (HBK). She also has a background in Nursing Administration. She attained her Masters of Business Administration from the University of the South Pacific (USP) and graduated with a Doctorate in Business Administration (DBA) from the University of the Sunshine Coast, Australia. She was appointed to the Board of Fijian Holdings Limited in October 2011 and is also a Board member for FHL Logistics Limited, Fijian Holdings Trust Management Limited and is Chairperson of the FHL Audit and Risk Subcommittee. She retired from the Board in July 2013.

Aseri Radrodoro
Director

is a professional Chartered Accountant. He studied at the University of the South Pacific. Holds a Masters in Business Administration and a Bachelor of Arts Degree majoring in Accounting. Has served in various distinguished positions in the public and private sector. He currently serves in the Public Accounts Committee and also a current board member of the Fiji Electricity Authority. He is the Chairman of FHL Stockbrokers Ltd and Board member for; Fiji Television Ltd, and FHL Logistics Ltd; and serves on the FHL Audit & Risk Committee. He has a keen interest in farming and an avid rugby follower.



Iowane Naiveli
Chairman

Apakuki Kurusiga
Deputy Chairman

Padam Lala
Director

Ulaiyasi Baya
Director

Ratu Samuela Nawalowalo
Director

Filimone Waqabaca
Director

Viliame Gavoka
Director

Mere Samisoni
Director

Aseri Radrodoro
Director

FHL Group Management Team

Manidia Liu ni Kabani Cokovata e FHL

Manidia Liu ni Kabani Cokovata e FHL FHL Group Management Team



Nouzab Fareed
Group CEO

He 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 (Aus). He has a MBA in Banking & Marketing and a MA in International Economics. He is a Licensed Investment Advisor in Fiji and a Certified Fraud Examiner of USA. He is a member of British Computer Society and a Fellow of Financial Services Institute for Australia. He is a Board Member for all FHL Group companies. Prior to joining FHL in 2004, he was the Director Business Development with Mercantile Merchant Bank Ltd in Sri Lanka and was also a Board Director for Fed Ex, Western Union and NIIT in Sri Lanka. He has more than 23 years of Corporate Finance and Investment banking experience. He has received Executive Training from Harvard Business School, Australian Graduate School of Management, Graduate Business School of Auckland and AOTS (Japan). At present, he is the only Distinguished Toastmaster (DTM) in the South Pacific.



Tevita Gonelevu
Chief Executive Officer
Fiji Television Limited



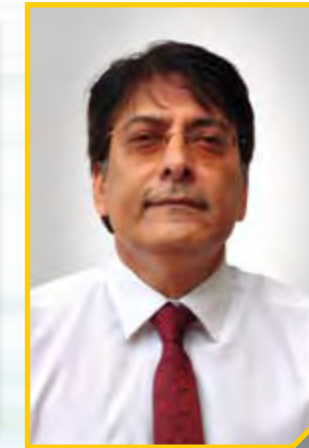
Napolioni Batimala
General Manager
Merchant Finance & Investment
Company Limited



Peter Duncan
Chief Executive Officer
South Sea Cruises Limited



Bhanu Sud
Chief Executive Officer
Media Niugini Limited



Deepak Rathod
Chief Operating Officer
RB Patel Group Limited

FHL Group Management Team Manidia Liu ni Kabani Cokovata e FHL

Management Team

Manidia Veiliutaki e FHL



Mosese Volavola
General Manager
Basic Industries Limited



Mosese Natuilagilagi
General Manager
Fiji Industries Limited



Tomasi Radakua
General Manager
FHL Logistics Limited



Joel Mastapha
Group Manager Finance



Salesh Dayal
Manager Finance



Josefa Caniogo
General Manager
Pasifika Holdings Limited



Rowena Fong
General Manager
FHL Properties Limited



Sowani Tuidrola
General Manager
Fijian Holdings Trust
Management Limited



Elenoa Lalabalavu
Manager Investments
& Company Secretary



Catherine Grey
Manager Human Resources

Chairman's Report

Tukutuku Ni Liuliu Ni Matabose



Iowane Naiveli

Au marau vakalevu me'u solia vei kemuni na noqu i tukutuku, ena noqu i tutu vaka i liuliu ni matabose ni Fijian Holdings Limited me baleta na yabaki vakailavo ka mai cava ena i ka 30 ni Jiune, 2013.

Introduction

The 2013 financial year was a year of achievement for the FHL Group. For the first time in the FHL Group history, we completed two major acquisitions in a financial year. FHL group is now in a better position to maximise its leverage in the different industries to deliver benefits to its shareholders into the future.

Operating Highlights

The FHL Group and its Holding Company has reviewed its business strategies in light of the competitive environment in the Pacific Island business community taking into account the expectation of our shareholders and key stakeholders. The actions undertaken during the year to deal with business issues in the Group will ensure that the expectation of our stakeholders and especially shareholders are continuously met. Some of the key operating highlights for FY13 include;

Kena I Kau

Na yabaki vakailavo ni 2013 sa dua na yabaki e vuqa na ka e rawata kina na FHL. E se qai vakadua ena i tukutuku ni veigauna ena loma ni Kabani Cokovata me vakayacori kina e rua na veivoli lelevu ena loma ni dua ga na yabaki vaka i lavo. Sa qai tu kina qo na FHL Group e na dua na vanua vinaka cake sara me rawa ni qai vakalevutaka na nona sasaga ena dui vanua ni caka bisinisi me kauta mai na tubu me yaqa vei ira na taukei ni kabani.

Tutu Ni Veiqaravi

E sa dikeva tale na Kabani Cokovata na nona gaunisala ni cicivaki bisinisi me sala vata kei na draki ni bula vakabisinisi ena wasa Pasifika ka nanumi tale tikoga kina na nodra vakanuinui na i taukei ni sea kei ira taucoko keitou dau cakacaka vata. Na vei vakatulewa taucoko vakabisinisi keitou vakatulewa kina ena loma ni yabaki keitou qarauna sara kina vakaukauwa me na sotavi tiko vakavinaka na nodra vakanuinui na weka ni kabani ka vaka bibi ga na kena sotavi tiko na nodra vakanuinui na i taukei ni sea. E vica na veika lelevu keitou bau vakayacora tu ena loma ni yabaki qo:

Tukutuku ni Liuliu ni Matabose Chairman's Report

- The finalisation of the acquisition of South Sea Cruises Limited (SSC). This acquisition is FHL's largest corporate investment since its inception and makes FHL a key player in Fiji's tourism sector. The deal was structured in a manner that allows FHL to maintain the management expertise in the business with the gradual process of handover to locally-appointed management over the next few years.
- The finalisation of the acquisition of Yasana Holdings Limited (YHL) in March 2013. YHL, now known as FHL Media Limited, is the majority shareholder of Fiji Television Limited (FTV), the leading media entertainment business in the South Pacific. FTV is the provider of free-to-air through Fiji One and pay TV services through Sky Pacific in the South Pacific.
- The settlement of the loan owed by iTaukei Affairs Board (iTAB) to FHL. iTAB was able to settle the loan from the sales proceeds of YHL. The settlement of the loan, whilst affecting FHL income on the short term, has provided stability to further broaden its investment portfolio.
- The continuous training and upgrading of all Group Directors skills and knowledge. The training focusses on the roles of Directors under the proposed new Companies Decree, risk management, outlook for different FHL group companies, corporate governance and special training provided by the Australian Institute of Company Directors.
- The finalisation of a way forward for Pasifika Holdings Limited (PHL), the only directly foreign-based subsidiary of FHL. PHL being based at PNG has again delivered an operating loss for this year but the Board is confident with the new directive set in place, which includes acquisition of land and appropriate equipment to assist in achieving a positive financial result from FY14.
- The appointment of Nouzab Fareed as the substantive FHL Group Chief Executive Officer early this year. Fareed has been acting in the position for 27 months and the Board feels that he has the necessary skills, ability and knowledge to further drive the Group into the future and continue to deliver results that will benefit FHL shareholders.

Our investment in the construction industry has not met our expectation thus, the Board and Management have resolved to take a conservative approach in the treatment of some of the long outstanding debtors in Basic Industries Limited (BIL) which have resulted in a loss for FY13. Our partners in the construction and cement industry, Holcim NZ are looking to exit the business in Fiji and we will be working closely with them to ensure that the new partners coming into the business have similar strategic views as FHL on the growth and performance of the construction industry as a whole. We are pleased to announce that a local company Vinod Patel Limited (VPL) is the new partner on this venture. Our investment in the wholesale and retail sector continues to grow well given the strong performance of RB Patel Group Limited in FY13. In the financial sector, Merchant Finance delivered strong results, maintaining their position as one of the highest contributors of pre-tax profits for the Group in FY13. Despite the hurricane in early 2013 our investment in the tourism industry continued to deliver positive results with the remaining sectors also performing in line with FHL's expectation.

- Na vakacavari ni veivosaki ni kena voli vakadua na South Sea Cruises Limited (SSC). Na kena tauri na kabani qoka e qai dua na vakatubuilavo levu duadua ki na Kabani Cokovata na FHL me vakatekivu mai na gauna e tauyavu kina ka na vukea na FHL me vakalevutaka talega na nona tabana ni veiqaravi ni bisinisi ni saravanua. Na veisolisoli oqo e solia na galala ki na FHL me taura tiko na kila ni veiliutaki ena bisinisi ka na qai soli vakamalua ki na dua na veiliutaki digitaki e ke ena loma ni vica na yabaki mai oqo.
- Na vakacavari ni cakacaka ni tauri mai ni Yasana Holdings Ltd (YHL) ena vula o Maji ni 2013. Na YHL, ka sa kilai ena gauna qo me FHL Media Limited, e vaka sea levu taudua e na Fiji Television Limited, na bisinisi ni retio yaloyalo levu duadua e Viti ka dau vakarautaka na veiqaravi ni sara i yaloyalo wale ka sega ni saumi (free-to-air) kei na sara i yaloyalo ka dau saumi (pay TV) ena wasa Pasifika.
- Na nona sa qai sauma lesu mai na dinau na Tabacakacaka ni iTaukei ka se solia na FHL ena 2010. E sa qai sauma rawa mai na dinau qo na iTAB ni oti na kena volitaki na YHL. Na kena saumi lesu mai na dinau oqo e a yavalata vakalailai na rawaka ni kabani ia e sa bau solia toka mada ga e dua na veivakadeitaki me rawa ni vakarabailevutaka na nona yalava ni vakatubuilavo na kabani.
- Na tomani tiko ni nodra vuli kei na vakavinakinakataki cake ni nodra kila vakacakacaka na Daireketa ni vei kabani cokovata. E vakanamata na vuli ena nodra i tavi na Daireketa ena ruku ni lawa vou na "Companies Decree, ririko ni veiliutaki, nodra dui rai na kabani cokovata ni FHL, Corporate Governance kei na vuli e solia na Australian Institute of Company Directors.
- Na kena vakacavari na gaunisala ni toso ki liu me baleta na Pasifika Holdings Limited (PHL), na kabani cokovata taudua ga ni FHL ka tiko mai na taudaku kei Viti. Na PHL ka tiko mai Papua New Guinea e se baci sega tale ni vinaka na veika e rawata ni raici oti taucoko na veika e baleta na nodratou veiqaravi ena loma ni yabaki qoka ia e sa dei tu na nodratou vakanuinui na lewe ni Matabose ki na i tuvatuva vou ni veiqaravi e ratou sa tuva oti tu, ka wili kina na kena voli e dua na tiki ni qele kei na vei yaya tale e so ni cakacaka, ni na veivuke sara vakalevu ki na nona na rawaka vinaka na kabani ena yabaki vakailavo vou ni 2014.
- Na nona mai vakadeitaki o Nouzab Fareed ena i tutu vaka Chief Executive Officer ni kabani cokovata ni FHL ena i tekivu ni yabaki qo. E a taura tiko mai vakawawa o Fareed na i tutu qoka ena loma ni 27 na vula ka sa nanuma kina na Matabose ni sa tiko vua na vakarau, na i vukivuki kei na kila me na rawa ni cicivaki vinaka tiko kina na Kabani Cokovata e na vei gauna e sa tu oqo e matada na tomana tiko ga na nona rawaka vinaka na kabani ka me ra na qai vakila talega na i taukei ni sea.

Na neitou vakatubuilavo ena tabana ni tara vale e sega ni sota kei na ka keitou namaka, koya gona na mata bose ni veiliutaki e sa vakadonuya me ra kakua ni veisautaki na i vakarau ni nodra qaravi eso era sa dau dinau tu mai vakabalavu ena Basic Industries Limited (BIL), ka vakavuna me sa mai lusi ena yabaki vakailavo ni 2013. Na neitou i tokani ena tabana ni tara vale kei na buli simeede, Holcim NZ sa nanuma tiko me sa biuta na bisinisi e Viti ka laki cakacaka vakavoleka vata kei iratou me raica ni o ira nai tokani vou ka ra curu mai ena bisinisi e tautauvata na nodra i tuvatuva ni cakacaka kei na FHL ena tubu kei na cakacaka ni tara vale. Ena vakaraitaki raraba e dua nai

Financial Results

FHL Group's consolidated income for the period reached \$ 233million reflecting a growth of 27% compared to the previous year whereas consolidated pre-tax profit amounted to \$18.16million compared to \$16.60million reported in the previous year. The holding company has recorded a pre-tax profit of \$9.8 million, a growth of 5% from the previous year. Total Assets of the group has grown by 32% to reach \$475million, while group investment portfolio stands at \$ 210million. Shareholders Equity grew by 15% to reach \$ 202million.

Dividends

This is the first year in FHL's corporate history that both classes of shareholders will be paid equal dividend rates. Moving forward, any review of dividend payout will affect both classes of shares equally.

Both A-Class and B-Class shareholders will receive 20 cents per share annually with a total payout of \$ 3.046 million as interim dividend for FY13. To date, FHL has paid close to \$80 million in dividends to its shareholders since inception.

Share Price

During the year, the price of FHL share increased from \$2.78 to \$3.10 as of 30th June 2013. The FHL shares continues to be the most actively traded stock on the market through the South Pacific Stock Exchange. The increase in share price is a reflection of shareholder confidence in the direction of FHL Group into the future.

Governance

During the year, the Board has thoroughly reviewed and adopted the revised Corporate Governance Statement to reflect the increasing attention to disclosure requirements. The revised statement should result in transparency in reporting and best practice in corporate governance moving forward.

The most important aspect of my role is to ensure that the FHL Group and Group Companies Board Directors have the right balance of skills, expertise and attributes to ensure constructive decisions on important issues and maintain an ethical approach on the way the Board makes its decision.

The provision of the right information at the right time is key to making an effective Board decision. The FHL Board will work closely with all FHL subsidiary Companies Board and Management to ensure that an appropriate framework is in place to allow our Group Managers to grow their business into the future.

Future

From an FHL Group Board's perspective, the key risks remain in the identification and retention of world class people in the Group. Given our two major acquisitions in FY13, the FHL Board will be focused on ensuring that all Group Companies, Board Directors, and Management provide the appropriate platform for up-skilling of its workforce at all levels.

tukutuku ni bera ni cava na yabaki 2013 baleta na veitokani vou. Na neitou vakatubuilavo ena tabana ni volivolitaki umauma kei na tabana ni volivolitaki ena sitoa e bula vinaka tiko ni raici na rawaka uasivi a rawata o RB Patel Limited ena yabaki vakailavo ni 2013. Dina ni liwa na cagi laba ena i tekivu ni yabaki 2013, na neitou vakatubu i lavo ena tabana ni sara vanua e toso vinaka tiko ka tiko na tubu ena so tale na tabana era toso vinaka me vaka na nanamaki ni FHL.

Macala Ni Rawa Ka Vaka I Lavo

Na i lavo bula curu mai ni FHL Group baleta na yabaki e \$233 na milioni na dola e vakaraitaka e dua na tubu e 27% ni raici vata kei na yabaki yani e liu, ia na tubu ni kabani cokovata ni se bera ni musu nai vakacavacava e kena levu e \$18.6 milioni na dola ni raici vata kei na \$16.60 na milioni na dola ka a vakaraitaki ena yabaki yani e liu. Na kabani cokovata a rawata na tubu ni bera ni musu nai vakacavacava e \$9.8 na milioni na dola ka tubu ena 5% mai na yabaki yani e liu. Na levu ni yau bula taukeni ni kabani cokovata a tubu cake ena 32% me yacova na \$475 na milioni na dola ia na vakatubu i lavo ni kabani cokovata e tu ena \$210 milioni na dola. A tubu na nodra i lavo bula nai taukei ni sea ena 15% me yacova na \$202 na milioni na dola.

Na Tubu Me Wasei

Oqo na i matai ni yabaki ena i tukutuku ni kabani cokovata ni FHL ka na saumi vaka tautauvata kina na kabani e rua ni taukei ni sea. Mai muri ke dua na dikevi Iesu ni saumi ni tubu me wasei ena tara vakatautauvata na kalasi ni sea ruarua.

Na Kalasi-A kei na Kalasi-B ruarua ni taukei ni sea ena taura e 20 na sede ena dua na sea ena veiyabaki ka levu ni lavo me saumi tani e kena levu e \$3.046 na milioni na dola ka dua na i wase ni i lavo me wasei baleta na yabaki vakailavo ni 2013. Yacova mai na gauna oqo esa sauma oti na FHL e volemata ni \$80 na milioni na dola na tubu me wasei vei ira na i taukei ni sea.

Sauni Sea

Ena loma ni yabaki a tubu na i sauni ni sea ena FHL mai na \$2.78 kina \$3.10 ena ika 30 ni Jiune, 2013. A toso tiko na sea ni FHL me dau voli vaka levu ena makete ena South Pacific Stock Exchange. Na tubu ni sauni sea e vakaraitaka na nodra nuidei na i taukei ni sea kina FHL Group ena gauna mai muri.

Veiliutaki

Ena loma ni yabaki, a sa vakayacora na matabose na kena raici Iesu vakavinaka ka ciqomi na Corporate Governance Statement me vakaraitaka na kena bibi ni vakaraitaki raraba na veika e vinakati. Na i tukutuku sa dikevi Iesu e na vakaraitaka na kena dau vakamatatataki nai tukutuku kei na nai vakarau ni cicivaki ni kabani cokovata ni toso tiko ki liu.

Na tikina bibi ni noqu i tutu meu vakadeitaka ni tu vei ira na Daireketa ni Kabani kei na kabani cokovata, na wasei vakatautauvata ni kila, na kena dau ni kila kei na i vakarau e dau vinakati me rawa kina ni vakatauca na matabose na lewa e dodonu ka savasava ena veika dau veivosakitaki.

The future, of one of our wholly owned subsidiaries, FHL Logistics Limited is bleak and the Board is taking appropriate step to ensure that the company is on a good financial base before making hard decision to make the company profitable in future.

The FHL Group future results will be positive if we continue to maintain the discipline of controlling the growth of operating expenses whilst at the same time ensuring growth in Group Revenue.

FHL as an investment company, will continue to monitor the business environment and will make a decision to acquire any worthwhile investment if the right opportunity arises in the South Pacific. Based on the current projections for economic growth in PNG, FHL will also be looking at strengthening our presence in PNG. Based on the current projections for economic growth in PNG, FHL will also be looking at strengthening our presence in PNG. We will also continue to strategically monitor the performance of our subsidiaries to ensure they deliver on FHL's expectation.

The Board believes the FHL Group growth into the future is intrinsically linked with the growth of our people. We will continue to encourage diversity in our people and put in place a proper framework to maintain a performance driven culture which will ensure that our shareholders expectations for FHL will continue to be met.

From the Fijian Holdings Limited's perspective, we want to ensure our shareholders which are the iTaukei of Fiji that their aspirations for commercial activities are improved. The iTaukei own almost 90% of the land in Fiji. Through business relationship with Fijian Holdings Group, we hope to change their mind set in using their land for commercial purposes and FHL would like to venture further in future into agricultural economic activities. Further to this, we would like to train the directors of provincial companies together with our own directors on the sustainability of business and risk management.

FHL Group would also like to improve further on our corporate social responsibility.

Acknowledgement

I acknowledge the contribution of all FHL Group staff for delivering another financial success for FY13 despite the challenging environment. I also thank all our Group Directors for their part in ensuring this delivery of the financial results.

On a special note, I would like to thank the FHL Executive Management Team on their support and hard work during the Financial Year. This gratitude is extended to my fellow Board Directors for their contribution, expertise and feedback on the many challenges faced by FHL during the year.

I wish you well for the upcoming festive season and may God continue to bless Fijian Holdings Limited.



Iowane Naiveli
Chairman
Liuliu ni Matabose

Na bibi ni kena dau Vakaraotaki

Na i tukutuku dodonu ena gauna dodonu e bibi ki na Matabose me tauca na lewa matau. Ena cakacaka vakavoleka na Matabose ni FHL kei ira na Matabose ni kabani cokovata kei ira na manidia veiliutaki me rawa ni tu vinaka me qai solia vei ira na noda Manidia veiliutaki ena kabani cokovata me ra vakatubura na nodra bisinisi ki na veigauna mai muri.

Gauna Mai Muri

Mai na rai ni Matabose ni kabani cokovata, na ririko levu e tiko ena kena kilai ka mararoi o ira na tamata vivinaka ena kena i vakatagedegede e vuravura ena kabani cokovata. Ni raici e rua na kabani ena yabaki vakailavo 2013, sa na tekivu vakadikvea na matabose veiliutaki na raici ni kabani cokovata, lewe ni matabose kei na Veiliutaki na soli ni dua na i vakarau ni nodra tuberi cake na nodra kila na tamata cakacaka ena veitabana kece.

Ni da sasaga ki liu e dua na noda taba ni kabani na FHL Logistics Limited (FHLL) e sa malumalumu ka ra nanumi me sa kauvaki e dua na ka ni bera na Bose Vakayabaki (AGM) ni kabani me baleta na nona siga ni mataka.

E na uasivi na veika ena rawata na FHL ena gauna mai muri kevaka eda tomata tiko na i vakarau vinaka ni kena qarauti na tubu ni sau ni cicivaki bisinisi ka vakaduitaki na tubu ni lavo e rawata na kabani cokovata.

Ena tomata tiko na FHL, na kabani ni vakatubuilavo me wanonova na draki ni veivoli ka na vakataulewa me tauri tale eso na vakatubuilavo vinaka kevaka e dua e laurai ena Pasifika. Keitou na tomata tiko me dikevi vakamatau na nodra cakacaka na veitaba ni kabani me rawa ni ra rawata na veika e namaka na FHL vei ira.

E vakabauta na Matabose ni tubu ni kabani cokovata ena veigauna mai muri ena vakatale e na tubu ni nodratou tamata. Keitou na tomata ka vakakauwataka na duidui ni tamata ena keda maliwa ka navuca e dua na i tuvatuva me dei na i vakarau ni cakacaka ka ni na vakaduitaka vei ira na i taukei ni sea na vakanuinui ni na rawata vei ira na FHL na veika era vinakata.

Vakavinavinaka

Au vakavinavinakataka na nodra cau o ira na vakailiesili ni FHL Group ena nodra rawata e dua tale na i tutu ni lavo uasivi baleta na yabaki vakailavo ni 2013, dina ni veibolei na kena draki. Au vakavinavinakataka ira talega na noda Daireketa Veiliutaki ena loma ni kabani cokovata ena nodra rawata e dua vei keda na macala ni tukutuku ni lavo.

Bibi vei au meu vakavinavinakataka ira na FHL Executive Management Team ena nodra veitokoni kei na cakacaka vinaka ena loma ni yabaki vakailavo. Na vakamolimoli qo e baleti ira na noqu Board of Directors ena vuku ni nodra cau, kila, kei na vakasavu i tukutuku ena vuqa na dredre e sotava na FHL ena loma ni yabaki.

Mo ni kalougata taucoko ena gauna ni marau sa tu e matada ka me vakalougataki kemuni na Kalou ka vakakalougataka talega na Fijian Holdings Limited.

Group CEO's Report

Tukutuku Ni Kabani Cokovata



Nouzab Fareed

The integrated nature of the Report epitomises the Group's recognition of, and continued aspiration towards, the social, economic and financial responsibilities which are fundamental to a viable and well-governed entity.

I am pleased to present the Annual Report and the Statement of Accounts for the Financial Year ended 30th June 2013. The integrated nature of the Report epitomises the Group's recognition of, and continued aspiration towards, the social, economic and financial responsibilities which are fundamental to a viable and well-governed entity. Our inherently progressive attitude ensures that our search for growth is continuous, our approach is socially responsible and our pursuit of improvement is relentless. I believe it is this progressive mind-set that has enabled the Group to continuously create value for all its stakeholders.

Your company has had a year of mixed fortunes with challenges and pressures that have tested our strength and our ability to adopt, combined with fresh opportunities and prospects that excites us about the road ahead. Throughout these opportunities and challenges, the FHL passion for excellence has stood us in good stead prompting us to achieve excellence in everything we do. It is this passion that defines our people and the way our businesses are run; that drives our strategies and our commitment to being a good corporate citizen.

E ka ni marau vei au meu solia yani vei kemuni na i Tukutuku Vakayabaki kei na i Tukutuku ni lavo baleta na yabaki vakailavo ka cava ena 30 ni Jiune 2013. Na i tukutuku cokovata ni veikabani sa i vakaraitaki ni nona kawaitaka na kabani na tomani ni yalo ni veiqaravi baleti ira na tamata, na bula vakailavo kei na i tavi ni lavo era bibi taucoko ena qaravi vinaka ni dua na ka e tu vakaikoya. Na yalo ni toso ki liu e tu veikeda e vakaduitaka na toso tiko ni sasaga ni vakasaqara tubu, na sala e da muria era ciqoma na tamata kei na noda vakasaqara na vinaka e sega ni cegu rawa. Au sa vakabauta ni sa i koya na vakasama ni rai ki liu va qo me tomana tiko na nona vakasaqara na tubu me baleti ira era veiqaravi kina.

A sotava na nomuni kabani e dua na yabaki veilecayaki na veika a rawa kina wili kina na bolebole kei na nuiqawaqawa ka a vakatovolea na noda kaukauwa kei na sasaga me ciqomi, okati kina eso na veika vouvou ka marautaka ni da toso tiko ki liu. E gadreva tikoqa na FHL ena loma ni veika vinaka kei na bolebole e sotava me rawata kina veika vivinaka ena veika taucoko e vakayacora ka vakaraitaka veikemami me kemami tovolea na veika vinaka ena veika taucoko keimami vakayacora. Na yalo ni sasaga qo e vakaraitaki ira na neitou tamata cakacaka kei na i vakarau ni cicivaki ni neitou bisinisi ka cakacakata na neitou i tuvatuva kei na veiqaravi me rawa ni keitou tamata vinaka ni veiqaravi.

For the financial year ended 30th June 2013, Group profit before tax (PBT) was \$18.16million, this being a 9% increase over the PBT of \$16.60million recorded in the previous year. Consolidated revenue of the group has risen from \$183million in 2012 to \$233million in 2013, reflecting a 27% growth. This was the result of a successful acquisition strategy adopted during the year. It's also important to note that there is an increase in intra-group revenue or business within the group. For the financial year, the intra-group revenue amounted to \$69million including dividend payment to the holding company.

The share price of FHL has moved from \$2.78 per share on 30th June 2012 to \$3.10 per share after 12 months. This is a reflection of investor confidence in the company and with the proposed strategy of overall consolidation, the share would be attractive for a long-term hold with an above-the-market dividend yield.

In terms of revenue segments, retails continue to be vibrant with a total contribution of 34% of FHL group consolidated revenue followed by Media with 14%. Restructuring of FHL Media Ltd (Formerly known as Yasana Holdings Ltd) resulted in a contribution of 24% to the overall pre-tax earnings of the group. Both buildings and construction sectors together made negative returns.

In reviewing the portfolio of the Group, it is observed that the reliance on a few industries has reduced drastically. With the acquisition of South Sea Cruises Ltd, tourism has gained the top position within FHL's investment portfolio with 29% followed by Financial Services which accounts for 20% of the portfolio. Retail accounts for 14% whereas Media has gained 12% of the portfolio, which has reached \$210 million as at 30 June 2013.

The financial year will be considered as the most aggressive year in the history of FHL as during the 12 months, FHL invested \$86million in acquisitions, of which \$62.57million was in the acquisition of South Sea Cruises Ltd. The said transaction was the most complex ever carried out by FHL and was totally designed and executed by internal staff. In order to save the 10-year of investments in BLC coupled with its rich heritage, FHL developed a model whereby BLC was sold to South Sea Cruises Ltd (SSC) and after which FHL acquired 100% of SSC. Post-acquisition, business models were adopted to suit the needs of both companies, which led to positive synergies. Acquiring Yasana Holdings Ltd (now known as FHL Media Ltd) was a totally different experience with change management becoming the utmost priority. Aligning FTV group to embrace FHL corporate culture led to overall restructuring of the company thereby providing positive benefits to the shareholders. No doubt the strategy will be the cornerstone of its success to come.

It is heartening to note the good results of both the retail and finance segments. These results can be attributed to a strong focus on improving productivity and efficiency while managing costs. For Merchant Finance, it was lower interest expenses coupled with demand for credit that attributed to 5-year high profits whereas in the case of RB Patel, expansion of the network played an important role.

Among the high achievers, Merchant Finance & Investment Company Ltd (MFIL) and RB Patel Group Ltd (RBG) continued to shine brighter. Even South Sea Cruises Ltd (SSC) would have performed better

Tukutuku ni Liulu ni Kabani Cokovata Group CEO's Report Report

Baleta na yabaki vakailavo ka cava ena Jiune 2013, na tubu ni kabani cokovata ni bera ni musuki na i vakacavacava e \$18.16milioni, qo e tubu ena 9% mai na tubu ni bera ni musu na i vakacavacava e \$16.60 milioni a rawa ena yabaki yani e liu. Lavo taucoko a rawata na kabani cokovata a tubu mai na \$183milioni ena 2012 ki na \$233milioni ena 2013, vakaraitaka na tubu e 27%. Qo e dua na ka a rawa ena uasivi ni kena vinaka na i vakarau ni tauri mai ni so na bisinisi a vakayacori ena loma ni yabaki. E bibi talega me raici ni sa rui toro cake nodra rawa i lavo ena kabani veicurumaki se bisinisi ena loma ni kabani cokovata. Me baleta na yabaki vakai lavo, na i lavo e rawa mai ena nodra cakacaka veicurumaki na kabani e kena levu \$69 milioni okati kina na tubu e saumi ki na kabani e nona.

Na i sau ni sea ena FHL sa toso mai na \$2.78 dua na sea ena 30 Jiune 2012 ki na \$3.10 dua na sea ni oti e 12 na vula. Qo na i vakaraitaki ni nodra vakabauta na kabani na dauvakatubuilavo kei na i vakarau vou ni kedra vakaduiduitaka, ka taleitaki na sea ena gauna balavu e tauri tiko kina kei na tubu ni makete me wasei.

Baleta na i wasewase ni lavo bula, e toso kaukauwa tiko na volivolitaki ka rawata e 34% ni lavo e taukeni vata ena FHL kabani cokovata ka tarava mai na FHL Media e 14%. Na tuvani tale vakavinaka ni FHL Media (Yasana Holdings Ltd e liu) e rawa mai kuria e 24% ki na veika e rawa ni bera ni musu na i vakacavacava ni kabani cokovata. Rau sega ni rawa tubu ruarua na tabana ni Taravale kei Cakacaka raraba ni matai.

Ni vakadiveki tale na cakacaka ni vakatubui lavo ni kabani cokovata, e laurai ni sa lutu sobu na vakanuini kina vica walega na tabana ni cakacaka. Na kena sa voli na South Sea Cruises Ltd, sa tu i cake na i tutu ni lavo e rawa mai na saravanua ena tabana ni vakatubuilavo ni FHL ena 29% ka tarava na Financial Services ka kena levu e 20% ena vakatubuilavo. Na volivolitaki e rawata e 14%, ia na vakau i tukutuku e rawata e 12% ni tabana ni vakatubuilavo, ka sa yacova kina na \$210 milioni ena 30 Jiune 2013.

Sa na okati na yabaki vakailavo ni sa yabaki ni toso kaukauwa ni veiqaravi ena i tukutuku ni FHL ena loma ni 12 na vula, e vakatubuilavo na FHL ena 86 na milioni ena volivoli ena sea. E \$62.57 milioni e voli sea e na South Sea Cruises Ltd. Na cakacaka ni veivoli qo sa dua na kena ka verevevea taudua ka vakayacora na FHL ka ni ra qarava na kena cakacaka o ira na neitou vakaillesilesi. Me rawa ni bula na 10 na yabaki ni vakatubuilavo ena BLC okati kina na vtunuiyau dau rawa mai kina, sa qai bulia na FHL e dua na i vakarau oya me volitaki na BLC kin a South Sea Cruises Ltd (SSC), ni oti oya FHL qai taura mai e 100% ni SSC. Na i vakarau ni bisinisi e vakayagataki a vakayacori me sota kei na gagadre ni kabani ruarua me rau cici vinaka. Na kena tauri na Yasana Holdings Ltd kilai ena gauna qo me FHL Media Limited a duatani saraqa na kena vakasama ka vakabibitaki kina na veisau ni veiliutaki. Biuvata na FTV Group me vakaduitaka na FHL kei na kena i vakarau ni veiqaravi sa rawa kina me veisautaka taucoko me rawa tubu vinaka veiira na Taukeni sea. Sa macala ni tuvatuva qo sa na i vakadei ni veika vinaka mai muri.

Sa veivakayaloqataki me vakilai na veika uasivi a rawa ena volivolitaki kei na tabana ni lavo, e vakuria na veika vinaka a rawa ena sasaga me vakalevutaki n aka e rawa kei na tubu me rawa ka lewai vinaka na kena i sau ni veiqaravi. Ena Merchant Finance, na lutu ni lavo e vakayagataki kei na gadreva vakalevu ni dinau e vakavuna na tubu ni lavo levu ena 5 na yabaki, ia o RB Patel na vakalevutaki ni nona veitabana sa veivuke sa veivuke vakalevu.

Tukutuku ni Liuliu ni Kabani Cokovata Group CEO's Report Report

I thank the Board for their steady vision and the support they have extended to lead the Fijian Holdings Group through challenging times, while in its culture and passion for excellence. I thank each and every member of Fijian Holdings Group for their contribution and commitment towards our vision and goals. Their sense of accountability, their professionalism and their passion will hold the Group in good stead in the future

I am honored by the trust placed in myself and my team by our shareholders and wish to emphasise that we are committed to building value for your investments. A special thanks for our shareholders, who have always shown faith in the company and its management. It is your confidence that drives us forward to achieve success, thereby ensuring that your interests are secured. Thus, your continued support and cooperation is greatly appreciated.

ni kabani ena nodra veitokoni ena loma ni yabaki. Sega ni da vakatitiqataka ni yabaki e tu e matada ena kauta mai na bolebole vakavu mai na leqa ena taudaku ni bisinisi, au nuidei ni noda vakasama ni toso ki liu ena vukei keda me da sotava na vei bolebole e yaco mai ena noda sasaga ni rawata tiko na i naki ni kabani. Me'u na tinia, au vakavinavakataka na i Liuliu ni Matabose ni Daireketa ena nodra veivakasalataki kei na veitokoni ena loma ni yabaki sa oti.

Au vakavinavakataka na matabose ena uasivi ni nodratou rai kei na veitokoni e ratou solia ena liutaki ni Fijian Holdings Group ena gauna dredre, ka vakadeitaki na kena i tuvaki ni cakacaka vinaka. Au vakavinavakataka ira vaka yadua na lewe ni Fijian Holdings Group ena nodra cau kei na veiyalayalati kina neitou rai kei na veika me rawa. Na nodra rai ni qaravi ni cakacaka kei na muri ni vakarau ni cakacaka kei na nodra taleitaka ena dei tiko kina na kabani cokovata ena vei gauna mai muri.

Au doka na veivakabauti era vakataqara vei au kei na noqu timi o ira na i taukei ni sea ka gadreva me'u vakabibitaka ni keimami na soli keimami ena buli cake ni tovo ni bula ni kabani baleta na nomuni vakatubuilavo. Vakavinavakataka levu vei ira na i taukeini sea ena nodra dau vakaraitaka na nodra veivakabauti ena kabani kei na kena veiliutaki, na nomuni yalo dei e vukei keimami me keimami rawata na ka o ni vinakata. Na nomuni veitokoni kei na dua vata e vakavinavakataka vakalevu.



Nouzab Fareed
Group CEO
Liuliu ni Kabani Cokovata

Operational Report
of Subsidiary Companies
Tukutuku Mai Vei
Ira na Veikabani Cokovata



Total Assets of the group has grown by 32% to reach \$475 million, while group investment portfolio stands at \$210 million.



Basic Industries Limited

Fijian Holding's Shareholding: 51.10 %

FY13 was an adverse year for Basic Industries Limited, with a total Revenue of \$34.5million, out of which BIL suffered an operating loss of \$2.30 million and loss before income tax of \$2.80 million mainly attributed to the provision of major debtors of BIL. Market conditions in FY14 are however forecasted to be more favorable than last year. An expected increase in demand for our existing products (i.e. ready-mix concrete, concrete blocks and pavers, crushed aggregates and road-base materials, precast and pre-stressed concrete products and concrete pipes) and the introduction of our new agriculture product: Aglime, should see a favorable result realised in FY14.



FHL Properties Limited

Formerly "Fijian Property Trust Company Limited"

Fijian Holding's Shareholding: 100%

The property market in the Central Business District continues to remain competitive with a number of office vacancies available therefore resulting in property owners reducing rental rates and offering more facilities to maintain occupancy. During the year, FHL managed to maintain an acceptable level of occupancy throughout all its property portfolio comprising of Ratu Sukuna House, Vanua House, Blue Lagoon Cruises Building and Ra Marama.

The 2013 financial year saw FHL record a net profit after tax of \$440,069 just slightly above the \$418,767 recorded in the last financial year. Although the FHL portfolio has grown in terms of the number of buildings, FHL has had to borrow for these acquisitions which has contributed to an increase

During the financial year, the company:

- Effected a name change from "Fijian Property Trust Company Limited" to "FHL Properties Limited".
- Paid a special dividend from retained earnings which was converted to ordinary shares totaling \$2.1m which is expected to be effected in the 2014 financial year;
- Acquired the new FHL Properties Ltd Building on 41 Gladstone Road and moved its operations there.

The 2014 financial year is expected to be very challenging for FHL with the current property market and has devised new strategies and business model to ensure it continues to meet its shareholders and tenants expectations.



Basic Industries Limited

Wase ni sea ena kabani qo ka taukena na FHL: 51.10 %

Na yabaki vakailavo 2013 e a sega soti ni yabaki vinaka vei na Basic Industries Limited, ka rawata kina e \$34.5 na milioni na dola na i lavo bula ka vakalusia e \$2.30 na milioni ena i sau ni veiqaravi, lutu talega na veika e rawa ni bera ni musu na i vakacavacava me laki yacova na \$2.8 na milioni na dola ka vakavu mai na kena tubu nai wiliwili ni dau volivoli vaka dinau ena loma ni kabani. Ia, e sa nanumi tiko ni veika era sa tuvatuva taki tu me baleta na yabaki vakailavo ni 2014, e ra sa na vinaka cake sara mai na veika era sotavi ena yabaki vakailavo sa oti yani. Sa tu na vakanuinui ni na tubu na gagadre ni kena voli na neitou i voli (simele uli rawa, buloko simele, vatu qaqi, vaivo simele kei na so tale na i yaya buli) kei na kena tavoci na neitou i voli vou ka me vakatabakidua vei ira na dau teitei ka vakatokai na Aglime, ena kauta mai na i tukutuku vinaka ena veika vakailavo e sa lalawa taki tu me na rawata na kabani.



FHL Properties Limited

Yacana e liu "Fijian Property Trust Company Limited"

Wase ni sea ena kabani qo ka taukena na FHL:100%

E tomana tiko na Property market ena Central Business District na sasaga ena vuku ni kena sega ni tawa tu eso na rumu ni vale ni volavola ka vakavuna me ra lutu e ra nai sau ni rede, ka soli e vuqa na veivuke me rawa ni tawani tiko kina na vale. E na loma ni yabaki, a rawata na FHL me tomana na tawani na kedra veirumu lala ena nona veivale keke ka okati kina na Ratu Sukuna House, Vanua House, Blue Lagoon Cruises Building kei na Ra Marama.

A rawata na FHL ena 2013 na tubu ni musu oti nai vakacavacava e \$440,069 sivia toka vakalailai i cake na \$418,767 a rawa ena yabaki vakailavo sa oti. E dina ni sa tubu cake na levu ni veivoli ni FHL, a kere dinau me baleta na kedra tauri ka vakavuna na kedra tubu cake.

Ena loma ni yabaki vakailavo, na kabani:

- A veisautaka kina na yaca mai na "Fijian Property Trust Company Limited" ki na "FHL Properties Limited".
- A sauma e dua na tubu me wasei mai na i lavo e maroroi tu ka qai veisautaka ki na sea ka kena levu e \$2.1m ka nanumi tiko me qai vakayacori qo ena yabaki vakailavo ni 2014;
- A taura mai na vale vou na FHL Properties Ltd Building ena 41 Gladstone Road ka toki me laki veiqaravi kina.

E sa nuitaki ni yabaki vakailavo ni 2014 ena dua na gauna ni bolebole kin a FHL ena makete ni volitaki vale ena gauna qo, ka sa bulia e so na i tuvatuva vou kei na i vukivuki ni caka bisinisi me rawa ni tomana tiko na sotavi ni veika ena gadreva na i taukei ni sea kei ira era saumi vale.



Fijian Holdings Trust Management Limited

Fijian Holding's Shareholding: 100 %

Fijian Holdings Trust Management Limited (FHTML), the fund manager for Fijian Holdings Unit Trust (FHUT), recorded a total revenue of \$1.171million which is an increase of 13% compared to FY 12 results. Net profit after tax was \$0.251million compared to \$0.145million in FY12 which was 73% more. The strong revenue growth was due to the very robust sales and increase in the portfolio value for FHUT which was 45% and 18% higher compared to FY 12 respectfully.

Since its inception in 2001, FHTML has paid out a total dividend of \$1.4million. The challenge moving forward is to maintain our positive performance and further improve the results hence increase by 50% of our sales target.



FHL Stockbrokers Limited

Formerly "FHL Securities Limited"

Fijian Holding's Shareholding: 100 %

The change in business model in the last financial year proved a success with FHL recording a PBT of \$82,938 which is a significant improvement compared to a loss of \$30,978 in the FY12. The 2013 financial year also saw the effect of the name change in FHL and three permanent staff for the Company. The positive performance was attributed to the increase in brokerage income earned during the year together with other new sources of consistent income to FHL throughout the year from aggressive marketing and increased awareness of FHL Stockbrokers Limited.

As at 30 June 2013, the retained earnings of the company was positive \$18,457 compared to a negative \$64,481 for the same period last year. The 2014 financial year is expected to be another challenging one for the company, however, FHL has established itself well in the market and has the right business model to make the year another positive one.



Fijian Holdings Trust Management Limited

Wase ni sea ena kabani qo ka taukena na FHL: 100 %

Na Fijian Holdings Trust Management Limited (FHTML) e manidia ni kato ni yau ni Fijian Holdings Unit Trust (FHUT) ea rawata na i lavo bula e \$1.17 na milioni, ka tubu mai ena 13% ni raici vata kei na veika e rawati ena yabaki vaka i lavo ni 2012. Na tubu taucoko e qai rawa ni sa musu oti na i vakacavacava, e \$0.25 na milioni ni raici vata kei na \$0.15 na milioni ena yabaki vaka i lavo ni 2012. Na kena toso cake na tubu ni lavo bula a vakavu mai na kaukauwa ni volivolitaki ka tubu ena 45% kei na tubu ni kato ni yau ni FHUT ena 18% ni rau vakatauvatani kei yabaki vaka i lavo ni 2012.

Na levu taucoko ni tubu me wasei e sa mai sauma rawa na FHTML, ni tekivu mai na kena tauyavu ena 2001 me yacova mai oqo, e rauta ni \$1.40 na milioni. Sa i bolebole ni toso ki liu, o ya me na tomani tikoga na i tutu vinaka ni rawa ka, ka me na tosoi cake talega na i gu ni kena vaqarai na veika e rawa ni rawa tubu vinaka kina na kato ni yau ka me na tubu talega ena 50% na neitou takete ni volivolitaki.



FHL Stockbrokers Limited

Yacana e liu "FHL Securities Limited"

Wase ni sea ena kabani qo ka taukena na FHL: 100 %

Na veisau ni tuvatuva ni veiqaravi ni bisinisi ena yabaki vakailavo sa oti a vakavuna me rawata na FHL me tekia e dua nai sausu PBT ena \$82,938 ka vinaka sara ni raici vata kei na lusi e \$30,978 ena FY12. Na veisau ni yaca ena FY2013 a raica na FHL na kena yaga ena tolu na vakalesilesi tudei e ratou curu ena Kabani. E vakavuna na veika uasivi a rawa mai na tubu cake ni lavo curu mai ena vukei ni vakacavacava saumi veira volitaka ka volia na veika e vinakata na kabani ka rawa ena loma ni yabaki bau kina e so tale na i lavo ni yabaki mai na kaukauwa ni volivolitaki kei na kena vakaveikilaitaki vakalevu na FHL Stockbrokers Limited me kilai.

Me yacova na 30 ni Jiune 2013 na i lavo e maroroya tu na kabani e \$18,457 ni raici vata kei na lutu ni lavo \$64,421 ena gauna vata ni yabaki sa oti. E namaki na yabaki vakailavo ni 2014 ena yabaki ni bolebole tale kina na kabani, ia sa vakadeitaki koya na FHL ena makete kei na i vakarau dodonu ni bisinisi me rawa tale kina e dua na yabaki vinaka.

Tukutuku mai vei ira na Veikabani Cokovata Operational Report of Subsidiary Companies

Tukutuku mai vei ira na Veikabani Cokovata Operational Report of Subsidiary Companies



Fiji Television Limited

Fijian Holding's Shareholding: 56.30%

Fiji TV's 2013 financial year has indeed been a challenging one, as in the midst of all domestic and global economic challenges, the company continues to perform remarkably.

Business is largely driven by "KEY CONTENT" and amidst from this financial year was a major sporting content. This is evident in the NPAT of \$3.60million that Fiji TV recorded for FY 2012/13 compared to NPAT of 2011/12 which recorded \$4.22million. The 15% difference was largely attributed to the Rugby World Cup 2011.

A lot of positive changes have since occurred at the Executive and Management level at Fiji TV. The new management line – up have been tasked to grow shareholder's value in Fiji and throughout the Pacific and will strive to deliver positive results. As the viewers and subscribers today are technology-savvy, gone are the days where the company merely provided content via television sets. Today, viewers want to view content "Anywhere, Anytime and Everyday". Moving forward, revenue growth will come from – 'Content On Line', and it is envisaged that within the next 24 months, Fiji TV will deliver this to all viewers and subscribers.

On a positive outlook, the Pay TV business, SKY PACIFIC, can now enter into the Pacific's largest country, Papua New Guinea. A population of approximately of \$6.8million, the Pay TV will be the only Content Provider that has the technology capability to deliver content via satellite throughout the entire country. In the new financial year 2014, more channels will be added to the current 17 channels on SKY Pacific and subscribers will have more choices to choose from when surfing the channels and enjoy watching their favourite content "Anywhere, Anytime and Everyday".



Pasifika Holdings Limited

Fijian Holding's Shareholding: 100 %

FY13 was Pasifika Holdings Limited's third full year of operations in PNG concentrating primarily on the supply of ready-mix concrete in the capital city Port Moresby. The company operates a concrete batching plant with seven concrete mixer trucks out of a half-acre block in the suburb of Hohola and imports part of its cement requirements from Fiji. Immediate expansion plans for the company is to diversify into precast concrete products, block manufacturing, quarrying and aggregate crushing. A larger piece of land to accommodate these expansion plans will be acquired in the new financial year.



Fiji Television Limited

Wase ni sea ena kabani qo ka taukena na FHL: 56.30%

Na yabaki vakailavo 2013 ni Fiji TV sa dua na yabaki e bole kina baleta ni donuya na gauna ni veiveisau ni bula vakailavo e viti kei na vuravura ,ia e totoka na veika e rawata tiko na kabani.

E tosoya vakalevu na bisinisi ni kabani na veika lelevu dau yaco ia e yali mai na yabaki vakailavo e dua na qito levu me vakayacori.Qo e laurai vinaka ena NPAT e \$3.60milioni ka rawata na Fiji TV baleta na yabaki vakailavo 2013/2012 ka rawata kina e \$4.22milioni. Na kedrau duidui e 15% a vakavu mai na rugby world cup 2011. E vuqa na veisau vinaka ena vakayacori ena l tutu ni liuliu kei na veiliutaki ena Fiji TV. Sa soli vei ira na veiliutaki ena veta e cake na i tavi me ra vakabula na i tuvaki ni taukei ni sea kei na pasifika ka me tovolea me rawata na tubu.

O ira na dau sarasara ka vakalaiseni nikua e ra sa kila na veika sa yaco tiko, sa oti na gauna ka dau solia tu yani na ulutaga me vakaraitaki e na TV. Nikua, o ira na dausarasara era sa vinakata me ra raica na ulutaga "mai vei, Gauna Cava, Veisiga Ni sa toso tiko na levu ni lavo bula curu mai ena lako mai na "veika e vakaraitaki, sa nanumi ena loma ni 24 na vula ra tu mai, sana rawa me curu na sky pacific ena yanuyanu levu taudua ena Pasifika, o Papua New Guinea. Kena lewenivanua e rauta na 6.8 milioni, na pay tv sa na vakarautaka na veika me saravi (content provider) ni tu vua na kila kei na misini me vakarautaka na veika me saravi ena satellite me tara na vanua taucoko. Ena yabaki vou vakailavo 2014 sa na vakayagataki tale e 17 na channels ena sky pacific ka sana levu na veika era na sarava na dausara TV ka digitaka na veika era via sarava "Mai vei, Gauna cava, Veisiga".



Pasifika Holdings Limited

Wase ni sea ena kabani qo ka taukena na FHL: 100 %

Na yabaki vakailavo ni yabaki 2013 sa i katolu ni yabaki ni nona cici tiko na Pasifika Holdings Limited e PNG ka qarava vakatabakidua na volitaki ni simele qaqi oti ena koro turaga o Port Moresby. E qarava tiko na kabani na uli simele kei na vitu na lori ni vakavodo simele ka tiko ena qele e veimama ni eka na kena levu ena sau ni koro e Hohola ka volia mai eso na tikina e vinakati mai viti ena uli simele. E vinakata vakatotolo na kabani me bulia tale eso na voli vou dau buli ena simele, buloko ni vale, misini ni qaqi vatu kei na vatu ni buli simele. Ena tauri e dua na tiki ni qele levu me qaravi kina na cakacaka levu qo ena yabaki vaka i lavo ka tarava.

Total revenue for Pasifika Holdings Limited in FY12 was Kina 3.39 million compared to FY13 3.6 million, out of which a net loss before income tax of Kina 1.4 million was recorded. This is a major loss in performance when compared with the net loss before tax of Kina 283,164 recorded in FY12, its second year of operations. With the operation expansions planned for the new financial year and the expected jump in market demand following the July general elections, annual revenue and profit for FY14 is budgeted to increase significantly from FY13.

PHL has invested in new machinery purchasing a new front end loader and is currently sourcing for mixer trucks to compensate for the current fleet. There are also staff changes for FY14 to salvage and improve overall performance.



FHL Logistics Limited

Fijian Holding's Shareholding: 100 %

In its third year of operation, FHL recorded a loss of \$1.29million for the year ended 30th June 2013 compared to a loss of \$2.3million for the same period last year. The slight improvement despite the negative result is attributed to a clean-up operation that was aimed at right sizing the company with the overall view of minimising costs and losses overall.

Moving forward, the company will continue to explore opportunities and strategies to improve performance and grow the business.

Na i lavo taucoko e curu mai baleta na Pasifika Holdings Limited ena FY12 e kina 3.39 milioni ni vakatauvatani vata kei na FY13 e 3.6 mai na l lavo oya lusi kina e 1.4 milioni ni bera ni musu na i vakacavacava ni lavo a rawa.qo e dua na lusi levu ena bisinisi ni raici vata kei na lusi ni bera ni musu na na i vakacavacava e kina 283,164 e kilai vakaivola ena FY12 na i ka tolu ni yabaki ni nona veiqaravi. Ni okati vata kei na veicakacaka lelevu sa tuvani oti tu me baleta na yabaki vou vakailavo kei na l tubu ni veika e vinakati ena makete ni oti na veidigidigi levu ena jilui, na i lavo ena rawa e veiyabaki kei na tubu me baleta na FY14 sa tuvani tu me tosoi cake vakalevu mai na FY13.

Sa tekivu vakatubuilavo na PHL ena misini vou ka sa voli e dua na front end loader ka sa vakasaqarai tale na mixer trucks me sosomitaka kina era tu qo. A se so tale na veisau ni tamata cakacaka baleta na FY14 me veta ka vakavinakataka na veiqaravi raraba.



FHL Logistics Limited

Wase ni sea ena kabani qo ka taukena na FHL: 100 %

Ena i katolu ni yabaki ni nona veiqaravi sa vakaraitaki na FHLL na nona lusi e \$1.29 milioni me baleta na yabaki mai cava ena 30 june 2013 ni raici vata kei na dua na lusi \$2.3 milioni e na loma ni gauna vata ena yabaki sa oti. Na uasivi cake vakalailai na ka a rawa kina ni se sega na tubu e vakau mai na kena tomani cake na veiqaravi ena kabana kei na kena raici me vakalailaitaki ni sau ni cakacaka kei na lusi.

Na veiqaravi ni toso tiko, sa nanuma na kabani me vakadikeva na gaunisala kei na i tuvatuva me vakamakataka cake na tubu ni bisinisi.

Tukutuku mai vei ira na Veikabani Cokovata Operational Report of Subsidiary Companies



South Sea Cruises Limited
Fijian Holding's Shareholding: 100%

On 18th July 2012, FHL sold its shareholding in Blue Lagoon Cruises Holdings Ltd to South Sea Cruises Ltd and on the same date, FHL purchased 100% of the shares in South Sea Cruises Ltd.

The initial focus of Management was shifting the BLC operation from Lautoka to Denarau and bringing the management and operation of the business under the existing SSC structure. This restructuring has been completed and has resulted in a decline in operational and administrative overheads for BLC in excess of \$2million. Sales during the current year remained soft due to the limited sales and marketing efforts during the prior years, but a new itinerary will be launched in September 2013 and this will be supported by a major and sustained marketing campaign. It is anticipated that this effort, together with the substantial savings in overheads, will deliver significantly improved financial results for BLC over coming years. With the benefit of a \$4.5million gain on valuation of freehold land, BLC achieved a \$1.875million total comprehensive profit for the year ended 30th June 2013.

During the past financial year, South Sea Cruises Ltd faced significant challenges due to the widespread damage caused by Cyclone Evan in December 2012 throughout the Mamanucas, Yasawa and Nadi areas, which are the geographical operating areas for South Sea Cruises. A total of seven Mamanuca Island Resorts were closed as a result of damage caused by the cyclone, resulting in a very significant reduction in demand for passenger transfers and day cruise products. Services were reduced where possible to minimise operating costs in early January through until the end of March, with full services being resumed from 1 April. Five of the seven resorts still remain closed and only two have firm reopening dates for later in 2013.

The outlook, however, remains positive and the financial results achieved by the company during extremely difficult circumstances are testament to the ability of the business to adapt to adverse market conditions.

Product, service and fleet reviews are ongoing to ensure South Sea Cruises remains the market leader in marine tourism throughout the Mamanuca and Yasawa islands.

South Sea Cruises Ltd achieved total revenue of \$33.8m (\$32.8m in 2012) for year ended 30 June 2013 which resulted in a net profit after tax of \$3.4m (\$4.4m in 2012).



South Sea Cruises Limited
Wase ni sea ena kabani qo ka taukena na FHL: 100%

Ena 18 Jiulai, 2012 e a volitaka kina na FHL na nona sea ena Blue Lagoon Cruises Holdings Limited ki na South Sea Cruises Ltd, ia ena siga vata ga o ya, ea volia kina na FHL e 100% na sea ni South Sea Cruises Ltd.

Na rai ni veiliutaki taumada o ya na kena tokitaki na cicivaki ni BLC mai Lautoka ki Denarau bau kina na kena kau mai na veiliutaki kei na cicivaki ni bisinisi ena ruku ni gacagaca ni veiliutaki ni SSC. Ni mai cava na cakacaka ni veisau, e mai laurai kina na kena lutu na i sau ni cicivaki ni bisinisi ni BLC ena \$2.00 na milioni.

Na volivolitaki ena loma ni yabaki oqo e sega soti ni kaukauwa baleta na lailai ni volivolitaki kei na maketetaki ni i voli ena yabaki sa oti yani, ia na i tuvatuva sa na dolavi ena vula ko Sepiteba, 2013 sa na tokona mai na sasaga kaukauwa ni maketetaki ni kabani. Sa nuitaki ni sasaga oqo e na rawata kina eso na i lavo bula me na cicivaki kina na kabani ka me na solia talega kina e dua na tubu vinaka ki na BLC ena veiyabaki ka tu mai liu ni okati vata na tubu ni lavo e \$1.875 na milioni kei na tubu eso me baleta na yabaki ni mai cava ena i ka 30 ni Jiune 2013.

Ena loma ni yabaki vakailavo sa oti yani, e a sotava kina na South Sea Cruises Ltd e dua nai bolebole levu ena vuku ni vakacaca levu ni cagilaba o Evan ena vula ko Tiseba 2012 ka a tara mai na yatu Mamanuca, Yasawa kei na vanua o Nadi, na vei vanua oqo e veiqaravi tiko kina na South Sea Cruises. E vitu na i tikotiko ni saravanua mai na yanuyanu ena mamanuca era a soqo baleta na vakacaca ni cagilaba, E vakadeitaki na veiqaravi ena so na vanua me musuki sobu kina na i sau ni veiqaravi me tekivu mai na Janueri me yacova na Epereli. E lima mai vei ira na vitu na i tikotiko ni saravanua ra se soqo tiko ka rawa walega me na qai vakadeitaki na kedra tiki ni siga ni dola ni oti na veimama ni yabaki 2013.

E totoka tiko ga na veika e rawa ni qaravi kina na waqa ni usa pasidia me rawa ki na South Sea Cruises me vakadeitaka na nona i tutu e liu ena saravanua e waqa ena yatu Mamanuca kei na yatu Yasawa.

E a rawata na South Sea Cruises Ltd na i lavo e \$33.8 na milioni (\$32.8 na milioni ena 2012) ena yabaki vakailavo ka mai cava ena 30 ni Jiune 2013 ka rawata kina na tubu ni sa musu oti na i vakacavacava e \$3.40 na milioni (\$4.40 na milioni ena 2012).

Report on Associate Companies
and Other Investments
Kedra i Tukutuku na
Kabani Veiwekani



FJD 3.046million was declared as dividend with Class A shareholders receiving FJD 1.046million and Class B shareholders receiving FJD 2.000million, where both classes of shares having a dividend rate of 10 cents per share.



APCO Painting

Fijian Holding's Shareholding: 8.90 %

The construction industry saw a revival in the current year which resulted in a robust growth for the paint market. In a competitive paint market, APCO could still post a 1% market share gain over the previous year thereby further strengthening its position as a market leader. All paint companies were reeling under the pressure of increasing material costs across the world and there was no option but to go for a price increase during the year. At APCO, we are aware of our commitment to customers to offer the best value for paints purchased and we worked very hard to keep the increase to the minimum. Paints under the Commerce Commission regulations were not subjected to any price increase during the year.

This year, saw a major change in the product offerings from APCO. As a market leader, APCO accepted the responsibility of offering paints formulated on latest technology and launched its luxurious and Ultra-premium range of paints under the brand name of "Villa Sunfast" (For exterior) and "Fortuna Silk" for interiors. Villa Sunfast comes with a 15 years of warranty - the only one of its kind in Fiji. These paints are visibly and demonstrably superior to any other paint in Fiji. These products were launched in a glittering ceremony in August 2012. APCO also launched a TV campaign to promote these products with the tag line "Something Special". The ad itself received rave reviews for its conceptualisation and execution. With these products, APCO has raised the bar of paint products in Fiji.

APCO thanks all its customers for their loyal support to the company and urges all the business partners of FHL to partner with APCO in their different projects.



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 South Pacific Region. The company services a wide variety of multi-national and local businesses with state-of-the-art equipment. Golden 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 2012 and also on track to achieve their projected forecast for the current financial year ending, December 2013.



APCO Painting

Wase ni sea ena kabani qo ka taukena na FHL: 8.90%

A vakila na bisinisi ni tarvale na kena tubu cake ena yabaki qo ka rawa me tubu kina na makete ni volitaki i boro. Ena makete ni veiqati ni volitaki i boro, e rawata tiko na APCO na tubu e 10% ena makete ena kena cava yabaki sa oti, ka dei tiko na nona i tutu ni liuliu ni makete. E yavalati ira na veikabani na volitaki i boro e vuravura ka sega kina ni dua na ka e rawa tale ni yaco, me sa vakatuburi na kenai sau ena loma ni yabaki. Keitou vakila na APCO na neitou i tavi vei ira era dau volivoli veikeitou me soli tiko na i sau vinaka e ra vei ira. E na lawa ni sau ni yaya, a ratou sega ni solia na Commerce Commission e dua na tubu ni sau ni i boro ena loma ni yabaki.

E vakila na APCO ena yabaki qo e dua na veisau levu ena i voli e volitaka. Me vaka ni i liuliu ena makete, a vakatautauvata taki koya na APCO me volitaki na i boro ka vakarautaki mai vei ira na kena dau ka volitaki mai na kalasi ni boro e cake sara ena yaca na " Villa Sunfast"(Baleta i Tuba) kei na Fortuna Silk (baleta i loma ni vale). E solia na Villa Sunfast e 15 na yabaki na kena vakadaitaki (warranty) na kena mataqali taudua e tiko i Viti. Na i boro e rua laurai na kedrau duatani na kalasi e cake mai vei ira na i boro tale eso i Viti. O rau na i voli qo rau a vakarautaki me volitaki ena dua na soqo ena Okosita 2012. A tekivutaka na nona vakaraitaki koya na APCO ena TV me kacivaka kina na nona i voli e kenai i vola "Something Special" (Maqa i Viti). Na kena i yaloyalalo ena TV e taleitaki ka vakatubu vakasama. Na i voli e rua qo e laveta cake na APCO na i yalayala cecere ni i boro i Viti.

Vakavinavakataka ira na dau volivoli i boro na APCO ka kerei ira taucoke na nona i tokani vakabisinisi ena FHL me ra veitokoni ena nodra dui tabana.



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 i tutu ni makete liu ni volitaki kateni buli ena pepa e viti kei na South Pacific region. E veiqaravi na kabani kei ira na veikabani lelevu kei na i taukei ni bisinisi e viti ka totoka na mawe ni ligana ena i yaya ni cakacaka vinaka e bulia. Sa vakaukauwataka tiko na Golden na nona i tuvatuva ni veiliutaki, makete ni volivolitaki kei na lavo me rawata ka vakaduitaki ira tiko na nona dauvolivoli. E rawata vakavinaka me rawata na nona i tuvatuva vakailavo ni yabaki 2012 ka donu tiko na sasaga me rawata na i lavo sa lalawataki tu baleta na yabaki vakailavo qo ka cava ena Tiseba 2013.



Goodman Fielder (Fiji) Limited

Fijian Holding's Shareholding: 10% Ordinary, 50% Preference.

Goodman Fielder (Fiji) Limited is one of Fiji's leading food manufacturers, specialising in quality poultry, ice cream, snack foods, stock feed and consumer food products. The company has for many years been proud of its commitment to quality and food safety, underpinning this with its long time held ISO9001 and HACCP accreditation. Our key brands are household names, including Crest, Tuckers, Meadow Lea and Twisties.

Poultry remains the biggest revenue driver for the business; however, a combination of high commodity prices and operational challenges impacted adversely on profitability for the period. Whilst the snack category and food lines continued to see moderate growth, the Ice Cream category performed strongly over the last 12 months.

Food Safety, Quality, OHS and Environmental standards will remain areas of focus, along with the drive for greater production efficiencies and the expansion of the poultry business.



Marsh Limited

Fijian Holding's Shareholding: 25.00%

Marsh Limited continues to maintain its position as the largest and leading risk consulting and insurance broking firm in Fiji.

Marsh is much more than just an insurance broking firm. Marsh is also available to work with clients if required to design, implement, and manage risk management programmes that can reduce their operational costs, helping them to thrive and protect their business.

Our last financial year recorded strong growth in our overall revenue. This is attributed to success in new business and client retention. Underlying the financial performance is the deep talent base within Marsh and our ability to recruit and retain leading professionals in the local insurance industry. This has been a key differentiator and has long been the cornerstone of our growth and success.

To strengthen our service delivery, maintain our lead position in the market and to meet the challenges generated by increased level of competition, Marsh has created a new national position which will be responsible for quality control, client retention and development.



Goodman Fielder (Fiji) Limited

Wase ni sea ena Kabani qo ka taukena na FHL 10% kei na 50% sea digitaki.

Goodman Fielder International (Fiji) Ltd e dua vei ira na dau volitaki kakana liu ka volitaka na toa, ice cream, snack foods, kakana ni manumanu kei na so tale na kakana e laukana e Viti. Sa dokadokataka na kabani ena vuqa na yabaki ena nona volitaka na kakana vinaka ka caka vakavinaka, ka vakadinadinataki e nai vola ni veivakadonui ISO9901 kei na HACCP. Keitou kilai ena yaca ni voli na Crest, Tuckers, Meadow Lea, kei na Twisties.

Nai lavo levu taudua ni bisinisi e dau rawa mai na toa, ia na tubu ni sau ni veika e voli kei na veibolei ni sau ni cakacaka e tara vakaca na tubu ena yabaki. Dina ni tubu tiko vakamalua nai sau ni kakana ena snacks kei na tabana ni kakana, ia na Ice Cream e toso vinaka ena 12 na vula sa oti.

Ena raica na bisinisi me qarauna na maroroi ni kakana OHS kei na sasaga me toso tikoga vakavinaka na veika volitaki kei na vakarabailevutaki ni susu toa.



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 tutu ni tabana levu ka liu taudua ena veiqaravi ni ririko mai na nona qarava na cakacaka ni inisua e Viti.

E vuqa na veika e qarava o Marsh ka sega ni cakacaka ni inisua walega. E tu vakarau talega o Marsh me qaravi ira eso era gadreva me ra tuvana, cakacakataka ka lewa nai tuvatuva ni tarovi ni ririko ka na rawa ni toroya sobu na kena i sau vakailavo, me rawa kina me tubu ka taqomaki na nodra bisinisi.

E na yabaki vakailavo sa oti a rawa kina e dua na tubu vinaka ena nodratou i lavo curu mai. E vakavu qo mai na veika e rawa mai na bisinisi vou kei na nodra dei tiko na tamata e ratou qaravi ira ena kabani. E rawa na veika vakailavo mai na nodra taledi na tamata cakacaka ena Marsh kei na uasivi ni neitou veivakacurumi kei na maroroi ni tamata cakacaka ena tabana ni inisua. Qo na ka keitou duidui kina ka bisinisi vou kei na nodra dei tiko na tamata e ratou qaravi ira ena kabani. Qo na ka keitou duidui kina ka yavu ni neitou tubu kei na rawa ka.

Me vakaukauwataka na neitou veiqaravi, vakadeitaki na neitou i tutu liu ena makete kei na sotavi ni bolebole ka tubu mai ena levu ni veiqati, sa bulia o Marsh e dua na i tutu vou e Viti me qarauna na i vakarau ni cakacaka, maroroi ni tamata era qaravi kei na vueti ni cakacaka.

Kedra i Tukutuku na Kabani Veiwekani Report on Associate Companies and Other Investment



Newworld Limited
Fijian Holding's Shareholding: 15.4%

The 2012 financial year was one of the most eventful and challenging for the country due to multiple floods. Despite the natural calamities, the company has posted an impressive performance by consolidating top line and achieving a net profit growth of 146% over previous year. The period also witnessed the management taking proactive steps to optimise costs of doing business and improve processes and systems to get optimum returns.

The management is confident of continuing to post good performance in terms of sales and profits in FY13. During the current year, the management has embarked upon a new venture to set up a high end supermarket at Damodar City Centre, Suva. This outlet would be a game changer in supermarket business and the management is confident of converting this outlet as the preferred outlet of Suva shoppers. Besides this project, the management has taken up-gradation of "Lautoka" and re-establishing "Nakasi" Stores. These upgraded stores would attract more customers by offering width and depth in product range besides unmatched customer services.

Besides pursuing other investment and growth opportunities, the management continues to invest into systems and process improvement measures together with skill up gradation of its human capital, to optimise its operational efficiency so as to provide good returns to all stake holders. As a strategy, in the last couple of years, 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 likely to continue to adopt such measures in future as and when such opportunities arise.



Newworld Limited
Wase ni sea ena Kabani qo ka taukena na FHL: 15.4%

Na yabaki vakailavo ni 2012 sa dua na yabaki ka so na veika levu a bolea kina na matanitu baleta na vica na dobui a veitarai kina. Dina ni tarai keda na leqa, a rawata na kabani e dua na tubu vakailavo e 146% mai na yabaki yani i liu. A laurai ena loma ni gauna oya na cakacaka kaukauwa ni veiliutaki me lewai vinaka nai sau ni cicivaki bisinisi ka vakavinakataka na qaravi ni cakacaka me rawa na tubu levu.

E yalo dei na veiliutaki ni tomani tiko na tubu ena tabana ni volivolitaki kei na tubu ena yabaki 2013. E na loma ni yabaki qo, sa sasaga na veiliutaki ena dua na cakacaka vou me vakaduria na high end super market ena Damodar City Centre e Suva. Na tabana ni veivoli oqo ena okati me dua na sasaga vou ni cicivaki ni bisinisi ni supermarket ka nuidei na veiliutaki ni na vukici na sala ni veivoli qo me ra na vinakata na dauvolivoli e Suva. Me i kuri ni kena qo, ratou sa nanuma na veiliutaki me vakavinakataka cake na kena mai Lautoka, me tekivutaki tale na sitoa e Nakasi. Na tosoi cake ni tuvaki ni sitoa ena kauti ira mai vakalewelevu na dauvolivoli ena i tuvaki vinaka ni veika e volitaki kei na uasivi ni veiqaravi.

Me i kuri ni sasaga ni vakatubu i lavo kei na rawa tubu, sa tomana tiko na veiliutaki na laveti cake ni vakarau ni cakacaka kei na kila vei ira na tamata cakacaka, toroi cake kina na uasivi ni nodra cakacaka me rawa ni ra kila na yaqa ni nodra qaravi ira era qaravi. E dua nai tuvatuva ena yabaki rua sa oti, na nodratou maroroya ka vakasuka lesu na veiliutaki e dua na i wase ni nona tubu kina bisinisi me vakatubu i lavo ena bisinisi vou. Na veibisinisi vou e ra nanumi me ra rawata mai na tubu e levu cake me baleti ira na i taukei ni sea ena gauna mai muri. Sa na rairai tomana na veiliutaki me vakayaqataka na mataqali vukivuki oya mai muri ke gadreva me vakayacori.



Fijian Holdings Unit Trust
Fijian Holding's Shareholding: 25.2%

In its twelfth year of operation, FHUT has maintained the positive results derived from the total returns. For the 2013 financial year, FHUT achieved a total return of 1.74%, consisting of 5.19% as dividend return and a low capital growth return of (3.45%). As at 30th June 2013, the portfolio value of FHUT increased to \$45.77 million, with total unit holders standing at 3,115.

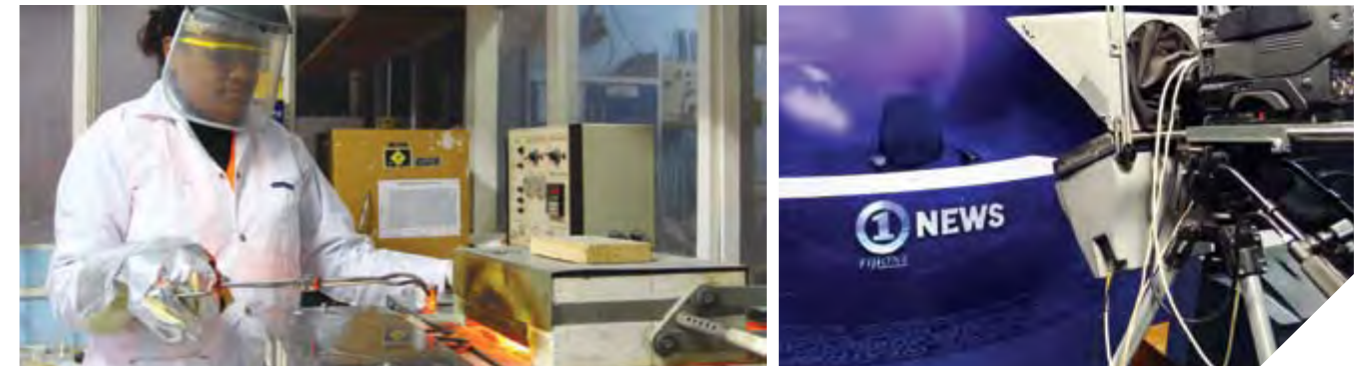
FHTML as the Fund manager continues to look for opportunities to utilise its growing portfolios to venture into the Pacific. Moving forward FHTML will focus on innovative strategies for FHUT to maintain long-term portfolio growth.



Fijian Holdings Unit Trust
Wase ni sea ena Kabani qo ka taukena na FHL: 25.2%

E na i ka tinikarua ni yabaki ni nona veiqaravi, sa tomana tudei tiko ga na FHUT na nona rawa tubu vinaka. ena loma ni yabaki vakailavo ni 2013 ea rawata kina na FHUT na tubu ka rauta ni 1.74%, oqo e umani kina e 5.19% na tubu ni lavo me wasei, kei na lutu ni tubu ni lavo ena 3.45%. Me yacova mai nai ka 30 ni June 2013, nai lavo e maroro e na FHUT eatubu ki na \$45.77 na milioni, ka lewe 3115 na levu taucoko ni dau vakatubui lavo.

E tomana tiko na FHTML, ena nona i tutu vakamanidia ni kato ni i yau me vakasaqara na veisala taucoko me vakayaqataka kina na tubu ni nona vakatubuilavo me dewa yani ki na wasa Pasifika ena vuku ni rai ni kabani na FHL. E na sasaga ni toso ki liu ena vakanamata na FHTML ki na so na i tuvatuva vou ni cicivaki ni kabani me vakadeitaka na kena rawa tubu vinaka na FHUT ena veigauna mai muri.



Fijian Holdings Limited and Subsidiary Companies

Financial Statements

Year Ended 30 June 2013

DIRECTORS' REPORT TUKUTUKU NI DAIREKITA

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 2013 as set out on pages 51 to 101 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:

Iowane Naiveli - Chairman	Ratu Samu Nawalowalo
Colonel Apakuki Kurusiga - Deputy Chairman	Filimoni Waqabaca
Padam Lala	Viliame Gavoka
Ulaiyasi Baya	Aseri Radrodro - appointed 18 July 2012
Mere Samisoni - resigned on 30 July 2013	Sakiusa Raivoce - appointed 20 August 2013

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, owners and administrators of properties, and provision of shipping, customs, transportation and commercial waste disposal services.

3. TRADING RESULTS

The profit after income tax of the Group attributable to the members of the Company for the year ended 30 June 2013 was \$9.848 million (2012: \$9.935 million) and for the Company was \$9.396 million (2012: \$8.551 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 Company paid an interim dividend of \$1.046 million (2012: \$1.046 million) for "A" class shareholders and \$2.000 million (2012: \$1.750 million) for "B" class shareholders during the year. The directors recommended the payment of a final dividend of \$1.047 million (2012: \$1.046 million) for "A" class shareholders and \$2.00 million (2012: \$1.750 million) for "B" class shareholders from the profits for the year ended 30 June 2013.

Total dividends paid and proposed for the year ended 30 June 2013 amounted to \$6.093 million (2012: \$5.592 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 out 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.

Directors' Report Tukutuku Ni Daireketa	47
Statement By Directors Nodratou Rai Na Daireketa	49
Independent Audit Report Tukutuku Ni Dau Ni Fika	50
Statements of Comprehensive Income Tukutuku Ni Rawa Ka Vakailavo	51
Statements of Financial Position Tukutuku Ni Yau ni Kabani	52
Statements of Cash Flows Tukutuku Ni Lavo Qaqa ni Kabani	53
Statements of Changes in Equity Tukutuku Ni Veisau Ena Akaude Ni Taukei Ni Kabani	54
Notes to and Forming Part of the Financial Statements Vakamacala Ka Lewe Talega Ni Tukutuku Vakailavo	56
Listing requirements of the South Pacific Stock Exchange Tukutuku E Vinakati Mai Na South Pacific Stock Exchange	102

DIRECTORS' REPORT

TUKUTUKU NI DAIREKITA - continued

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

On 1 August 2013, the Group changed the name of its subsidiary company, Yasana Holdings Limited to FHL Media Limited. The name change was undertaken to promote the alignment of the FHL Group subsidiaries and better reflect the core business activities and new strategies the Group has adopted to grow the Company.

Other than the above-mentioned, 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:

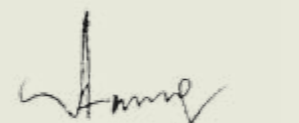
	Beneficially		Non-beneficially	
	Additions	Holding	Additions	Holding
Colonel Apakuki Kurusiga	-	-	-	10,760,977
Viliame Gavoka	-	-	-	67,500
Ratu Samu Nawalowalo	-	-	-	10,000,000

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 23rd day of August 2013.


.....
Chairperson


.....
Director


STATEMENT BY DIRECTORS NODRATOU RAI NA DAIREKITA


In the opinion of the directors:

- (a) the accompanying statements of 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 2013,
- (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 2013,
- (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 2013,
- (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 2013,
- (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 23rd day of August 2013.


.....
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 2013, and the statements of 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 33.

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 2013, and their financial performance, changes in equity and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Emphasis of matter

Without qualifying our opinion, we draw attention to Note 2 in the financial statements which describes the uncertainty regarding the future renewal of a subsidiary's, Fiji Television Limited, broadcast license, following the extension of the licence on 28 June 2013 for a further six months to 31 December 2013.

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,

- proper books of account have been kept by the Company, so far as it appears from our examination of those books;
- the financial statements are in agreement with the books of account; and
- 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.

26 August 2013
Suva, Fiji

KPMG
Chartered Accountants

STATEMENTS OF COMPREHENSIVE INCOME TUKUTUKU NI RAWA KA VAKAILAVO

	Notes	Group		Company	
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Revenue					
Operating revenue	32	220,467	177,192	17,987	17,020
Other	5(a)	12,810	6,471	1,357	44
		233,277	183,663	19,344	17,064
Expenses					
Cost of sales		(132,913)	(112,598)	-	-
Staff costs		(23,877)	(16,476)	(1,251)	(976)
Depreciation and amortisation	5(b)	(8,799)	(5,575)	(158)	(156)
Reversal / (provision) for diminution in value of investments		258	(360)	(3,461)	(3,407)
Reversal/ (impairment loss) of property, plant & equipment		106	(454)	-	-
Provision for doubtful debts		(4,384)	(1,241)	(374)	(3,745)
Other operating expenses		(44,080)	(31,547)	(3,658)	(854)
		(213,689)	(168,251)	(8,902)	(9,138)
Operating profit		19,588	15,412	10,442	7,926
Net interest (expense)/ income	5(c)	(4,659)	(1,090)	(554)	1,520
Share of profit in associates (net of tax)	20	3,237	2,285	-	-
Profit before income tax	5	18,166	16,607	9,888	9,446
Income tax expense	6(a)	(5,425)	(2,068)	(492)	(895)
Profit for the year after tax		12,741	\$14,539	\$9,396	\$8,551
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Net change in asset revaluation reserves	26	4,663	-	-	-
Tax on revaluation		(500)	(289)	-	-
Total items that will not be reclassified to profit or loss		4,163	(289)	-	-
Items that may be reclassified subsequently to profit or loss					
Net change in fair value of available-for-sale financial assets reclassified to profit or loss	26	-	360	-	360
Net change in fair value of available-for-sale financial assets	26	(757)	2,817	15,489	(10,753)
Net change in foreign currency translation reserve	26	(1,665)	(139)	-	-
Total items that may be reclassified subsequently to profit or loss		(2,422)	3,038	15,489	(10,393)
Total other comprehensive income		1,741	2,749	15,489	(10,393)
Total comprehensive income for the year		14,482	17,288	24,885	(1,842)
Profit attributable to:					
Equity holders of the holding company		9,848	9,935		
Non-controlling interest		2,893	4,604		
		\$12,741	\$14,539		
Total comprehensive income attributable to:					
Equity holders of the holding company		11,589	12,684		
Non-controlling interest		2,893	4,604		
		\$14,482	\$17,288		
Basic and diluted earnings per share	28	\$0.32	\$0.33		

The notes on pages 56 to 101 are an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

TUKUTUKU NI YAU NI KABANI

	Notes	Group		Company	
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
ASSETS					
Current assets					
Cash and cash equivalents	8(a)	48,843	27,606	9,149	5,292
Trading investments	9	-	42	-	-
Held-to-maturity investments	10	3,004	3,022	-	-
Current tax asset	6(b)	-	-	-	213
Loans, advances and receivables	11	64,855	59,198	25,427	20,148
Inventories	13	33,875	30,768	-	-
Assets held for sale	15	2,678	2,678	-	-
Available for sale financial assets	18	-	10,967	-	10,967
		153,255	134,281	34,576	36,620
Non-current assets					
Held-to-maturity investments	10	9,502	6,756	-	-
Loans, advances and receivables	11	68,913	73,946	4,535	14,470
Available-for-sale financial assets	18	18,595	12,621	210,838	120,615
Investments in associates	20	15,199	14,225	-	-
Investment properties	16	27,328	25,664	-	-
Property, plant and equipment	14	106,095	68,178	352	329
Deferred tax assets	6(c)	5,181	4,649	399	184
Intangible assets	17	71,718	20,946	-	-
		322,531	226,985	216,124	135,598
Total assets		475,786	361,266	250,700	172,218
LIABILITIES					
Current liabilities					
Payables	21	37,278	32,948	7,992	683
Borrowings	24	135,092	101,210	43,117	23,417
Provisions	23	1,667	513	-	-
Employee entitlements	22	2,069	880	213	188
Current tax liability	6(b)	273	1,346	80	-
		176,379	136,897	51,402	24,288
Non-current liabilities					
Borrowings	24	89,854	42,611	32,315	-
Employee entitlements	22	204	70	12	-
Deferred tax liabilities	6(c)	6,950	5,738	36	37
		97,008	48,419	32,363	37
Total liabilities		273,387	185,316	83,765	24,325
Net assets		\$202,399	\$175,950	\$166,935	\$147,893
SHAREHOLDERS EQUITY					
Share capital	25	30,465	30,465	30,465	30,465
Reserves	26	17,294	3,695	55,019	39,530
Proposed dividends		3,046	2,796	3,046	2,796
Retained earnings		104,284	104,298	78,405	75,102
Attributable to members of the holding company		155,089	141,254	166,935	147,893
Non-controlling interest		47,310	34,696	-	-
Total shareholders' equity		\$202,399	\$175,950	\$166,935	\$147,893

The notes on pages 56 to 101 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

	Notes	Group		Company	
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Cash flows from operating activities:					
Cash receipts from customers		243,636	180,124	-	-
Cash paid to suppliers and employees		(220,616)	(163,828)	(3,374)	(2,683)
Cash generated from/ (used in) operating activities		23,020	16,296	(3,374)	(2,683)
Dividends received		2,923	4,500	11,855	12,863
Management fees received		-	-	1,299	1,747
Management fees paid		(5,564)	-	-	-
Net customer loans granted		(10,818)	(6,645)	-	-
Net increase/ (decrease) in deposits		16,085	(3,183)	-	-
VAT refunds received		-	156	-	-
Interest received		16,663	10,787	2,388	885
Finance costs paid		(4,659)	(2,563)	(2,589)	(1,280)
Income taxes paid		(8,488)	(5,196)	(415)	(405)
Net cash from operating activities		29,162	14,152	9,164	11,127
Cash flows from investing activities:					
Acquisition of property, plant and equipment		(7,878)	(11,482)	(182)	(257)
Acquisition of investment property		(13,034)	-	-	-
Investment in held-to-maturity investment		(2,999)	-	-	-
Acquisition of subsidiary, net of cash acquired		(53,320)	(29)	(64,148)	(361)
Investment in available-for-sale investments		-	(2,276)	(1,261)	(2,276)
Loans granted		(5,737)	-	(5,736)	-
Loan repayments received		1,360	3,484	15,113	3,176
Proceeds from disposal of available-for-sale investments		35,981	602	24,167	500
Proceeds from disposal of property, plant and equipment and assets held for sale		1,625	3,255	-	54
Proceeds from held-to-maturity investment		582	2,000	-	2,004
Net movement in cyclone reserve		-	23	-	-
Net advances to subsidiaries		-	-	(4,000)	(150)
Net cash (used in)/from investing activities		(43,420)	(4,423)	(36,047)	2,690
Cash flows from financing activities:					
Dividends paid to the holding company's shareholders		(5,843)	(5,340)	(5,843)	(5,340)
Dividends paid to non-controlling interests		(5,517)	(5,077)	-	-
Loans (paid)/received		38,401	5,392	36,583	(7,200)
Net cash from/(used in) financing activities		27,041	(5,025)	30,740	(12,540)
Net increase in cash and cash equivalents		12,783	4,704	3,857	1,277
Cash and cash equivalents at the beginning of the year		17,730	13,036	5,292	4,015
Effect of exchange rate changes on cash		(616)	(10)	-	-
Cash and cash equivalents at the end of the year	8(a)	\$29,897	\$17,730	\$9,149	\$5,292

The notes on pages 56 to 101 are an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

TUKUTUKU NI VEISAU ENA AKAUDE NI TAUKEI NI KABANI

Attributable to owners of the Company

Group	Share Capital	Other Reserves	Retained Earnings	Proposed Dividends	Total	Non-controlling Interests	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 30 June 2012	30,465	(629)	100,379	2,546	132,761	34,544	167,305
Total comprehensive income for the year							
Profit	-	-	9,935	-	9,935	4,604	14,539
Total other comprehensive income	-	2,749	-	-	2,749	-	2,749
Total comprehensive income for the year	-	2,749	9,935	-	12,684	4,604	17,288
Transactions with owners of the Company, recognised directly in equity							
Contributions by and distributions to owners of the Company							
Proposed dividends to owners of the company	-	-	-	2,796	2,796	-	2,796
Transfer between reserves	-	1,575	(9)	-	1,566	-	1,566
Transfer to non-controlling interest shareholders	-	-	(1,477)	-	(1,477)	1,477	-
Dividends paid to owners of the company	-	-	(5,592)	(2,546)	(8,138)	(6,067)	(14,205)
Increase in non-controlling interest	-	-	-	-	-	1,200	1,200
Decrease in non-controlling interest	-	-	1,062	-	1,062	(1,062)	-
Total contributions by and distributions to owners of the Company	-	1,575	(6,016)	250	(4,191)	(4,452)	(8,643)
Balance at 30 June 2012	30,465	3,695	104,298	2,796	141,254	34,696	175,950
Balance at 30 June 2013	30,465	3,695	104,298	2,796	141,254	34,696	175,950
Total comprehensive income for the year							
Profit	-	-	9,848	-	9,848	2,893	12,741
Total other comprehensive income	-	1,741	-	-	1,741	-	1,741
Total comprehensive income for the year	-	1,741	9,848	-	11,589	2,893	14,482
Transactions with owners of the Company, recognised directly in equity							
Contributions by and distributions to owners of the Company							
Transfer between reserves	-	1,932	(4,356)	-	(2,424)	-	(2,424)
Proposed dividends to owners of the company	-	-	-	3,046	3,046	-	3,046
Acquisition of subsidiary under common control	-	9,926	-	-	9,926	-	9,926
Dividends paid to owners of the company	-	-	(6,093)	(2,796)	(8,889)	(3,287)	(12,176)
Transfers to/(from) non-controlling interest shareholders	-	-	587	-	587	(587)	-
Increase in non-controlling interest through acquisition	-	-	-	-	-	13,595	13,595
Total contributions by and distributions to owners of the Company	-	11,858	(9,862)	250	2,246	9,721	11,967
Balance at 30 June 2013	30,465	17,294	104,284	3,046	155,089	47,310	202,399

The notes on pages 56 to 101 are an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

TUKUTUKU NI VEISAU ENA AKAUDE NI TAUKEI NI KABANI

Attributable to owners of the Company

Company	Share Capital	Other Reserves	Retained Earnings	Proposed Dividends	Total	Non-controlling Interests	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 30 June 2011	30,465	49,923	72,143	2,546	155,077	-	155,077
Total comprehensive income for the year							
Profit	-	-	8,551	-	8,551	-	8,551
Total other comprehensive income	-	(10,393)	-	-	(10,393)	-	(10,393)
Total comprehensive income for the year	-	(10,393)	8,551	-	(1,842)	-	(1,842)
Transactions with owners of the Company, recognised directly in equity							
Contributions by and distributions to owners of the Company							
Proposed dividends to owners of the company	-	-	-	2,796	2,796	-	2,796
Dividends paid to owners of the company	-	-	(5,592)	(2,546)	(8,138)	-	(8,138)
Total contributions by and distributions to owners of the Company	-	-	(5,592)	250	(5,342)	-	(5,342)
Total transactions with owners of the Company	-	-	(5,592)	250	(5,342)	-	(5,342)
Balance at 30 June 2012	30,465	39,530	75,102	2,796	147,893	-	147,893
Balance at 30 June 2012	30,465	39,530	75,102	2,796	147,893	-	147,893
Total comprehensive income for the year							
Profit	-	-	9,396	-	9,396	-	9,396
Total other comprehensive income	-	15,489	-	-	15,489	-	15,489
Total comprehensive income for the year	-	15,489	9,396	-	24,885	-	24,885
Transactions with owners of the Company, recognised directly in equity							
Contributions by and distributions to owners of the Company							
Proposed dividends to owners of the company	-	-	-	3,046	3,046	-	3,046
Dividends paid to owners of the company	-	-	(6,093)	(2,796)	(8,889)	-	(8,889)
Total contributions by and distributions to owners of the Company	-	-	(6,093)	250	(5,843)	-	(5,843)
Total transactions with owners of the Company	-	-	(6,093)	250	(5,843)	-	(5,843)
Balance at 30 June 2013	30,465	55,019	78,405	3,046	166,935	-	166,935

The notes on pages 56 to 101 are an integral part of these financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO

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 2013 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, owners and administrators of properties, and provision of shipping, customs, transportation and commercial waste disposal services. The Company is listed on the South Pacific Stock Exchange.

These consolidated financial statements were authorised for issue by the Board of Directors on 23 August 2013.

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.

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.

Renewal of broadcasting licence of Fiji Television Limited

Fiji Television Limited (FTL) a 56% owned subsidiary of the Company had a twelve year broadcast licence which expired on 30 June 2012 and was extended for a further two six month terms to 31 December 2012 and 30 June 2013. On 28 June 2013, FTL was granted an extension of the broadcast licence for a further term of six months to 31 December 2013 by the Government of Fiji. The Government of Fiji advised that until further notice of any additional terms and conditions, including spectrum allocation, that may be prescribed, FTL shall continue to broadcast under the terms and conditions contained in its existing licence for the extended period. There exists an uncertainty regarding the future renewal of the licence prior to the expiry of the current extended term.

The directors are not aware of any noncompliance with the terms and conditions of the broadcast licence, including any indicators that would prevent renewal of the license, and believe that renewal of the licence will be granted to Fiji Television Limited prior to the expiration of the current broadcast licence term.

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 \$16,826,000 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 available and an amount of \$13,500,000 is due to related parties which the directors believe is capable of being renegotiated as to payment date.

The Group net current asset deficiency of \$23,124,000 is due to short term fixed term deposits 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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

2.1 Basis of accounting

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 2012 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 have not yet been fully determined.

Standard/ Interpretation	Content	Applicable for financial years beginning on/after
IFRS 9 Amendment	Financial instruments: Classification and measurement	1 January 2015
IFRS 10	Consolidated financial statements	1 January 2013
IFRS 11	Joint arrangements	1 January 2013
IFRS 12	Disclosures of interests in other entities	1 January 2013
IFRS 13	Fair value measurement	1 January 2013

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 3 – Acquisition of subsidiary companies	Note 11 – Provision for impairment
Note 18 – Available for sale financial assets	Note 14 – Property, plant and equipment impairment
Note 16 – Investment properties impairment	Note 17 – Intangible assets impairment

2.3 Principles of consolidation

(i) Subsidiaries

Subsidiaries are all those entities over which the group has control. Control is the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the group controls another 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 purchase 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 statement of 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

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 statement of 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) Associates

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. The group's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment loss. See note 2.14 for the accounting policy on impairment of non-financial assets including goodwill.

The group's share of its associates' post-acquisition profits or losses is recognised in the statement of 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 statement of 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 Fiji 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 statement of 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – *continued*

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.

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 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

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 statement of 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 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 statement of comprehensive income as part of other income. Dividends on available-for-sale equity instruments are recognised in the statement of 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 comprehensive income. Impairment losses recognised in the statements of comprehensive income on equity instruments are not reversed through the statements of 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 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 comprehensive income.

Loans and advances are recognised at recoverable amount, after assessing 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 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.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – *continued*

2.9 Property, plant and equipment - *continued*

(i) *Owned assets - continued*

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.

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 statement of 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 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 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 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:

	Rate
Leasehold land and improvements	Term of lease
Buildings	1.25% - 10%
Plant and equipment:	
- machinery, furniture & fittings and office equipment	5% - 33 1/3%
- motor vehicles	15% - 33%
Vessels	2.85% to 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 of 1.25%. 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 the cost of respective assets.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – *continued*

2.11 Assets held for sale

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.

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 right

Management right represents 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 right 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 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 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.

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 comprehensive income over the period of the borrowings using the effective interest method.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – *continued*

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 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.

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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – *continued*

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:

Fee income on loans and advances

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

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 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 Reporting currency

All figures are reported in Fiji dollars and are rounded to the nearest thousand dollars.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO

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 Yasana Holdings Limited (Yasana)

The acquisition of Yasana has been accounted for as a common control transaction as at the time of this transaction both Yasana 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 Yasana. The acquisition balance sheet of Yasana reflects the values for assets and liabilities acquired from Yasana'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 Yasana, 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.

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

3. ACQUISITIONS OF SUBSIDIARY COMPANIES

3.1 Acquisition of subsidiary – South Sea Cruises Limited

On 18 July 2012 the Group obtained control of South Sea Cruises Limited, a company involved in the tourism industry providing sea transportation services, water sports hire, sightseeing activities and boat charters, by acquiring 100 percent of the shares and voting interests in the company.

Acquisition of South Sea Cruises Limited allows the Group to amalgamate operations of Blue Lagoon Cruises Limited and South Sea Cruises Limited to achieve synergies between the two companies. The acquisition is expected to provide the Group with increased share of the tourism market through access to South Sea Cruises Limited's customer base. The Group also expects to reduce costs through economies of scale.

In the eleven and a half months to 30 June 2013 South Sea Cruises Limited contributed revenue of \$28,954,000 and profit of \$3,076,000 to the Group's results. If the acquisition had occurred on 1 July 2012, management estimates that consolidated revenue would have been \$30,629,000, and consolidated profit for the year would have been \$3,232,000. In determining these amounts, management has assumed that the fair value adjustments that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 July 2012.

The following summarises the major classes of consideration transferred, and the recognised amounts of assets acquired and liabilities assumed at the acquisition date.

Consideration transferred	\$000
Cash	62,570

The above consideration is payable over a term of seven years based on the amount of dividends declared by South Sea Cruises Limited and its subsidiary company following each financial year end. The amount payable over the term is subject to interest at a rate of 5 percent per annum.

Identifiable assets acquired and liabilities assumed	\$000
Property, plant and equipment	19,006
Intangible assets	108
Amounts receivable from holding company	11,766
Trade and other receivables	3,880
Inventories	388
Cash and cash equivalents	55
Borrowings	(19,608)
Trade and other payables	(3,821)
Deferred tax liability	(798)
Current tax liability	(1,461)
	9,515

The fair value of property, plant and equipment includes an adjustment of \$6,849,000 as a result of independent valuation of the vessels in South Sea Cruises Limited being conducted by Billet Wright & Associates Limited, a company experienced in yacht valuations.

The valuations were conducted on 24 May 2012 and 10 June 2013 for vessels. Management believes that this valuation is appropriately reflective of the conditions which existed as at 18 July 2012 as there have not been any major movements in the valuation of vessels between the date of acquisition and the date of the valuation.

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

3. ACQUISITIONS OF SUBSIDIARY COMPANIES - continued

3.1 Acquisition of subsidiary – South Sea Cruises Limited - continued

Goodwill	\$000
Goodwill was recognised as a result of the acquisition as follows:	
Total consideration transferred	62,570
Fair value of identifiable net assets	(9,515)
	53,055

The goodwill is attributable mainly to the profitability and management structure of South Sea Cruises Limited together with the tourism industry in which it operates. It is one of the major providers of sea transportation services, water sports hire, sightseeing activities and boat charters and the synergies are expected to be achieved from integrating the company into the Group's existing sea transportation business. None of the goodwill recognised is expected to be deductible for tax purposes.

3.2 Acquisition of subsidiary – Yasana Holdings Limited

On 15 March 2013 the Group obtained control of Yasana Holdings Limited, a company involved in the investment, real estate management and media industries operating free to air and subscription television broadcasting services, by acquiring 100 percent of the shares and voting interests in the company.

As described in note 2.26, the acquisition of Yasana is accounted for as a common control transaction and as such the accounting and disclosure requirements of IFRS 3 Business Combinations do not apply to this transaction.

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 Yasana. The assets and liabilities were acquired at the book values of Yasana at 15 March 2013. 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.

The following summarises the major classes of consideration transferred, and the recognised amounts of assets acquired and liabilities assumed at the acquisition date.

Consideration transferred	\$000
Cash	16,578
Contingent consideration	7,422
	24,000

The contingent consideration is payable prior to the expiration of ninety days after the completion date or such other time frame as the parties agree, to the I-Taukei Affairs Board on the issuance of a television licence to Fiji Television Limited for a minimum period of three years by the issuing Authority.

Identifiable assets acquired and liabilities assumed	\$000
Property, plant and equipment	14,958
Intangible assets	19
Available for sale financial assets	15,945
Deferred tax asset	448
Trade and other receivables	7,283
Inventories	1,411
Cash and cash equivalents	10,773
Trade and other payables	(2,244)
Provisions	(878)
Current tax liability	(627)
	47,088

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

3. ACQUISITIONS OF SUBSIDIARY COMPANIES – continued

3.2 Acquisition of subsidiary – Yasana Holdings Limited - continued

Common Control Reserve	\$000
Net book value of identifiable net assets	47,088
Less non-controlling interest, based on their proportionate interest in the recognised amounts of the assets and liabilities of Yasana Holdings Limited	(13,162)
Book value of net assets acquired	33,926
Total consideration transferred	24,000
Common Control Reserve	(9,926)

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 company 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 entity's functional currency (refer note 2.4).

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

4. FINANCIAL RISK MANAGEMENT – continued

4.1 Risk Management Framework - continued

(a) Market risk- continued

(i) Foreign exchange risk-continued

Fiji Industries 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. Pasifika Holdings Limited operates in PNG and procures 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 its 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.

(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 Group's financial instruments are set out below:

Financial instrument	Group 2013 \$'000	Group 2012 \$'000
Bank overdraft	18,946	9,876
Bank loans	99,209	35,674
Total	118,155	45,550

As all the above loans are fixed interest, the Group is not subject to material interest rate risk.

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

4. FINANCIAL RISK MANAGEMENT – continued

4.1 Risk Management Framework - continued

(a) Market risk- continued

(v) Legal and compliance risk

Legal and compliance risk refers to the risk of being legally non-compliant due to changes in Government and Regulators' policies and regulations. The group has a Compliance Officer who reports directly to the Group Chief Financial Officer. The group anticipates changes in legal trends and implementation of market best practices, understanding and know-how, to balance competitive business pressure against legal risk.

(vi) Data risk

This is the risk of losing shareholders' account information and all their details despite having a dual system of storage via hard copy filing and an electronic database. The group ensures confidentiality and security of all shareholders' information. The group also has a database system with adequate storage space. The group conducts daily backups and also has a Disaster Recovery Plan.

(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.

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

	Group 2013 \$'000	Group 2012 \$'000
Neither past due nor impaired	121,306	98,275
Past due but not impaired	33,691	46,328
Individually impaired	24,619	28,386
Gross loans and receivables	179,616	172,989
Less: unearned revenue	31,998	30,305
Less: allowance for impairment	13,850	9,540
Net loans and receivables	133,768	133,144
Cash and cash equivalents	48,843	27,606
Held-to-maturity investments	3,004	3,022
Total	185,615	163,772

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

4. FINANCIAL RISK MANAGEMENT – continued

4.1 Risk Management Framework - continued

(b) Credit risk -continued

The details of impairment provisions for loans and receivables are provided for in Notes 11 and 12.

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.

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 check. 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 and implements guidelines on the acceptability of specific classes of collateral for credit risk mitigation. The principal collateral types for loans and advances are:

- 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. Revolving individual credit facilities for FHL Group staff (including MFIL) to a maximum of \$2,000 is unsecured. In addition, in order to further minimise the potential for credit loss the Company 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO

4. FINANCIAL RISK MANAGEMENT – continued

4.1 Risk management framework – continued

(b) Credit risk - continued

Credit risk concentration

The credit risk concentration for MFICL is as follows:

Industry	2013		2012	
	Loans and advances (%)	Collective impairment allowance (%)	Loans and advances (%)	Collective impairment allowance (%)
Agriculture	8.12	5.58	10.46	4.00
Building and construction	15.15	13.53	20.51	14.37
Manufacturing	5.84	4.22	7.79	10.37
Mining and quarrying	7.47	9.27	0.22	6.64
Private individuals	12.20	14.63	12.40	15.89
Professional and business services	2.73	2.57	2.33	1.08
Transport, communication and storage	28.28	31.12	27.65	27.43
Wholesale, retail, hotels and restaurants	10.43	11.26	9.22	14.42
Others	9.78	7.82	9.42	5.80
Total	100.00	100.00	100.00	100.00

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

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.

(c) Liquidity risk

Liquidity risk is the risk that the group will encounter difficulty in meeting obligations 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 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:

As at 30 June 2013	Up to 1 year \$'000	1 to 2 years \$'000	2 to 5 years \$'000	Over 5 Years \$'000	Total \$'000
Borrowings	57,774	60,381	-	-	118,155
Deposits from customers	77,318	4,298	17,151	8,024	106,791
Creditors & accruals	37,278	-	-	-	37,278
Total	172,370	64,679	17,151	8,024	262,224
As at 30 June 2012					
Borrowings	35,056	10,076	9,816	-	54,948
Deposits from customers	66,154	22,719	-	-	88,873
Creditors & accruals	32,948	-	-	-	32,948
Total	134,158	32,795	9,816	-	176,769

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO

4. FINANCIAL RISK MANAGEMENT – continued

4.1 Risk management framework – continued

(c) Liquidity risk - continued

In order to comply with the Reserve Bank's requirement 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 Assets 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
Net Liquidity Gap as a % of RSA (not to exceed)	-5%	-7%	-10%	-20%	40%

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 ratio is actioned immediately by management.

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 balance sheet) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated balance sheet plus net debt.

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

4. FINANCIAL RISK MANAGEMENT – continued

4.2 Capital risk management - continued

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

	2013 \$'000	2012 \$'000
Total Borrowings (Note 24)	224,946	143,821
Less: Cash and cash equivalents (Note 8)	29,897	17,730
Net debt	195,049	126,091
Total capital	202,399	175,950
Gearing ratio	96%	72%

MFICL is subject to externally imposed capital requirement 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.

In addition, MFICL ensures that its dividend policy for any financial year is capped at a maximum of 85% of its free cash flow (that is Profit after tax less all capital commitments). MFICL also measures its General Reserve Credit Losses requirement on an annual basis.

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

5. PROFIT

The profit before income tax has been determined after:

(a) Crediting as other income

	Group		Company	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Dividends received				
- other companies	1,237	1,295	-	-
Brokerage income	105	23	-	-
Net gain on disposal of property, plant and equipment and assets held for sale		1,104	-	44
Management fees	1,171	1,922	1,242	-
Gain on disposal of investments	3,714	-	-	-
Rental income	2,839	2,127	-	-
Other income	3,516	-	115	-
	12,810	6,471	1,357	44

In the financial statements of the Company, dividends received from subsidiary and other companies amounting to \$16,746,000 (2012: \$15,814,000) are treated as part of operating revenue. See note 19 for further details.

(b) Charging as expense

Auditors' remuneration:				
- audit fees – KPMG	281	178	14	13
- other auditors	93	102	-	-
- other services - KPMG	18	12	18	12
- other auditors	62	61	-	25
Bad debts	2,360	-	-	-
Directors' emoluments				
- for services as directors	601	540	220	199
- for other services	121	80	101	80
Depreciation and amortisation	8,799	5,575	158	156
Provision for impairment/write-off of inventories	488	280	-	-
Provision for impairment of property, plant and equipment	-	454	-	-
Allowance for doubtful debts	2,171	1,241	374	3,745
Capital loss on sale of subsidiary	2	-	516	-

(c) Net interest (expense)/income

Interest income	1,618	1,617	2,467	2,800
Interest expense	(6,277)	(2,707)	(3,021)	(1,280)
Net interest (expense)/income	(4,659)	(1,090)	(554)	1,520

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO

6. 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	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Profit before income tax	18,166	16,607	9,888	9,446
Prima facie tax payable at 20% (2012: 20%)	3,633	4,650	1,978	1,889
Add/(deduct):				
Impact of difference in tax rate	(125)	(755)	-	-
Dividends received	(230)	(259)	(3,349)	(3,162)
Withholding tax on exempt dividend income	315	415	315	415
Other permanent differences	978	123	1,736	1,668
Capital gains/(loss)	(103)	-	(103)	-
Impact of equity accounted profit	(647)	(540)	-	-
Movement in timing differences	68	105	(6)	58
Tax losses and timing differences not previously brought to account	837	(1,787)	-	(137)
Tax effect of tax losses and temporary differences not brought to account	643	591	-	-
Effect of changes in tax rate	(158)	(717)	(29)	-
Under provision in prior year	214	242	(50)	164
Income tax expense attributable to profit	\$5,425	\$2,068	\$492	\$895
Total income tax expense is made up of:				
Current income tax expense	5,199	4,563	443	463
Withholding tax on exempt dividend income	315	415	315	415
Deferred tax	(170)	(2,918)	(216)	(147)
Under/(Over) provision in prior years	81	8	(50)	164
Income tax expense attributable to profit	\$5,425	\$2,068	\$492	\$895
(b) Current tax liability/(asset)				
Balance at beginning of year	1,346	2,216	(213)	-
Income tax paid	(8,488)	(5,196)	(415)	(405)
Current year's income tax expense	5,514	4,978	758	878
Transfer of balance from VAT account	1,834	(850)	-	(850)
Under/(over) provision in prior years	67	198	(50)	164
Balance at end of year	\$273	\$1,346	80	(\$213)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO

6. INCOME TAX - continued

(c) Deferred tax assets and liabilities

	Group		Company	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Deferred tax assets				
Property, plant & equipment	34	11	-	-
Annual leave	240	131	14	17
Doubtful debts	2,957	1,864	385	167
Inventory provisions	148	194	-	-
Unrealised foreign exchange gain	8	-	-	-
Tax losses	1,794	2,449	-	-
	5,181	4,649	399	184
Deferred tax liabilities				
Property, plant & equipment	(5,975)	(5,156)	(36)	(37)
Cyclone reserve deposit	(98)	(205)	-	-
Fair value on revaluation	(877)	(377)	-	-
	(\$6,950)	(\$5,738)	(\$36)	(\$37)

As at 30 June 2013, the Group companies had unrecouped income tax losses of approximately \$6.6 million (2012: \$9.2 million) available to offset against future years' taxable income. The benefit at 20% (2012: 20%) tax rate amounting to approximately \$1.2 million (2012: \$1.8 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 affects the Companies in realising the benefit from the deductions for the losses.

Movement in temporary differences during the year

	1 July 2012	Acquired on business combination	Recognised in income statement	Recognised in Equity	3 June 2013
	\$'000	\$'000	\$'000	\$'000	\$'000
Group					
Deferred tax assets					
Property, plant & equipment	11	231	(208)	-	34
Annual leave	131	91	18	-	240
Doubtful debts	1,864	160	933	-	2,957
Inventory provisions	194	10	(56)	-	148
Unrealised foreign exchange loss	-	-	8	-	8
Tax losses	2,449	-	(655)	-	1,794
	4,649	492	40	-	5,181
Deferred tax liabilities					
Property, plant & equipment	(5,156)	(830)	11	-	(5,975)
Cyclone reserve deposit	(205)	-	107	-	(98)
Unrealised foreign exchange gain	-	(12)	12	-	-
Fair value on revaluation	(377)	-	-	(500)	(877)
	(5,738)	(842)	130	(500)	(6,950)

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

6. INCOME TAX - *continued*

(c) Deferred tax assets and liabilities

	1 July 2011	Recognised in income statement	30 June 2012
Group	\$'000	\$'000	\$'000
<i>Deferred tax assets</i>			
Property, plant & equipment	-	11	11
Annual leave	101	30	131
Doubtful debts	2,668	(804)	1,864
Inventory provisions	275	(81)	194
Tax losses	-	2,449	2,449
	3,044	1,605	4,649
<i>Deferred tax liabilities</i>			
Property, plant & equipment	(6,609)	1,453	(5,156)
Cyclone reserve deposit	-	(205)	(205)
Fair value on revaluation	-	(377)	(377)
	(6,609)	871	(5,738)

	1 July 2012	Recognised in income statement	30 June 2013
Company	\$'000	\$'000	\$'000
<i>Deferred tax assets</i>			
Annual leave	17	(3)	14
Doubtful debts	167	218	385
	184	215	399
<i>Deferred tax liabilities</i>			
Property, plant & equipment	(37)	1	(36)
	(37)	1	(36)

	1 July 2011	Recognised in income statement	30 June 2012
Company	\$'000	\$'000	\$'000
<i>Deferred tax assets</i>			
Annual leave	-	17	17
Doubtful debts	-	167	167
	-	184	184
<i>Deferred tax liabilities</i>			
Property, plant & equipment	-	(37)	(37)
	-	(37)	(37)

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

7. DIVIDENDS PROPOSED OR PAID

Ordinary - A class

Interim dividend paid at 10 cents
(2012: 10 cents)
Proposed final dividend at 10 cents
(2012: 10 cents)

Ordinary - B class

Interim dividend paid at 10 cents
(2012: 8.75 cents)
Proposed final dividend 10 cents
(2012: 8.75 cents)

	Group		Company	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Interim dividend paid at 10 cents (2012: 10 cents)	1,046	1,046	1,046	1,046
Proposed final dividend at 10 cents (2012: 10 cents)	1,047	1,046	1,047	1,046
	2,093	2,092	2,093	2,092
Interim dividend paid at 10 cents (2012: 8.75 cents)	2,000	1,750	2,000	1,750
Proposed final dividend 10 cents (2012: 8.75 cents)	2,000	1,750	2,000	1,750
	4,000	3,500	4,000	3,500
	\$6,093	\$5,592	\$6,093	\$5,592

8. CASH AND CASH EQUIVALENTS

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

	Group		Company	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Cash on hand and at bank	38,843	19,606	9,149	5,292
Term deposits	10,000	8,000	-	-
	48,843	27,606	9,149	5,292
Bank overdrafts (Note 24)	(18,946)	(9,876)	-	-
	\$29,897	\$17,730	\$9,149	\$5,292

b) Financing facilities

Facilities available to the Group are bank overdrafts and revolving term loans. Financing facilities of \$26.20 million were available to the Group as at 30 June 2013 (2012: \$63.10 million) of which \$22.69 million (2012: \$46.2 million) was utilised. See also note 24.

9. TRADING INVESTMENTS

The carrying value of the trading investments of FHL Securities Limited are marked to market at the close of the last trading day before the financial year end by reference to South Pacific Stock Exchange quoted bid prices.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO

9. TRADING INVESTMENTS – continued

Trading investments are classified as current assets because they are expected to be realised within twelve months of the balance date. The change in the fair value of trading investments is recorded in the statement of comprehensive income in accordance with Note 2.8 of the group's accounting policy.

	Group		Company	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Listed equity investments at market value				
Amalgamated Telecom Holdings Ltd	-	-	-	-
Pacific Green Industries Ltd	-	42	-	-
	\$-	\$42	\$-	\$-

10. HELD-TO-MATURITY INVESTMENTS

	Group		Company	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Current				
Deposits with financial institutions	\$3,004	\$3,022	\$-	\$-
Non-current				
Securities				
- Government securities	9,500	6,504	-	-
- Deposits with financial institutions	-	250	-	-
Add: Unamortised premium	2	2	-	-
	9,502	6,756	-	-
	\$12,506	\$9,778	\$-	\$-

Term deposits held with financial institutions attract interest rates ranging from 1.75% to 8% (2012: 6.5% to 7.5%) 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 15 years at an interest rate between 3.75% and 13%.

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

11. LOANS, ADVANCES AND RECEIVABLES

	Group		Company	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Current				
Trade receivables	27,103	21,965	-	-
Provision for impaired receivables	(7,415)	(3,031)	-	-
	19,688	18,934	-	-
Loans and advances – third parties (Note 12)	36,430	31,415	1,202	-
- related parties	-	2,468	19,758	17,409
Other receivables - other	9,091	6,735	437	526
- related parties	-	-	7,062	6,219
Provision for impaired receivables	(354)	(354)	(3,032)	(4,006)
	\$64,855	\$59,198	\$25,427	\$20,148

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO

11. LOANS, ADVANCES AND RECEIVABLES – continued

	Group		Company	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Non-current				
Loans and advances – third parties (Note 12)	68,893	59,452	4,535	-
- related parties	-	14,474	-	14,470
Other receivables - other	20	20	-	-
	\$68,913	\$73,946	\$4,535	\$14,470
Provisions for impairment				
Balance at the beginning of the year	3,385	3,810	4,006	301
Additional provisions made	4,384	-	374	3,705
Reversal of provisions	-	(425)	(1,348)	-
Balance at the end of the year	\$7,769	\$3,385	\$3,032	\$4,006

- a) Included in loans and advances above is a loan to i Taukei Affairs Board. This loan was repaid through dividend payments from the Company to i Taukei Affairs Board and i Taukei Trust Fund. The i Taukei Trust Fund has assigned rights to its dividend distributions to i Taukei Affairs Board. During the year, the loan and interest were fully repaid and the outstanding balance at 30 June 2013 was \$nil (2012: \$16.707 million).

This loan attracted a fixed interest rate of 8% per annum for the first year and thereafter the interest was at variable rates pegged to 3% per annum above the prevailing interest rates offered to the Company by the banks in Fiji.

- b) Other related party loans and advances are unsecured.

12. LOANS AND ADVANCES

	Group		Company	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Gross term receivables	143,402	127,327	5,737	-
Unearned income	(31,998)	(30,305)	-	-
	111,404	97,022	5,737	-
Individually assessed allowance	(4,017)	(4,548)	-	-
Collective allowance	(2,064)	(1,607)	-	-
	\$105,323	\$90,867	\$ 5,737	\$-
Maturity analysis				
Not longer than 3 months	13,307	11,250	291	-
Longer than 3 and not longer than 12 months	36,680	31,647	911	-
	49,987	42,897	1,202	-
Unearned income	(12,623)	(10,676)	-	-
Collective allowance	(934)	(806)	-	-
Current (Note 11)	36,430	31,415	1,202	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO

12. LOANS AND ADVANCES - continued

	Group		Company	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
<u>Maturity analysis</u>				
Longer than 1 and not longer than 5 years	85,604	73,610	4,535	-
Longer than 5 years	7,811	10,820	-	-
	93,415	84,430	4,535	-
Unearned income	(19,375)	(19,629)	-	-
Individually assessed allowance	(4,017)	(4,548)	-	-
Collective allowance	(1,130)	(801)	-	-
Non-current (Note 11)	68,893	59,452	4,535	-
	\$105,323	\$90,867	\$5,737	\$-

Impairment of loans and advances

	2013 \$'000		2012 \$'000	
	Individual allowance for impairment	Collective allowance for impairment	Individual allowance for impairment	Collective allowance for impairment
Balance at the beginning of the year	4,548	1,607	4,915	1,727
Increase/ (decrease) in impairment allowances	1,172	457	667	(120)
Reversals of impairment	(1,703)	-	(1,034)	-
Balance at the end of the year	4,017	2,064	4,548	1,607

13. INVENTORIES

	Group		Company	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Raw materials, spares, stores and supplies	13,021	12,977	-	-
Finished goods	16,401	13,238	-	-
Goods in transit	4,453	4,553	-	-
	\$33,875	\$30,768	\$-	\$-

14. PROPERTY, PLANT AND EQUIPMENT

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

	Group		Company	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Freehold land and improvements				
- at cost/ deemed cost	7,667	7,652	-	-
- at directors' valuation	-	3,000	-	-
	7,667	10,652	-	-
Island properties				
- at directors' valuation	8,000	-	-	-
	8,000	-	-	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO

14. PROPERTY, PLANT AND EQUIPMENT - continued

	Group		Company	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Leasehold land, improvements and buildings at cost/ deemed cost	32,597	31,495	-	-
Accumulated depreciation	(5,654)	(4,715)	-	-
	26,943	26,780	-	-
Plant and equipment - at cost/ deemed cost	159,157	84,992	1,144	963
Accumulated depreciation	(99,260)	(57,686)	(792)	(634)
Allowance for impairment	(156)	(287)	-	-
	59,741	27,019	352	329
Capital works in progress - at cost	3,825	3,894	-	-
Allowance for impairment	(81)	(167)	-	-
	3,744	3,727	-	-
	\$106,095	\$68,178	\$352	\$329

(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 2012	10,652	-	26,780	27,019	3,727	68,178
Reclassification	(3,000)	3,000	(144)	132	12	-
Additions	15	-	917	4,116	2,830	7,878
Disposals	-	-	-	(554)	(38)	(592)
Transfer to/(from) capital work in progress	-	-	-	2,759	(2,781)	(22)
Revaluation increment	-	5,000	-	-	-	5,000
Reversal/ (impairment loss)	-	-	-	112	(6)	106
Acquisitions through business combination	-	-	-	33,798	-	33,798
Effects of movements in exchange rate	-	-	-	(163)	-	(163)
Depreciation/ amortisation	-	-	(610)	(7,478)	-	(8,088)
Carrying amount at 30 June 2013	7,667	8,000	26,943	59,741	3,744	106,095

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 2012	-	-	-	329	-	329
Additions	-	-	-	182	-	182
Disposals	-	-	-	(1)	-	(1)
Depreciation/ amortisation	-	-	-	(158)	-	(158)
Carrying amount at 30 June 2013	-	-	-	352	-	352

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO

14. PROPERTY, PLANT AND EQUIPMENT - *continued*

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 2011	9,084	-	27,238	26,566	2,497	65,385
Reclassification	1,402	-	(3,334)	1,932	-	-
Additions	876	-	3,518	2,347	4,741	11,482
Disposals	(710)	-	(1,415)	(190)	(46)	(2,361)
Transfer to/(from) capital work in progress	-	-	1,178	2,120	(3,298)	-
Impairment loss	-	-	-	(287)	(167)	(454)
Depreciation/ amortisation	-	-	(405)	(5,469)	-	(5,874)
Carrying amount at 30 June 2012	10,652	-	26,780	27,019	3,727	68,178

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 2011	-	-	-	238	-	238
Additions	-	-	-	257	-	257
Disposals	-	-	-	(10)	-	(10)
Depreciation/ amortisation	-	-	-	(156)	-	(156)
Carrying amount at 30 June 2012	-	-	-	329	-	329

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

(d) The island property in Nanuya Lailai Island – Yasawa, were 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) Refer to note 24 for items charged as securities.

15. ASSETS HELD FOR SALE

Assets classified as Held for Sale consist of residential properties held by Fiji Industries Ltd and a parcel of land held by Merchant Finance & Investment Company Limited.

	Group		Company	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Assets held for sale	\$2,678	\$2,678	\$-	\$-

16. INVESTMENT PROPERTIES

Cost

Opening balance	27,138	16,084	-	-
Acquisitions	1,977	11,054	-	-
Closing balance	29,115	27,138	-	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO

16. INVESTMENT PROPERTIES - *continued*

	Group		Company	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Accumulated depreciation				
Opening balance	1,474	1,299	-	-
Depreciation charge for the year	313	175	-	-
Closing balance	1,787	1,474	-	-
Carrying amount				
Opening balance	\$25,664	\$14,785	\$-	\$-
Closing balance	\$27,328	\$25,664	\$-	\$-

Investment properties are stated at cost less accumulated depreciation.

As at 30 June 2013, the fair value of the investment properties held by FHL Properties Limited was \$30.770 million (2012: \$35.018 million) which is based on valuations carried out by independent valuers, Advance Property Consultants Limited, Rolle Associates and Professional Valuations Limited in their reports dated 13 May 2011, 16 May 2011, 17 August 2011 and 12 April 2012.

No valuation was carried out on the investment property held by RB Patel Group Limited as construction was completed in 2009 and the directors believe that the fair value of the property would not be significantly different to its carrying amount.

17. INTANGIBLES

	Group		Company	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Goodwill on consolidation	63,854	12,625	-	-
Management right	7,839	8,300	-	-
Software	25	21	-	-
F1 Audio Visual Copyright	1,151	1,151	-	-
Provision for impairment	(1,151)	(1,151)	-	-
Total intangibles	\$71,718	\$20,946	\$-	\$-
Movements during the year are as follows:				
Opening net book amount	20,946	20,925	-	-
Additions	51,233	21	-	-
Amortisation of management right	(461)	-	-	-
Total intangibles	\$71,718	\$20,946	\$-	\$-

The accounting policy on intangibles is set out in Note 2.13.

Impairment test for goodwill - FHL Retailing Limited

Goodwill 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 which is significantly above cost and therefore have concluded that goodwill is not impaired.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO

17. INTANGIBLES - continued

Impairment test for management right

A management right is considered a cash generating unit (CGU). The recoverable amount of a 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 17 years (remaining period of the initial agreement plus option period) net of management fee expense and net of income tax expense thereon.

These projections were based on financial budgets approved by management for the year ending 30 June 2014. Cashflows beyond the June 2014 period are extrapolated using the estimated growth rates.

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

The key assumptions used in the value in use calculation are as follows:

Growth rate	2%
Discount rate	10%

The weighted average growth rates are based on management's assessment. The discount rate used reflects the risk adjusted rate of return. The tests indicate there was no impairment on management right.

Management right are also being amortised over their remaining life on a straight line basis.

Impairment test for goodwill on consolidation – South Sea Cruises Limited

Given that the acquisition was consummated in the current year goodwill has been tested for impairment by management on the basis of fair value less cost to sell. Fair value was determined based on an independent valuation by PricewaterhouseCoopers.

The key assumptions used were as follows:

- Future maintainable earnings is based on management forecasts for 2014 and 2015, factors taken into account with past performance included the natural disasters that occurred in 2012 and 2013.
- After consideration of local and foreign stock exchanges and the local risk free rate of return, discounted as appropriate, a capitalisation rate of between 10% and 14% of adjusted future maintainable earnings was used to arrive an enterprise value.

Based on this assessment management have concluded that there is no impairment of goodwill. However, the valuation is sensitive to changes in key assumptions and any adverse movements in these key assumptions or the occurrence of natural disaster events would lead to a reduction in maintainable earnings and trigger impairment of the goodwill.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO

18. AVAILABLE-FOR-SALE FINANCIAL ASSETS

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

	Group		Company	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
(a) Listed/quoted securities				
- Amalgamated Telecom Holdings Ltd	2,566	700	-	700
- Fiji Television Ltd	-	1,423	1,505	1,423
- Fijian Holdings Unit Trust	4,824	4,610	4,822	4,608
- Fijian Holdings Property Trust Fund	-	10,967	-	10,967
- Pacific Green Industries Ltd	2,078	-	-	-
- RB Patel Group Limited	2,087	-	-	-
- Fiji Care Insurance	89	-	-	-
- Kontiki Growth Fund	58	-	-	-
- Communications (Fiji) Ltd	1	-	-	-
- Flour Mills of Fiji Ltd	532	545	532	545
	12,235	18,245	6,859	18,243
(b) Unlisted securities				
Shares in subsidiary companies				
- Basic Industries Ltd	-	-	7,500	8,591
- Blue Lagoon Cruises Holdings Ltd	-	-	-	12,570
- South Sea Cruises Limited	-	-	62,570	-
- Pasifika Holdings Ltd	-	-	1,832	1,832
- Yasana Holdings Limited	-	-	24,000	-
- FHL Logistics Ltd	-	-	-	729
- FHL Retailing Ltd	-	-	27,053	25,368
- FHL Stockbrokers Ltd	-	-	510	484
- Fiji Industries Ltd	-	-	7,690	9,629
- Fijian Holdings Trust Management Ltd	-	-	540	553
- FHL Properties Limited	-	-	15,600	6,486
- Merchant Finance & Investment Company Ltd	-	-	34,720	27,584
	-	-	182,015	93,826
Shares in other companies				
- Goodman Fielder International (Fiji) Ltd	2,200	1,764	2,200	1,764
- Golden Manufacturers Ltd (Note 19)	-	-	13,018	11,636
- Marsh Ltd (Note 19)	-	-	3,200	2,589
- New World Ltd	2,495	2,495	2,495	2,495
- South Pacific Stock Exchange Ltd	15	15	-	-
- Fiji Gas Company Ltd	559	-	-	-
- Asian Paints (South Pacific) Ltd	1,051	1,029	1,051	1,029
	6,320	5,303	21,964	19,513
- Other	40	40	-	-
Total investments	\$18,595	\$23,588	\$210,838	\$131,582
The split between current and non- current is as follows:				
Current	-	10,967	-	10,967
Non Current	18,595	12,621	210,838	120,615
Total investments	\$18,595	\$23,588	\$210,838	\$131,582

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO

18. AVAILABLE- FOR- SALE FINANCIAL ASSETS - continued

(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).

The table below analyses financial instruments, measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorised:

Group	Level 1	Level 2	Level 3	Total
2013	\$	\$	\$	\$
Local listed equities	12,235	-	-	12,235
Unlisted equities	-	-	6,320	6,320
Other equities	-	-	40	40
Balance as at 30 June 2013	12,235	-	6,360	18,595
2012				
Local listed equities	18,245	-	-	18,245
Unlisted equities	-	-	5,303	5,303
Other equities	-	-	40	40
Balance as at 30 June 2012	18,245	-	5,343	23,588

Fair value assets included in Level 3 are based on independent valuations conducted by PricewaterhouseCoopers utilising inputs such as maintainable dividends and net tangible assets. Capitalisation rates and multiples used are based on comparative information obtained from assessment of listed entities adjusted for local status and effect of lack of control.

During the financial year ended 30 June 2013, 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.

(d) Fair value versus carrying amounts

The fair values of financial assets and liabilities together with the carrying amounts shown in the statement of financial position are as follows:

Group	Note	Loans and receivable	Available for Sale	Other financial liabilities	Total carrying amount	Fair value
30 June 2013						
Cash and cash equivalents	8(a)	48,843	-	-	48,843	48,843
Trade and other receivables	11	133,768	-	-	133,768	133,768
Investment securities:						
- equity securities		-	18,595	-	18,595	18,595
		182,611	18,595	-	201,206	201,206
Secured bank loans		-	-	99,209	99,209	99,209
Unsecured borrowings		-	-	106,791	106,791	106,791
Trade payables		-	-	37,278	37,278	37,278
Bank overdraft		-	-	18,946	18,946	18,946
		-	-	262,224	262,224	262,224

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO

18. AVAILABLE- FOR- SALE FINANCIAL ASSETS - continued

(d) Fair value versus carrying amount - continued

Group	Note	Loans and receivable	Available for Sale	Other financial liabilities	Total carrying amount	Fair value
30 June 2012						
Cash and cash equivalents	8(a)	27,606	-	-	27,606	27,606
Trade and other receivables	11	133,144	-	-	133,144	133,144
Investment securities:						
- equity securities		-	23,588	-	23,588	23,588
		160,750	23,588	-	184,338	184,338
Secured bank loans		-	-	45,072	45,072	45,072
Unsecured borrowings		-	-	88,873	88,873	88,873
Trade payables		-	-	32,948	32,948	32,948
Bank overdraft		-	-	9,876	9,876	9,876
		-	-	176,769	176,769	176,769

19. DETAILS OF INVESTMENTS

Name of Company	Place of incorporation/ principal country of operation	Ownership interest		Dividends received by Company	
		2013 %	2012 %	2013 %	2012 %
(a) Listed/quoted securities					
Amalgamated Telecom Holdings Ltd	Fiji	-	0.2	35	20
Fiji Television Ltd	Fiji	5.3	5.3	88	120
Fijian Holdings Unit Trust	Fiji	25.2	25.2	227	340
Fijian Holdings Property Trust Fund	Fiji	-	100.0	-	268
Flour Mills of Fiji Ltd	Fiji	4.3	4.3	13	10
				363	758
(b) Unlisted securities					
Subsidiary companies:					
Basic Industries Ltd	Fiji	51.01	51.01	143	1,006
South Sea Cruises Ltd	Fiji	100.0	-	2,500	-
Blue Lagoon Cruises Holdings Ltd	Fiji	-	100.0	-	-
FHL Logistics Ltd	Fiji	100.0	100.0	-	-
FHL Retailing Ltd	Fiji	100.0	100.0	2,100	2,100
FHL Stockbrokers Ltd	Fiji	100.0	100.0	-	-
Fiji Industries Ltd	Fiji	50.1	50.1	410	934
Fijian Holdings Trust Management Ltd	Fiji	100.0	100.0	210	200
FHL Properties Ltd	Fiji	100.0	100.0	2,301	561
Yasana Holdings Limited	Fiji	100.0	-	2,000	-
Pasifika Holdings Ltd	PNG	100.0	100.0	-	-
Merchant Finance & Investment Company Ltd	Fiji	80.0	80.0	3,920	8,480
				13,584	13,281
(c) Other companies					
Asian Paints (South Pacific) Ltd	Fiji	8.9	8.9	128	213
Goodman Fielder International (Fiji) Ltd	Fiji	10.0	10.0	176	176
Golden Manufacturers Ltd	Fiji	30.0	30.0	2,100	750
Marsh Ltd	Fiji	25.0	25.0	163	513
New World Ltd	Fiji	15.4	15.4	232	123
				2,799	1,775
				\$16,746	\$15,814

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO

19. DETAILS OF INVESTMENTS - continued

- (i) On 18 July 2012, the Company sold its 100% interest in Blue Lagoon Cruises Holdings Limited to South Sea Cruises Limited (a private company domiciled in the Fiji Islands). Subsequently, the Company acquired all of the outstanding shares in South Sea Cruises Limited from Marine Tourism Holdings Limited.
- (ii) On 15 March 2013, the Company acquired 100% interest in Yasana Holdings Limited based in Fiji. Yasana Holdings Limited is an investment Company with a majority shareholding in Fiji Television Limited and Media Nuigini Limited.
- (iii) Fijian Holdings Property Trust Fund was terminated on 28 July 2013. The Trustees (Guardian Trustee Limited) facilitated the termination process.
- (iv) The names of the following companies were changed within the year:
- FHL Stockbrokers Limited (formerly known as FHL Securities Limited)
 - FHL Properties Limited (formerly known as Fijian Property Trust Company Ltd)

20. INVESTMENT IN ASSOCIATES

The Group's share of profit after tax in its equity accounted investees for the year was \$3.237 million (2012: \$2.285 million).

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 2013:

	Assets	Liabilities	Revenue	Expenses	Profit/ (loss)
	\$'000	\$'000	\$'000	\$'000	\$'000
2013	49,114	26,391	47,689	36,607	11,082
2012	43,461	20,671	44,730	36,565	7,818

Reconciliation of the carrying value of investment in associates:

	Group	
	2013	2012
	\$'000	\$'000
Opening balance	14,225	12,660
Equity accounted earnings of associates (net of tax)	3,237	2,285
Dividends from associates (Note 19C)	(2,263)	(1,263)
Other	-	543
Closing balance	\$15,199	\$14,225

21. PAYABLES

	Group		Company	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Trade creditors	16,365	15,143	-	-
Accruals and other creditors	20,913	17,805	7,992	683
	\$37,278	\$32,948	\$7,992	\$683

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO

22. EMPLOYEE ENTITLEMENTS

	Group		Company	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Current				
Annual leave	1,738	621	78	83
Bonus and gratuity	331	259	135	105
	2,069	880	213	188
Non-current				
Gratuity	25	-	12	-
Long service leave	179	70	-	-
	204	70	12	-
	2,273	950	225	188

23. PROVISIONS

	Group		Company	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Dividends	1,667	513	-	-

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

24. BORROWINGS

	Group		Company	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Current				
Bank overdrafts				
Secured (Note 8)	18,946	9,876	-	-
Term loans				
Secured	38,828	25,180	29,617	20,267
Fixed term deposits and short term borrowings (Unsecured)	77,318	66,154	13,500	3,150
	\$135,092	\$101,210	\$43,117	\$23,417
Non-current				
Term loans				
Secured	60,381	19,892	32,315	-
Fixed term deposits and short term borrowings (Unsecured)	29,473	22,719	-	-
	\$89,854	\$42,611	\$ 32,315	\$-
TOTAL	\$224,946	\$143,821	\$ 75,432	\$23,417

- (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 facility with Westpac Banking Corporation of RB Patel Limited is secured by 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 \$6 million each, and registered first mortgage over CL 718652 and NL 15761.

The overdrafts bear varying interest rates ranging from 4.5% to 6% per annum.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO

24. BORROWINGS - continued

(b) Term loans of the group companies are secured as follows:

- (i) Fijian Holdings Limited – the loan with ANZ Bank is secured by Scrip Lien over shares in Yasana Holdings Limited, Basic Industries Limited, RB Patel Group Limited, Merchant Finance & Investments Company Limited, South Sea Cruises Limited and Golden Manufacturers Limited, and Scrip Lien for stamp duty purposes stamped to \$50m.
- (ii) FHL Properties Limited: \$8.791 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), and first registered mortgage over CT 4098 (Ratu Sukuna House).
- (iii) Fiji Industries Ltd: \$2.357 million – the loan with ANZ Bank is secured by a first registered mortgage debenture over all the company's assets and undertakings.
- (iv) Basic Industries Ltd: \$2.632 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 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 Bands issued by ANZ.
- (v) RB Patel Group Ltd: \$9.333 million – the loan with ANZ Bank is secured by a first registered mortgage debenture over all its present and future assets and undertakings (including goodwill) and its uncalled and unpaid capital, first registered mortgages over CT 23400, CT 7082, CL 53120, CT 39150 and CT 34330, a deed of Pari Passu between the ANZ Bank, Westpac Bank and the Company regarding sharing of securities in the ratio 50/50 with maximum debt of \$6 million each.
- (vi) FHL Logistics Ltd: \$0.207 million – the loan with ANZ Bank is secured by the first registered mortgage debenture over all the assets and undertakings of the Company and guarantee limited to \$1 million given by FHL.
- (vii) South Sea Cruises Ltd: \$13.417 million – the loan with ANZ Bank is secured by a first registered mortgage debenture over all 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).

(c) Fixed term deposits and short term borrowings are related to customer deposits with Merchant Finance & Investment Company Ltd and Fijian Holdings Unit Trust.

25. SHARE CAPITAL

	Group		Company	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO

26. 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.

Associates equity reserve

Associates equity reserve relates to employee equity settled benefit reserve held by an associated company.

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 Yasana by the Company 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 Yasana is taken to a common control reserve. Upon disposal of all interests in Yasana by the Group, this reserve would be transferred to retained earnings.

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

26. RESERVES

	Asset Revaluation Reserve \$'000	Credit loss Reserves \$'000	Common Control Reserve \$'000	Available for sale Reserve \$'000	Foreign Currency Translation Reserve \$'000	Associate Equity Reserve \$'000	Total \$'000
(a) Group							
Balance at 30 June 2011	-	2,255	-	(2,733)	(138)	(13)	(629)
Foreign currency movement	-	-	-	-	(139)	-	(139)
Reclassification (to)/from retained earnings	2,025	(450)	-	-	-	-	1,575
Reclassification of amounts to profit or loss	-	-	-	360	-	-	360
Tax on revaluation	(289)	-	-	-	-	-	(289)
Fair value movements	-	-	-	2,817	-	-	2,817
Balance at 30 June 2012	1,736	1,805	-	444	(277)	(13)	3,695
Foreign currency movement	-	-	-	-	(1,665)	-	(1,665)
Reclassification (to)/ from retained earnings	-	-	-	1,932	-	-	1,932
Acquisition of subsidiary	-	-	9,926	-	-	-	9,926
Tax on revaluation	(500)	-	-	-	-	-	(500)
Fair value movements	4,663	-	-	(757)	-	-	3,906
Balance at 30 June 2013	5,899	1,805	9,926	1,619	(1,942)	(13)	17,294
(b) Company							
Balance at 30 June 2011	-	-	-	49,923	-	-	49,923
Reclassification of amounts to profit or loss	-	-	-	360	-	-	360
Fair value movements	-	-	-	(10,753)	-	-	(10,753)
Balance at 30 June 2012	-	-	-	39,530	-	-	39,530
Reclassification of amounts to profit or loss	-	-	-	-	-	-	-
Fair value movements	-	-	-	15,489	-	-	15,489
Balance at 30 June 2013	-	-	-	55,019	-	-	55,019

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

27. 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	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Not later than 1 year	8,145	1,770	-	41
Later than 1 year but not later than 5 years	17,216	4,572	-	-
Later than 5 years	24,685	5,001	-	-
	\$50,046	\$11,343	\$-	\$41

The subsidiary company, Fiji Television Limited entered into a new satellite services agreement. 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	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Not later than 1 year	3,417	3,927	-	-
Later than 1 year but not later than 5 years	3,574	3,153	-	-
Later than 5 years	61	255	-	-
	\$7,052	\$7,335	\$-	\$-

28. EARNINGS PER SHARE

The calculation of earnings per share at 30 June 2013 was based on the profit attributable to ordinary shareholders of \$9,848,000 (2012: \$9,935,000) and a weighted average number of ordinary shares outstanding of 30,465,000 (2012: 30,465,000), calculated as follows:

	Group	
	2013 \$'000	2012 \$'000
Profit after income tax attributable to members of the holding company	\$9,848	\$9,935
Weighted average number of shares outstanding	30,465	30,465
Basic and diluted earnings per share (cents)	\$0.32	\$0.33

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO

29. CONTINGENT LIABILITIES

	Group		Company	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Non performance guarantees given by the bank on behalf of subsidiary companies	4,457	3,884	483	483
Limited guarantees provided by the holding company to the bank on behalf of: - subsidiary and related party	604	604	-	-

In the opinion of the directors, no loss is anticipated in respect of the above contingent liabilities.

The company has also provided letters of support to three of its subsidiaries, Blue Lagoon Cruises Limited, Pasifika Holdings 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.

30. CAPITAL COMMITMENTS

	Group		Company	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Commitments for capital expenditure not provided for in the financial statements are as follows:				
Approved but not contracted	2,290	3,314	-	-
Approved and contracted	4,580	13,406	-	-

31. 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
Padam Lala	Ulaiyasi Baya
Mere Samisoni - resigned 30 July 2013	Ratu Samu Nawalowalo
Filimoni Waqabaca	Viliame Gavoka
Aseri Radrodoro - appointed 18 July 2012	

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 19. The Group also has related party transactions within the Group which are eliminated upon consolidation.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO

31. RELATED PARTY INFORMATION - continued

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.

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:

Company	
Name	Title
Nouzab Fareed	Acting Chief Executive Officer from 1 February 2011 to 30 April 2013 and Chief Executive Officer from 1 May 2013
Tevita Gonelevu	Manager Investment and Strategy
Joel Mastapha	Group Manager Finance
Serai Roxburgh	Manager Human Resources

The aggregate compensation of the key management personnel of the Company comprising only short-term benefits amounted to \$0.584 million (2012: \$0.552 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	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Merchant Finance & Investment Company Ltd	-	-	96	96
FHL Retailing Ltd	-	-	600	600
Fijian Holdings Trust Management Ltd	-	-	85	144
FHL Properties Ltd	-	-	360	360
FHL Stokebrokers Ltd	-	-	5	5
Fiji Industries Limited	-	-	27	-
Basic Industries Limited	-	-	63	-
Yasana Holdings Limited	-	-	8	-

Dividend income

The dividends received during the year has been disclosed in Note 19.

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

31. RELATED PARTY INFORMATION - *continued*

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	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
iTaukei Affairs Board	859	1,374	859	1,374
Golden Manufacturers Ltd	-	104	-	104
Blue Lagoon Cruises Ltd	-	-	424	427
FHL Retailing Ltd	-	-	421	430
FHL Logistics Ltd	-	-	31	309
FHL Properties Limited	-	-	313	-
South Sea Cruises Limited	-	-	7	-
Pasifika Holdings Limited	-	-	5	-

Amounts receivables from related parties

During the year, the Company also advanced loans to its subsidiary companies. The loans are unsecured and based on agreements. Amounts receivable from related parties as at reporting date is as follows:

Loans receivable

iTaukei Affairs Board	-	16,707	-	16,707
FHL Properties Limited	-	-	4,000	-
Blue Lagoon Cruises Ltd	-	-	6,639	6,852
FHL Logistics Ltd	-	-	2,730	1,720
FHL Retailing Ltd	-	-	6,434	6,600

Other receivables

Basic Industries Ltd	-	-	1,331	1,103
Blue Lagoon Cruises Ltd	-	-	-	-
FHL Logistics Ltd	-	-	13	638
FHL Retailing Ltd	-	-	70	201
Fiji Industries Ltd	-	-	211	14
Fijian Holdings Trust Management Ltd	-	-	227	200
FHL Properties Ltd	-	-	123	551
Fiji Television Limited	-	-	49	-
South Sea Crusies Limited	-	-	2,513	-
Marsh Ltd	-	-	163	238
Merchant Finance & Investment Company Ltd	-	-	2,350	1,925
Pasifika Holdings Ltd	-	-	-	1,349
RB Patel	-	-	13	-

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

32. Segment Information

Primary Reporting - Business Segments

	Construction	Property	Finance	Tourism	Media	Retail	Investment	Other	Inter Segment	2013 TOTAL Group \$'000
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
External										
Operating Revenue										
Revenue										
Sale of goods	65,062	-	-	-	-	100,258	-	-	(8,637)	156,683
Rental and property management	-	3,166	-	-	-	-	-	-	(489)	2,677
Rendering of services	-	-	-	32,174	10,665	-	-	3,297	(235)	45,901
Net interest income	-	-	14,358	-	-	-	-	-	(1,354)	13,004
Other	-	-	-	-	-	-	17,349	6,524	(21,671)	2,202
Total operating revenue/ net interest income										220,467
Result										
Profit/(loss) before income tax	(3,623)	540	9,083	2,061	1,186	6,364	13,262	1,276	(11,983)	18,166
Depreciation and amortisation expense	(2,809)	(397)	(429)	(1,940)	(973)	(1,065)	(158)	(1,028)	-	(8,799)
Acquisition of property, plant and equipment	2,840	67	723	1,592	1,512	854	182	108	-	7,878
Total assets	54,307	22,417	142,124	50,369	59,882	50,500	250,699	58,991	(213,502)	475,787
Total liabilities	21,983	17,723	108,108	36,691	10,808	27,065	83,763	12,136	(44,889)	273,388

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO

32. Segment Information - continued

Primary Reporting - Business Segments

	Construction	Property	Finance	Tourism	Media	Retail	Investment	Other	Inter Segment	2013 TOTAL Group \$'000
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
External Operating Revenue										
Sale of goods	66,353	-	-	-	-	93,678	-	-	(5,187)	154,844
Rental and property management	-	2,086	-	-	-	-	-	-	-	2,086
Rendering of services	-	-	-	4,372	-	-	-	-	-	4,372
Net interest income	-	-	11,195	-	-	-	-	-	45	11,240
Other	-	-	-	-	-	-	17,897	8,535	(21,782)	4,650
Total operating revenue/ net interest income										177,192
Result										
Profit/(loss) before income tax	2,215	675	8,403	(2,426)	-	5,671	9,446	251	(7,628)	16,607
Depreciation and amortisation expense	2,776	224	325	970	-	992	158	130	-	5,575
Acquisition of property, plant and equipment	4,385	345	287	38	-	5,462	257	40	-	10,814
Total assets	59,775	25,991	124,009	19,054	-	48,801	172,218	57,544	(146,130)	361,262
Total liabilities	26,047	19,435	92,324	10,493	-	27,982	24,325	11,806	(27,096)	185,316

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 investment in a company 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 brokering, management services and the provision of shipping, customs, transportation and commercial waste disposal services.

The Group operates in Fiji and in PNG with the PNG operations not being material to separate segment disclosures.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO

33. EVENTS SUBSEQUENT TO BALANCE DATE

On 1 August 2013, the Group changed the name of its subsidiary company, Yasana Holdings Limited to FHL Media Limited. The name change was undertaken to promote the alignment of the FHL Group subsidiaries and better reflect the core business activities and new strategies the Group has adopted to grow the Company.

Other than the above-mentioned, 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

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 2013 included**

	Beneficially		Non-beneficially	
	Additions	Holding	Additions	Holding
Colonel Apakuki Kurusiga	-	-	-	10,760,977
Viliame Gavoka	-	-	-	67,500
Ratu Samu Nawalowalo	-	-	-	10,000,000

b) **Distribution of Shareholding**

Holding	No. of Holders	% Holding
Less than 500 shares	223	0.31%
501 to 5,000 shares	674	3.53%
5,001 to 10,000 shares	54	1.22%
10,001 to 20,000 shares	53	2.61%
20,001 to 30,000 shares	13	1.01%
30,001 to 40,000 shares	15	1.61%
40,001 to 50,000 shares	12	1.87%
50,001 to 100,000 shares	29	7.45%
100,001 to 1,000,000 shares	14	11.97%
Over 1,000,000 shares	2	68.42%
Total	1,089	100%

SOUTH PACIFIC STOCK EXCHANGE LISTING REQUIREMENTS

TUKUTUKU E VINAKATI MAI NA SOUTH PACIFIC STOCK EXCHANGE

c) **Top 20 shareholders**

	Name	No. of shares
1	iTaukei Affairs Board	10,760,977
2	iTaukei Trust Fund Board	10,000,000
3	iTaukei Land Trust Board	859,666
4	Cakaudrove Provincial Holdings Company Limited	400,000
	Cicia Plantation Co-op Soc Ltd	400,000
5	Ratu Sir K Mara Education Trust Fund	300,000
	Tailevu Dairy Farmers Co-op	300,000
6	Macuata Provincial Council	203,614
7	Mavana Investment Ltd	200,000
	Mualevu Tikina Holdings Ltd	200,000
8	Vanua Ko Lovoni Investment Ltd	179,805
9	Duavata Holdings Limited	141,000
10	Bua Provincial Council	137,102
11	Malomalo Tikina Holdings Ltd	107,111
12	Mualevu Koro Invest Co Ltd	102,132
13	Moala Tikina Council	101,005
14	Sakuisa & Anaseini Raivoce	100,000
	Kiri Verewale Richmond	100,000
	Nasoqo Farming Enterprises Ltd	100,000
	Naqarani Holdings Ltd	100,000
	Nabukebuke Holdings Limited	100,000
	Munia Holdings Ltd	100,000
	Dogotuki Tikina Council	100,000
15	Vatulele Island Holdings Limited	97,990
16	Serua Provincial Council	97,102
17	Rewa Provincial Council	93,601
18	Vukicea Investments Limited	90,000
19	Mataqali Natabutale	84,743
20	Tailevu Provincial Holdings Company Ltd	83,182

SOUTH PACIFIC STOCK EXCHANGE LISTING REQUIREMENTS

TUKUTUKU E VINAKATI MAI NA SOUTH PACIFIC STOCK EXCHANGE

d) Share price details:

Highest share price during the year was \$3.10.

Lowest share price during the year was \$2.78.

Share price at year end was \$3.10

e) Attendance at Board Meetings:

Name	No of meeting	No attended
Iowane Naiveli	11	10
Colonel Apakuki Kurusiga	11	10
Padam Lala	11	4
Ulaiyasi Baya	11	9
Mere Samisoni	11	11
Ratu Samu Nawalowalo	11	10
Filimoni Waqabaca	11	5
Viliame Gavoka	11	10
Aseri Radrodoro	8	8

f) Share register

Fijian Holdings Trust Management Limited

Ground Floor

Ra Marama

91 Gordon Street

Suva

Fiji

Company Secretary – Elenoa Lalabalavu

SOUTH PACIFIC STOCK EXCHANGE LISTING REQUIREMENTS

TUKUTUKU E VINAKATI MAI NA SOUTH PACIFIC STOCK EXCHANGE

g) Disclosure under Section 6.31 (iii)

	FHL Properties Ltd	FHL Stockbrokers Ltd	Basic Industries Ltd	Fiji Industries Ltd	Merchant Finance & Investment Co. Ltd
	\$'000	\$'000	\$'000	\$'000	\$'000
Turnover	3,166	259	31,771	30,285	14,358
Other income	228	30	2,699	127	1,986
	3,394	289	34,470	30,412	16,344
Depreciation	(397)	(11)	(1,737)	(965)	(429)
Interest income/(expense)	(702)	14	(524)	(234)	-
Other expenses	(1,755)	(219)	(35,044)	(28,756)	(6,832)
Income tax expense	(100)	10	826	(501)	(1,851)
Profit after tax	440	83	(2,009)	(44)	7,232
Assets	22,417	707	29,498	22,448	142,124
Liabilities	(17,723)	(114)	(13,168)	(7,903)	(108,108)
Shareholders' funds	(4,694)	(593)	(16,330)	(14,545)	(34,016)

	Fiji Holdings Trust Management Ltd	Pasifika Holdings Ltd	FHL Logistics Ltd	South Sea Cruises Ltd	FHL Retailing Ltd	Yasana Holdings Ltd
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Turnover	1,112	3,006	3,297	32,174	105,411	10,027
Other income	40	217	94	490	1,971	5,598
	1,152	3,223	3,391	32,664	107,382	15,625
Depreciation	(44)	(107)	(513)	(1,940)	(1,526)	(973)
Interest income/(expense)	19	-	(132)	(1,646)	(1,346)	444
Other expenses	(819)	(4,361)	(4,042)	(27,023)	(95,951)	(10,536)
Income tax expense	(57)	-	-	(1,610)	(1,132)	(517)
Profit/(loss) after tax	251	(1,245)	(1,296)	445	7,427	4,043
Assets	946	2,361	1,842	62,950	93,415	59,882
Liabilities	(406)	(911)	(4,636)	(36,696)	(34,040)	(10,808)
Shareholders' funds	(540)	(1,450)	2,794	(26,254)	(59,375)	(49,074)

BOARD MEETING RECORD

NAI WILIWILI NI DAIREKETA ERA VAKAITAVI ENA BOSE NI KABANI COKOVATA

Director/Date	4-Jul -12	9-Jul -12	18-Jul -12	16-Aug -12	26-Sep -12	30-Oct -12	21-Nov -12	29-Jan -13	27-Feb -13	14-Mar -13	30-May -13
Iowane Naiveli	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆
Apakuki Kurusiga	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆
Padam Lala	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆
Ulaiyasi Baya	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆
Viliame Gavoka	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆
Ratu Samuela Nawalowalo	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆
Fiilimoni Waqabaca	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆
Mere Samisoni	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆
Aseri Radrodro				◆	◆	◆	◆	◆	◆	◆	◆

◆ attended ◆ apologies



**FIJIAN
HOLDINGS
LIMITED**

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 Twenty Eighth Annual General Meeting of Fijian Holdings Limited to be held on 29th October 2013

(please select appropriate section)

A Shareholder Signature

Witness Name & Signature

Signed this day of 2013

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 2013

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



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